City of Caldwell

Proposed additional 1% sales tax | Election: November 3, 2026

The proposal: An additional 1% city sales tax to finance capital improvements. The ballot identifies public safety facilities, including the fire station; street construction, reconstruction and repair; municipal buildings; parks and recreation; and other public infrastructure.

Timing: If approved, collection is planned to begin April 1, 2027. The ballot requires the tax to end **10 years after its first imposition**.

What does another 1% cost? One additional penny per dollar of a taxable purchase, before tax.

Taxable purchase	Added tax
$5	$0.05
$10	$0.10
$25	$0.25
$50	$0.50
$100	$1.00
$250	$2.50
$500	$5.00
$1,000	$10.00

How will priorities be chosen? Public comments and survey responses will play a central role in shaping how revenue is allocated. The Governing Body will consider those views alongside project needs and costs, within the purposes authorized by the ballot.

What happens next? Please complete the community survey. If the measure passes, additional public sessions are planned, and a shorter follow-up survey may be offered. This packet does not establish a final project list or spending allocation.

Packet order: Ballot wording; sales and use tax figures; alcohol taxes; 2025 General Fund receipts and expenditures; 2027 budget charts; street examples; fire-station project; survey snapshot and next steps.

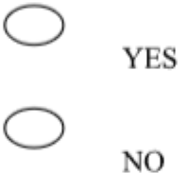
The Ballot Question

Exact wording from the supplied ballot image

TO VOTE IN FAVOR OF ANY QUESTION SUBMITTED ON THIS BALLOT, PRESS THE WORD "YES" ON THE VOTING MACHINE OR COMPLETELY DARKEN THE OVAL TO THE LEFT OF THE WORD "YES" ON THE PAPER BALLOT. TO VOTE AGAINST IT, PRESS THE WORD "NO" ON THE VOTING MACHINE OR COMPLETELY DARKEN THE OVAL TO THE LEFT OF THE WORD "NO" ON THE PAPER BALLOT.

SHALL THE FOLLOWING BE ADOPTED?

SHALL THE CITY OF CALDWELL, KANSAS, IMPOSE A ONE PERCENT (1.00%) CITYWIDE RETAILERS' SALES TAX FOR THE PURPOSE OF FINANCING CAPITAL IMPROVEMENTS, INCLUDING BUT NOT LIMITED TO THE EXPANSION AND IMPROVEMENT OF PUBLIC SAFETY FACILITIES, INCLUDING THE FIRE STATION, STREET CONSTRUCTION, RECONSTRUCTION AND REPAIR, MUNICIPAL BUILDINGS AND FACILITIES, PARKS AND RECREATIONAL FACILITIES, AND OTHER PUBLIC INFRASTRUCTURE IMPROVEMENTS, THE IMPOSITION OF SUCH TAX TO TERMINATE 10 YEARS FROM THE DATE OF FIRST IMPOSITION?



What this establishes: A 1% tax for capital improvements with a 10-year sunset. Project selection and financing details would require additional decisions. Private incentives and stand-alone demolition assistance should receive City Attorney review before being represented as eligible uses.

Source: ballot image supplied by the City. The planned April 2027 start date comes from City information provided for this handout.

Sales & Use Tax

What the reported collections show

2024 & 2025 full years • January-June 2026

EXISTING 1% CITY TAX

$151,734

Total city collections in 2025

2026 THROUGH JUNE

$73,236

Six months of city collections

Tax collections associated with Caldwell

Each row combines sales tax and use tax reported in the spreadsheet. City, county and state amounts are separate tax collections.

Tax jurisdiction	2024 Full year	2025 Full year	2026 Jan-June
City of Caldwell (1%)	**$147,520**	**$151,734**	**$73,236**
Sumner County (1%)	$147,523	$151,736	$73,237
State of Kansas (6.5%)*	$755,571	$726,780	$345,448

Reading the table: Only the City of Caldwell row represents the city tax shown in this workbook. The county row reflects county tax collections associated with Caldwell, not an additional amount paid directly to the City.

Taxable sales & purchases behind the city tax

2024 full year	2025 full year	2026 January-June
$14,751,996	**$15,173,408**	**$7,323,603**

These are the combined taxable sales and use-tax purchase amounts in the City worksheet, before tax. **$15,173,408 x 1% = $151,734.08** in 2025 city tax. They are not total business revenue; exempt transactions are not included.

How the state portion works: Kansas generally applies 6.5% to its taxable base. That base differs from the local base, so multiplying the totals above by 6.5% will not reproduce the state figures. Qualifying food was taxed by the state at 2% in 2024 and 0% beginning in 2025; local taxes still apply.

Proposed 1% Sales Tax

Frequently asked questions | Alcohol taxes and local revenue

Does every alcohol purchase generate the same tax?

No. The tax depends on the seller's license and how the product is sold. Retail sales tax, liquor enforcement tax and liquor drink tax are different taxes.

Beer from grocery or convenience stores: what applies?

Beer sold for off-premise consumption under a cereal malt beverage (CMB) license is subject to the regular non-food sales tax: **8.5% in Caldwell**, including the City's existing 1% portion. If the additional city tax passes and takes effect, the combined rate would be 9.5%. Beer sold under a CMB-only on-premise license also follows retail sales-tax rules.

Alcohol from a retail liquor store: what applies?

Alcoholic liquor, including beer, sold by a licensed retail liquor store is subject to the **8% state liquor enforcement tax**. Caldwell receives no regular local-government share of this tax. Other sales-taxable goods sold by the store can generate city sales tax.

Drinks at licensed bars and restaurants: what applies?

Alcoholic liquor sold for on-premise consumption by clubs and drinking establishments is subject to the **10% liquor drink tax**. Under the ordinary distribution formula, 30% stays with the state and 70% is distributed to local governments.

How is the liquor drink tax distributed?

Collection location	State share	City share	County share
City over 6,000 population	30%	70%	0%
City 6,000 or less (Caldwell)	30%	46 2/3%	23 1/3%
Outside city limits	30%	0%	70%

Caldwell's share: Half goes to the General Fund and half to Special Parks & Recreation. Larger cities divide their share equally among general, parks/recreation, and alcohol/drug program funds. Counties divide the share from outside city limits equally among those three fund types; the county share from small-city collections goes to its alcohol/drug program fund.

What would the proposed 1% change? It would increase sales-taxable purchases, including beer sold under a CMB license. It would not increase the separate 8% liquor enforcement or 10% liquor drink tax. These liquor-tax revenues are separate from the sales and use tax totals shown on page 1.

Sources: Kansas DOR, ksrevenue.gov/faqs-liqtax.html and abchbcmb.html; K.S.A. 79-41a04 and 79-4108. Distribution table shows the ordinary statutory formula; special statutory exceptions may apply elsewhere.

2025 General Fund

Actual receipts and expenditures

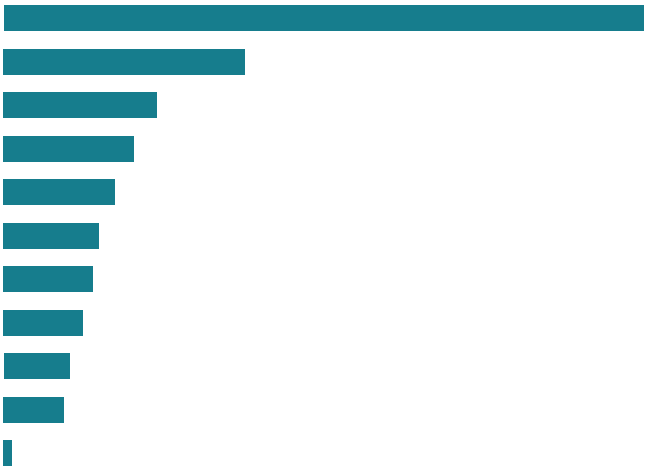
Total receipts	$1,052,038
Total expenditures	$1,086,638

$34,600 more spent than received

Unencumbered cash: $114,708 beginning > $80,108 year-end

WHERE RECEIPTS CAME FROM

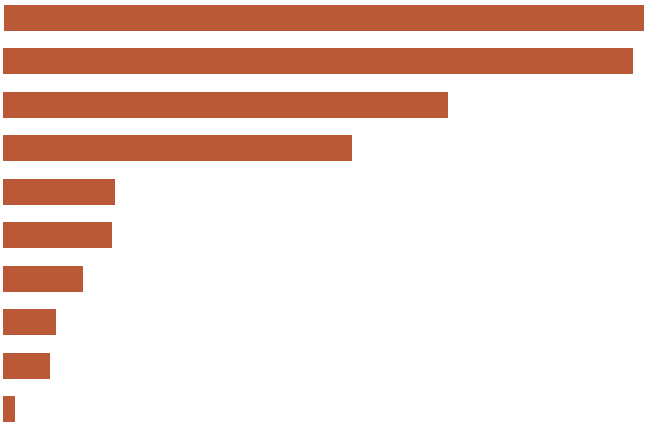
Total: $1,052,038



Property taxes	$401,548
Sales & use taxes	$151,692
Franchise taxes	$96,474
Other receipts	$82,037
Utility benefit reimbursements	$70,000
Utility fund transfers	$60,000
Bond proceeds	$56,041
Fire contracts & runs	$49,692
Payments in lieu of taxes (IRB)	$41,389
Vehicle-related taxes	$37,709
Cemetery endowment transfer	$5,456

WHAT THE GENERAL FUND PAID FOR

Total: $1,086,638



Police	$281,391
Public Works	$276,725
Employee benefits	$195,421
Administration	$153,191
Fire	$48,946
Swimming pool	$47,542
Equipment reserve transfer	$35,000
Capital outlay	$23,112
Community Building	$20,310
Capital improvement transfer	$5,000

Bond proceeds are borrowed funds, not recurring revenue. Property taxes include current and delinquent collections. Utility reimbursements help pay benefits.
Other receipts include smaller sources, net of the revitalization rebate.
Expenditures include $40,000 moved to equipment reserve and capital funds.

Source: supplied 2027 City budget, General Fund pages 7-7c.
2025 actual figures. General Fund only; utility operating expenses are in separate funds.

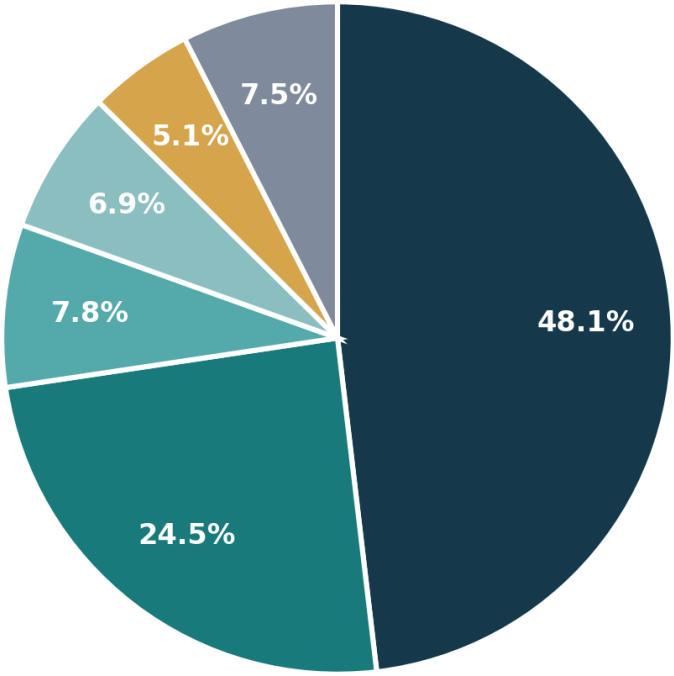
2027 Budget at a Glance

Where the budget dollars go

$2,498,511

Total budgeted expenditures

Across the funds in the supplied budget



- **General Fund** — $1,202,647 | 48.1%
- **Water** — $612,295 | 24.5%
- **Sewer** — $195,709 | 7.8%
- **Trash / solid waste** — $173,000 | 6.9%
- **Streets & stormwater** — $127,000 | 5.1%
- **Other funds** — $187,860 | 7.5%

The General Fund supports everyday city services. Water, sewer and trash have separate budgets. Streets & stormwater includes Special Highway; other funds include debt service, library, land bank and smaller programs.

Inside the General Fund: $1,202,647

What it supports	Budgeted amount
Police & fire	$330,274
Public Works	$296,357
Employee benefits	$251,005
Administration	$165,102
Swimming pool & Community Building	$76,909
Capital outlay & equipment reserve transfer	$83,000

What these costs cover: Staff, health benefits, utilities, insurance, supplies, equipment and maintenance. Employee benefits are shown separately and include costs reimbursed by water and sewer.

Reading the total: Includes $253,000 moved between funds. The budget lists net expenditures of $2,245,511 after subtracting those transfers. These are 2027 budget amounts, not actual spending.

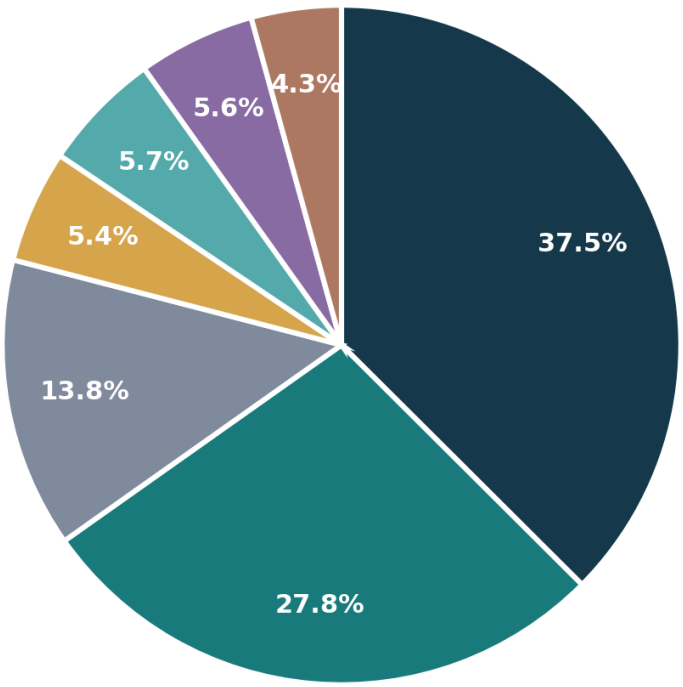
What the Budget Pays For

A look at expense types across city funds

$2,498,511

Total budgeted expenditures

Includes internal fund movements



- Staffing & benefits **$935,941 | 37.5%**
- Operations & projects **$693,490 | 27.8%**
- Transfers, reimbursements & reserve **$345,250 | 13.8%**
- Equipment & capital purchases **$134,500 | 5.4%**
- Utilities & fuel **$142,600 | 5.7%**
- Debt principal & interest **$139,530 | 5.6%**
- Property / liability insurance **$107,200 | 4.3%**

What is included?

Staffing & benefits: Wages, payroll taxes, KPERS, health benefits and firefighter fees.

Operations & projects: Service contracts, supplies, repairs, materials, professional services, library funding and community projects.

Equipment & capital purchases: Items specifically listed as new equipment, capital outlay or capital improvements.

Utilities & fuel: Electricity and other utility bills, street lighting, and vehicle fuel.

Debt payments & insurance: Explicit loan principal/interest lines, plus property and liability coverage. Health insurance is in benefits.

Internal movements: $233,000 in budgeted fund transfers, $102,250 in water/sewer benefit reimbursements and a $10,000 debt-service cash reserve. These are shown separately from direct expense categories.

Chart totals match the budget's gross expenditures. The summary separately lists $2,245,511 in net expenditures after its $253,000 transfer adjustment. Categories regroup the supplied budget lines; operations & projects contains the remaining lines. Embedded lease payments are not separately identified. Budget figures are not actual spending.

What could street work cost?

Six local examples show how the treatment and size of a street area affect its estimated cost. These are examples only; the source does not identify an approved project list.

Three options in the contractor proposal

Treatment	Scope listed in proposal	Price per sq. ft.
Chip & seal	Two coats	$1.30
Asphalt overlay	2-inch asphalt overlay	$1.85
Full-depth paving	Complete removal / full depth	$3.50

Estimated costs by street area

Amounts below are calculated using the listed square footage and contractor rates.

Street area	Sq. ft.	Chip & seal	2-inch overlay	Full-depth paving
Market St. 1st to 2nd St.	13,320	$17,316	$24,642	$46,620
E. 1st St. S. Chisholm to S. Arapahoe	19,800	$25,740	$36,630	$69,300
N. Chisholm St. E. Central Ave. to E. Ave. A	10,800	$14,040	$19,980	$37,800
W. Central Ave. N. Boyd to N. Young St.	11,400	$14,820	$21,090	$39,900
N. St. Mary's St. W. Ave. A to W. Ave. C	19,500	$25,350	$36,075	$68,250
N. Osage / school area W. Ave. A to north crosswalk by grade school; both sides of one-way and two inlet streets	62,000	$80,600	$114,700	$217,000

How to read these figures: The three treatment columns are alternatives, not costs to add together. The proposal provides unit prices and leaves the total blank. Final treatment, scope and project cost would need to be confirmed.

Calculation note: Costs equal square footage multiplied by the price per square foot. N. St. Mary’s overlay and all three N. Osage costs have been corrected using the areas listed in the source: 19,500 and 62,000 sq. ft., respectively. Confirm measured areas before final project pricing.

Source: Asphalt Estimated Current Day Cost.pdf, pages 1-3; Holland Paving proposal no. 2026-10-412. The proposal is dated October 8, 2026, one day after this town hall; confirm the date with the contractor.

Fire-Station Project

Addition to the existing downtown station

The concept: Keep the existing station and expand onto the adjacent vacant property to the west. BG Consultants identifies this as the recommended alternative in the supplied preliminary report.

Proposed features

- Enclosed bays for larger modern fire and emergency vehicles.
- Improved storage and operational support areas.
- An accessible restroom and staff facilities.
- An office and dedicated training / community meeting space.

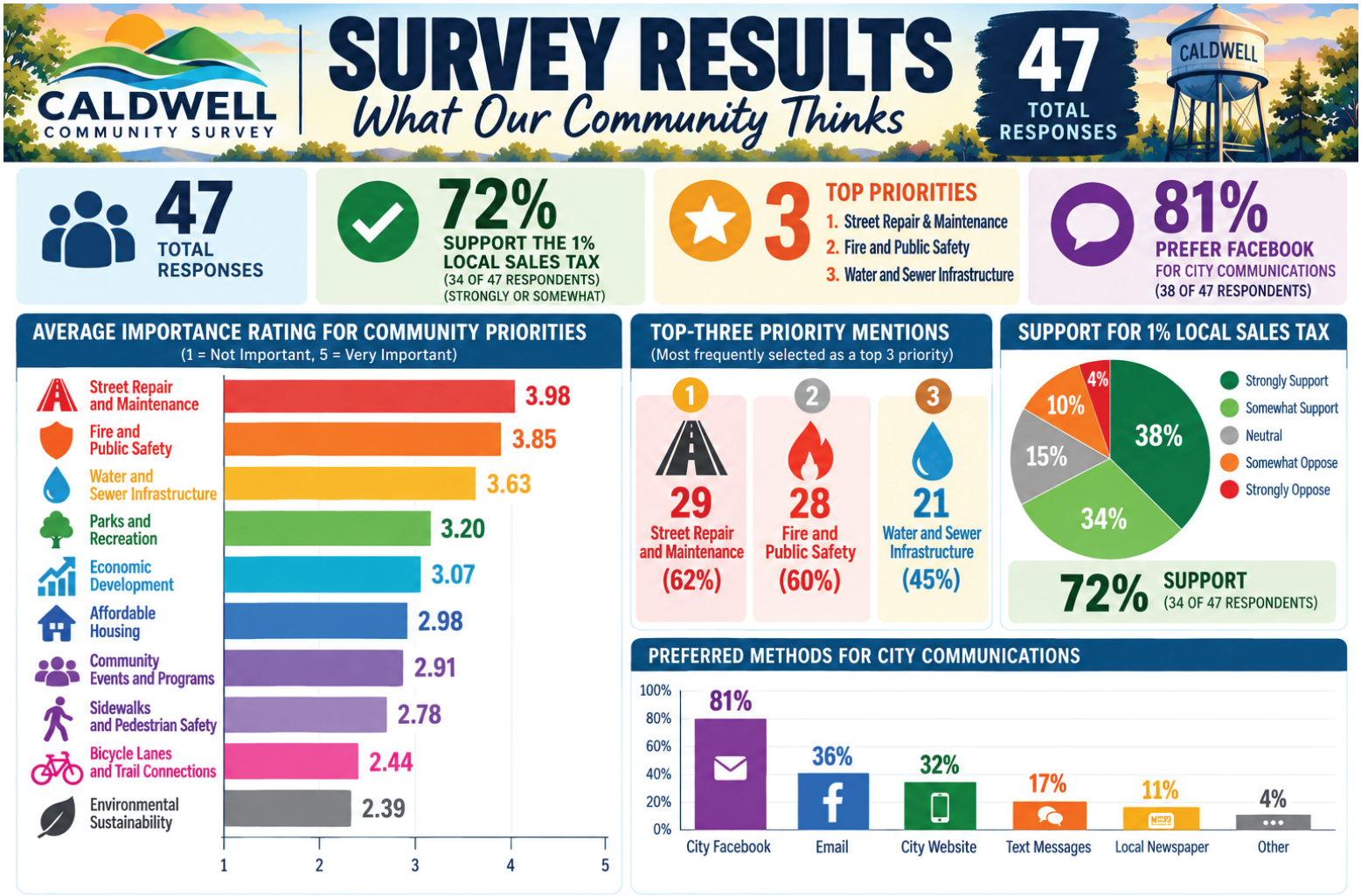
Why expand? The report describes reducing remote storage and weather exposure while retaining the downtown location and existing infrastructure. It also notes that some limitations of the original building would remain.

Project planning: The City has a final design and current-year project costs available for review.

Source: BG Consultants, Preliminary Architectural Feasibility Report, supplied pages 8-9. Image reproduced from the supplied report.

Your Input Matters

A snapshot of the supplied survey summary



How to read the snapshot: The supplied summary reflects 47 responses. It is a snapshot of participating respondents, not a prediction of the election or a survey of every resident. More responses may change the results.

Share your priorities. Please complete the current community survey and provide comments. If the measure passes, the Governing Body plans additional public sessions and may offer a shorter follow-up survey to focus project discussions.

What would help you evaluate the options? Consider which improvements matter most, the cost of each project, the expected benefit and the timing. Public input will guide priorities within the voter-approved purposes.

Sources: supplied Caldwell Community Survey summary image and City information. Project concepts and estimates in this packet are for discussion; they are not an approved spending allocation.

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