



Moundridge, Kansas
Where Community is a Way of Life

City of Moundridge
225 S Christian Ave ~ PO Box 636
Moundridge, Ks 67107-0636

Proponent Testimony Provided to the
House Financial Institutions and Rural Development Committee
March 3, 2021

Murray McGee, City Administrator
Moundridge, Kansas

In Support of House Bill 2429

Mr. Chairman, Vice-Chair and Ranking Member,

The City of Moundridge strongly supports House Bill 2429. The legislation would provide an urgently needed tool for many municipal utilities to respond to the significant financial strain caused by the February extreme winter weather event.

We are dealing with the aftermath of the unprecedented spike in natural gas prices during the period of February 12th through the 18th. Prices jumped from about \$3 per unit to over \$622 per unit putting our City and our residents in a crippling position financially. Our natural gas buyer has indicated the City's bill for the month of February could be close to \$1.9 million because of this event. Our budget to purchase natural gas for the entire year is \$315,000. We do not have enough cash reserves to come close to paying a \$1.9 million invoice. We are also extremely concerned by the financial hardship this will create for our businesses and residents.

Having access to a Low-Interest Loan Program as proposed in HB2429 would give us a chance to borrow from the state to cover the extraordinary natural gas bill we are facing. In turn we can spread the costs for this one-time event out over a 10-year period to ease the impact on our businesses and residents.

We respectfully request your support for HB 2429.

Sincerely,

A handwritten signature in blue ink that reads "Murray McGee".

Murray McGee
City Administrator