LINDSBORG CITY COUNCIL Lindsborg City Hall July 7, 2025–6:30 p.m. Meeting Minutes

COUNCILMEMBERS PRESENT: Mayor Clark Shultz, Corey Peterson, Rebecca Van Der Wege, Blaine Heble, Joshua Swanson, John Presley, Tanner Corwin, Larry Lysell

MEMBERS ABSENT: Kirsten Bruce

OTHERS PRESENT: Pastor Chris Deines, Suzanna Swenson

The meeting was called to order at 6:30 p.m. by Mayor Clark Shultz, followed by the pledge of allegiance.

PUBLIC INPUT:

There was no public input.

AMENDMENTS TO THE AGENDA:

There were no amendments to the agenda.

MAYOR'S REPORT:

There was a wonderful 4th of July celebration at Swensson Park, large crowd and nice weather. The mayor received a greeting from Alf and Maud Borson that he read from the bandshell stage.

Mayor Shultz announced that the City's new administrator will be appointed at the next meeting.

CONSENT AGENDA

Councilmember Blaine Heble moved to approve the minutes from the June 16, 2025, regular Council meeting, Payroll Ordinance 5542, and Purchase Order Ordinance 5543. Motion seconded by Councilmember John Presley and passed 7-0 by roll call vote.

APPOINTMENTS:

There were no appointments.

COMMITTEE REPORTS:

Community Forester Kody Kramer shared a presentation on the City of Lindsborg's Public Tree Management Plan for 2025.

OLD BUSINESS:

There was no old business.

NEW BUSINESS:

Lindsborg Community Library 2026 Budget presentation/request

Suzanna Swensson, Director of the Lindsborg Community Library, presented the library's 2026 budget request. No action was necessary; this was a presentation only. City Council will consider these budget requests as part of the City's 2026 Operating Budget preparation.

The Sale BARn CMB License

The City has received an application for an on-premise Cereal Malt Beverage (CMB) license for 2025 from The Sale BARn, a new establishment going in at 101 North Main Street.

The application has been reviewed, background checks completed by the KBI, and the application fees have been received.

Councilmember Larry Lysell approved the 2025 on-premise CMB application for The Sale BARn. Seconded by Councilmember Rebecca Van Der Wege and passed 7-0 by roll call vote.

Golf Course Tractor

The golf course's current tractor is a 1960's John Deere (approx. 32 hp engine). Staff have limped through the last couple of seasons with the tractor, but it finally broke down. This tractor is used to repair cart paths after rain, move sand, load limbs and debris, and other general duties around the golf course. This is a high priority item as the duties listed above are done on a weekly basis.

The City received 3 quotes from local companies.

Kan Equip came in at \$38,500 for a 45 engine hp compact tractor and loader. This quote includes turf tires and has a bumper-to-bumper warranty of 72 months or 1500 hours.

Bobcat came in at \$31,027.40 for a 45 engine hp compact tractor and loader. This quote does not include turf tires so staff would need to add an additional price of \$3,400 bringing the total to \$34,427.40. Bumper-to-bumper warranty of 60 months or 2000 hours.

Kubota came in at \$38,200 for a 48 engine hp compact tractor and loader. This quote does not include turf tires so we would need to add an additional price of \$3,400 bringing the total to \$41,620. Bumper-to-bumper warranty of 24 months or 3000 hours.

Councilmember Blaine Heble moved to purchase as presented the tractor and loader from Kan Equip. Seconded by Councilmember Tanner Corwin and passed 7-0.

Transformer #1 Purchase

On Monday June 30th, a 150 KVA transformer failed causing a widespread outage on the east circuit. In this case, staff had a 120/240 transformer in stock for this occasion. This transformer is not sized right for this service but can stay in place until the properly sized padmount is acquired. Staff are requesting the purchase of a 150KVA 120/240 transformer to replace the faulty one. This serves as an example of why a stock 500 KVA 120/240 transformer is needed for many other customers.

Councilmember John Presley moved to approve \$15,235.00 for the purchase from Midwest Electric Transformer Service for a 150 KVA 120/240 transformer. Seconded by Councilmember Joshua Swanson and passed 7-0 by roll call vote.

Transformer #2 Purchase

The Electric Department currently does not have a spare 3 phase 120/208, 500 KVA padmount transformer. This transformer will be a direct replacement for 8 locations and a temporary replacement for 2 others. There is approximately a 3 to 4 months lead time to receive a new one once an order is placed. This is an item staff would like to have on-hand should the need arise for a its use.

Councilmember Tanner Corwin moved to approve \$34,340.00 for the purchase of a 500 KVA Phase Padmount Transformer from Midwest Electric Transformer Service. Seconded by Councilmember Joshua Swanson and passed 7-0 by roll call vote.

Revenue Neutral Rate

In 2021, the Kansas Legislature adopted Senate Bill 13 and House Bill 2104 which removed the property tax lid and implemented a "Revenue Neutral Rate (RNR)." The RNR is a mill levy that will generate the same amount of property tax revenue that was levied the prior year.

For FY2025, McPherson County set the RNR at 53.676, and the mill levy for Lindsborg was 53.676 mills, which generated \$1,741,393 in property tax revenue. The RNR mill levy from the County for FY2026 budget has been set at 53.874 to generate the same property tax revenue. The RNR mill levy from the McPherson County Clerk is based upon *estimated* assessed property valuation and *not* the final assessed property valuation; the estimated assessed property valuation does not include property valuation appeals and protests. The final assessed property valuation released in November will include the outcome of those protests and appeals. Therefore, there is a variation between the estimated and final property valuation amounts.

A *Notice of Intent to Exceed the Revenue Neutral Rate* must be provided to the McPherson County Clerk no later than end of business on July 20, 2025, whereas final budgets are due to the County by Oct. 1, 2025. The draft budget being developed currently has the mill levy at 55.874 mills; this is 2.00 mills higher than the RNR of 53.874 mills and is subject to Council approval. The budget that staff is drafting with Council direction is conservative yet realistic in today's volatile environment of rising costs of business and ongoing workforce and deferred maintenance challenges. **The final budget adopted by Council cannot exceed the rate specified in the notice, but it can be less.** Any property tax revenue generated over the rate in the notice must be returned to property owners. This is why it is a prudent measure to file the *Notice of Intent to Exceed the Revenue Neutral Rate*.

At the (Tuesday) Sept. 2 regular City Council meeting, public input on the proposed mill levy will be accepted. A Revenue Neutral Rate Public Hearing is set for Sept. 15 at 6 p.m. and will be followed by the Public Budget Hearing. The County Clerk is responsible for sending a notice to all City of Lindsborg taxpayers at least 10 days in advance of the hearing stating the City's intent to exceed the RNR and will include the City's proposed mill levy rate and details of the hearing.

History of Lindsborg Mill Levy

2022: 57.753 mills (RNR 46.359)

2023: 55.912 mills (RNR 53.495)

2024: 55.000 mills (RNR 52.003)

2025: 53.676 mills (RNR 53.676)

Proposed 2026: 55.874 mills (RNR 53.874)

Councilmember Larry Lysell moved to approve and send to the McPherson County Clerk the Notice of Intent to Exceed the Revenue Neutral for the 2026 City of Lindsborg Budget. Seconded by Rebecca Van Der Wege and passed 7-0 by roll call vote.

Other:

Councilmember Rebecca Van Der Wege mentioned that she has submitted an agenda item request following up on the Svensk Hyllningsfest request to add liquor to their special event request. Mayor Shultz shared that with the absence of the City Clerk Roxie Sjogren, the item would be on the next agenda.

Councilmember Rebecca Van Der Wege asked Mayor Shultz where the City was with the Diversion Channel project and what the next steps were. Mayor Shultz stated that the Diversion Channel and Cow Creek projects would be discussed with the new city administrator and experts and would be on the "front burner".

ADJOURNMENT:

Councilmember Joshua Swanson moved for adjournment, seconded by Councilmember Blaine Heble, and passed 7-0 by voice vote. The meeting was adjourned at 7:47 p.m.