

LINDSBORG CITY COUNCIL
Lindsborg City Hall
July 15, 2024–6:30 p.m.
Meeting Minutes

COUNCILMEMBERS PRESENT: Mayor Clark Shultz, Corey Peterson, Rebecca Van Der Wege, Kirsten Bruce, Blaine Heble, Joshua Swanson, John Presley, Andrew Smith

MEMBERS ABSENT: Tanner Corwin

OTHERS PRESENT: Kristi Northcutt, Roxie Sjogren, David Hay, Milton Collins, Holly Lofton, Lauren Doak, Noah Flores, Sgt. Scott Wolf, Marcus Petty, Chris Lindholm, Scott Bontz

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:

Mayor Shultz commented on the Old-Fashioned 4th of July and the hard work of those who put it on under the direction of Molly Johnson. Last Saturday was the Christmas in July event downtown with Santa Claus making an appearance.

CONSENT AGENDA

Councilmember Andrew Smith moved to approve the minutes from the July 1, 2024, regular Council meeting, Payroll Ordinance 5491, and Purchase Order Ordinance 5492. Motion seconded by Councilmember Joshua Swanson and passed 7-0 by roll call vote.

APPOINTMENTS:

There were no appointments.

COMMITTEE REPORTS:

There were no committee reports.

OLD BUSINESS:

There was no old business.

NEW BUSINESS:

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 revenue that was levied the prior year.

For FY2024, McPherson County set the RNR at 52.003, and the mill levy for Lindsborg was 55.000 mills, which generated \$1,689,329 in property tax revenue. The RNR mill levy from the County for FY2025 budget has been set at 53.676 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, 2024. The current draft budget being developed proposes that the mill levy be set at 55.000 mills; this is 1.324 mills higher than the RNR of 53.676 mills, but is budget-neutral to FY2024 Budget, 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 challenges. The final budget adopted by Council cannot exceed the rate specified in the notice, but it can be less than the rate. 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) September 3, 2024, regular City Council meeting, public input on the proposed mill levy will be accepted. A Revenue Neutral Rate Public Hearing is set for Sept. 16 at 6 p.m. in Council Chambers 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 Sept. 16 stating the City's intent to exceed the RNR and will include the City's intended mill levy rate and details of the hearing.

History of Lindsborg Mill Levy

2021: 48.233 mills (RNR 47.530)
2022: 57.753 mills (RNR 46.359)
2023: 55.912 mills (RNR 53.495)
2024: 55.000 mills (RNR 52.003)
Proposed 2025: 55.000 mills (RNR 53.676)

Councilmember Rebecca Van Der Wege moved to approve and send to the McPherson County Clerk the *Notice of Intent to Exceed the Revenue Neutral Rate* for the 2025 City of Lindsborg Budget. Seconded by Councilmember John Presley and passed 6-1 with Councilmembers Peterson, Van Der Wege, Presley, Heble, Smith, Bruce voting aye and Councilmember Swanson voting nay.

Councilmember Swanson moved that going forward, in the interest of transparency, Council study sessions be broadcast in the same manner as Council meetings. City Administrator Northcutt shared that since it was not on the agenda, there was no need for a motion and that he could only make the comment for the record.

ADJOURNMENT:

Councilmember Kirsten Bruce moved for adjournment, seconded by Councilmember Joshua Swanson, and passed 7-0 by voice vote. The meeting was adjourned at 6:42 p.m.

Respectfully Submitted,



Roxie Sjogren, MMC
City Clerk