

**City of The Highlands**  
**SPECIAL COUNCIL MEETING**  
**Monday, 5:45 p.m., July 26, 2021**  
**Nickerson City Hall, 15 N. Nickerson St., Nickerson, KS 67502**

**I. Meeting Called to Order**

- Welcome by Mayor Carol Moore
- Pledge of Allegiance
- Roll Call of Council Members by the City Clerk:
  - Council Members Present: Jennalee Boggs, Butch Neel, Jeff Jackson, Brian McElgunn, and Greig Sims.
  - City Clerk: Cindy Dale
  - Council Appointees: Mo Penny (AZC) present
  - Guests: Herchel and KT Crainer, Alex Macloud and Donna Patton, Reno County Clerk

**II. Presentation of the proposed budget**

A. Donna Patton, Reno County Clerk

1. County tax is based on valuation. \$93,982 will be used as budget number based on current valuation.
2. If valuation drops, there will not be enough to fund budget.
3. Revenue neutral rate is 21.355 mills.
4. Mill levy is based on the budget submitted. If the revenue neutral rate is exceeded, the city would have to cut its expenses.
5. If the proposed budget is approved, the city will see a decrease in the levy rate to 20.278.
6. Most of city funds are budgeted for roads.
7. Page 9 of the proposed Budget will be published in the *Hutchinson News* at least 10 days prior to August 9, 2021 Special Budget Meeting.

**III. Budget development and Mill Levy calculation explanation by Reno County Clerk, Donna Patton**

- A. Brian McElgunn, Treasurer of City, expects that going through the process will set up a timeline for future council to execute future budgets.
- B. Mill levy will be determined by budget.
- C. Appraiser office establishes value of property, the county clerk turns this into assessed value, assessed value times the mill levy. For example: \$100,000 home, which goes in as 11.5% so that makes the assessed value of that home at  $\$100,000 \times 11.5\% = \$11,500$  and multiply the mill levy. Pay into county, city, Grant Township, school, water district, which is 150 mills.  $150 \text{ mills} \times \text{assessed value} = \text{amount of tax}$ . Only 20.278 goes into the City of The Highlands.
- D. The assessed value of the City of The Highlands is currently \$4,634,574, divided by the proposed budget of \$93,982 is how the 20.278 mill levy is derived.

**IV. Discussion time reserve for council members and Donna Patton**

This was a time of discussion and clarification of the development of a budget and interfacing of property evaluations and mill levy.

**V. Public Comments (s):** (state your name and address. Limit remarks to less than five minutes.)

A. Herchel Crainer

1. Herchel thanked the council for reducing the mill levy.
2. Donna Patton complimented the council for lowering the mill levy because most in the county has had to raise their mill levy.
3. A historical review of the 2018 Budget was \$60,000 as a starting point for the new city. A straw poll was taken at a town hall meeting to increase in mill levy on the ballot in November to increase budget to \$90,000. The sewer replacement made an increase in levy that was not imposed by the city.

**VI. Setting agenda for special meeting on August 9, 2021**

**VII. Adjournment of special meeting**

- **Motion made by Jennalee Boggs and seconded by Greig Sims. Motion passed. Adjourned at 6:29 p.m.**