

MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF HAYS, KANSAS  
HELD ON JUNE 10, 2021

**1. CALL TO ORDER BY CHAIRPERSON:** The Governing Body of the City of Hays, Kansas met in regular session on Thursday, June 10, 2021 at 6:30 p.m.

Roll Call: Present: Sandy Jacobs

Mason Ruder

Michael Berges

Ron Mellick

Shaun Musil

Mayor Jacobs declared a quorum was present and called the meeting to order.

**2. MINUTES:** There were no corrections or additions to the minutes of the regular meeting held on May 27, 2021; the minutes stand approved as presented.

**3. CITIZEN COMMENTS:** There were no comments.

**4. CONSENT AGENDA:** There were no items on the Consent Agenda for consideration.

**NEW BUSINESS**

**5. PROPERTY/LIABILITY COVERAGE RENEWAL – 2021/2022:** Kim Rupp, Director of Finance, reported that the City's property/liability coverage is up for renewal on July 1, 2021. The City has been with Midwest Public Risk (MPR) since 2017.

The company, Arthur J. Gallagher, provides oversight as the City's Insurance Broker. Charlie Herr, Broker with Arthur J. Gallagher, joined the meeting by phone.

Mr. Rupp stated the City's broker polled the marketplace and both Brit and Travelers, who the City has had insurance with before, declined to quote as they could not provide a competitive bid. A local agent with Insurance Planning indicated that Employer's Mutual Casualty was interested in providing a quote, but they were still about \$40,000 higher on the premium and their deductibles would have been considerably higher. The renewal with MPR for 2021/2022 amounts to \$262,616, an increase of \$17,271 or 7% as compared to last year.

Mr. Rupp stated that MPR is a pool of public entities that includes cities, schools, counties, health departments, fire protection districts, ambulance districts, election boards, and housing authorities. Their services go beyond just property and liability coverage as they are a true risk prevention advisor. They also offer facility and work practice reviews as well as online and site-based training.

Mr. Herr stated MPR put together a great renewal and feels the City should be pleased with the outcome of a 7% increase given the state of the marketplace. He stated as a company they are seeing an average of about 21% to 22% rate increases on renewals. He noted that the market has continued to harden the last couple of years. He explained that term refers to it being more difficult to obtain insurance coverage at a reasonable price.

Mason Ruder moved, Shaun Musil seconded, to authorize the City Manager to renew the 2021/2022 property/liability coverages with the MPR package in the amount of \$262,616 to be funded from the Intergovernmental Insurance and Surety line item.

Vote: Ayes: Sandy Jacobs  
Mason Ruder  
Michael Berges  
Ron Mellick  
Shaun Musil

**6. COMMISSION INQUIRIES AND COMMENTS:** Mayor Jacobs stated following a discussion at the Work Session last week, the Commission came to a

consensus and asked that staff present a budget for consideration that includes an increase of 1.50 mills. This would increase the mill levy to 26.5 mills.

The proposal by Mayor Jacobs for a 0.50 mill levy increase dedicated to Grow Hays, the economic development arm of Hays and Ellis County, was supported by Vice-Mayor Ruder, who made his own suggestion for a 0.75 mill levy increase for economic development. Commissioner Berges also proposed a separate 0.75 mill levy increase for social services funding through the CARE Council.

Mayor Jacobs stated after soliciting input from Hays residents, she has changed her mind about the recommended increase to the 2022 mill levy devoted to economic development funding. She stated not one of the people she talked to was against funding economic development; they were all very much in favor of it. They were not in favor of funding it in the form of a mill levy increase, nor did they want to fund the CARE Council through a mill levy increase. She added that her goal was to fund Grow Hays as the economic development arm of the City and the County, and not as an outside agency. She stated she would step back from her recommendation to fund Grow Hays through a mill levy increase, but asked her fellow Commissioners to consider funding Grow Hays at an amount equal to 0.75 mills. She believes Grow Hays is making real progress in entrepreneurship, housing, workforce development, and jobs. She wants a consistent revenue source for them to be able to count on.

Vice-Mayor Ruder agreed and wants to make sure they find a funding source equal to the requested mill levy increase.

Commissioner Musil also agreed and added that he has been contacted by constituents as well and they all agree with the need for funding, but they don't want the funding to come from a mill levy increase.

Commissioner Mellick stated he is not in favor of any kind of a mill levy increase. He added that he will not have a comment until he looks at the budget for 2022.

Commissioner Berges added that he is glad the mill levy increase was explored and would like to continue to look at it as an avenue for funding, if not

this year, but in future years. He noted that the mill levy is a steady revenue source and a way to fund these requests and naturally have some kind of an increase every year simply by the increase in property valuations. He agreed that they can work to find other ways to fund these services in the budget.

Mayor Jacobs stated it was the consensus of the Commission to review the 2022 Budget with the mill levy remaining at 25 mills. She stated she appreciates the discussion and feels they need to look at all ways to run the City.

Commissioner Musil thanked the citizens for contacting the Commissioners and stated he values and respects their input.

Commissioner Ruder echoed those comments and stated the Commission is representing the citizens and thanked them for the feedback they provided.

The meeting was adjourned at 6:46 p.m.

Submitted by: \_\_\_\_\_

Brenda Kitchen – City Clerk