

**MINUTES**  
**FINANCIAL OVERSIGHT COMMITTEE MEETING**  
**FRIDAY, SEPTEMBER 28, 2018**

**CALL TO ORDER:** Tom Franz called the September 28, 2018 Financial Oversight Committee meeting to order at 2:00 pm.

**APPROVAL OF MINUTES:** Motion by Russ Alcorn, second by Mark Hensley to approve July 31, 2017 and September 7, 2018 minutes. Motion passed.

**ROLL CALL:** In attendance were committee members Russ Alcorn, Tom Franz, Mark Hensley, Finance Director Leslie Haase, Council Liaison Taylor Brown. Motion by Russ Alcorn, second by Mark Hensley to excuse Hank Hull, Brandon Davis and Andy Perigo. Motion passed.

**NEW BUSINESS:** Discussion on the topic revenue sources and return findings in 60 days. Taylor Brown stated we don't want a specific dollar amount; looking for a way to create sustainable revenue for the city. It was suggested to create a table with 4 columns; potential sources, potential revenue, positives for those sources and negatives for those sources. A question was brought up to increase sewer fees. That isn't legally an option. Clarification on where a new fire station would be built; near the Flying J Truck stop. Leslie stated if raises are given out of the surplus that is the fund right now (sales tax), we are possibly at risk of not having the funding to build the fire station if that is the case. Further discussion on this will be addressed at the next meeting.

Discussion on Use Tax being an option was addressed. Leslie mentioned an issue regarding Use Tax; how is the state going to clean up their legislation in relation to Supreme Court ruling. This is an item to take in consideration regarding Use Tax. Some positives to Use Tax would be it mirrors the sales tax as to how funds can be used by the City, levels the playing field with out of state businesses, the Supreme Court ruling has authorized it and the impact on the average citizen is low. Some negatives would be it requires voter approval and it has failed twice.

Fire Protection sales tax was the next topic to be discussed. A positive would be a portion of sales tax is paid by nonresidents who use city resources. Some negatives would be it requires a vote of the people, it is a regressive tax and it is an additional sales tax. General sales tax was discussed next. A positive side of this tax is out of town people paying it, a portion of sales tax is paid by nonresidents, could be utilized for any need of the city. Some negatives would be the city needs to address the pension plan at some point and continued dependence on sales tax versus property tax. Clarification on how council is looking at all of this; is it for police and fire only or for all employees, Taylor stated it is for all employees.

Property tax was mentioned next. Leslie stated she has a question out to legal counsel to see if we have to deduct the property tax the city already has and there is question on the Library tax. She stated she is needing some clarification regarding this tax. Taylor asked the question; what it would take to give raises to police and fire from real property, Leslie stated we would have to pass one. Anything new would just go into general fund. Positives on this tax would be it diversifies the cities revenue sources. It is more stable; the city sales tax rate is higher and the and property tax is lower, compared to other cities. Leslie stated another possible option would be personal property tax and will work on projections regarding this.

**OTHER BUSINESS:**

**Set date of next regular meeting:** Monday, October 22, 2018 at 3:00 p.m.

**ADJOURN:**

With no further business to come before the committee, a motion was made by Russ Alcorn, second by Mark Hensley to adjourn at 3:10p.m.

Respectfully submitted,

Roschelle Forsythe, Secretary