

MINUTES of a special City Council meeting of Wellsville City held Thursday, August 6, 2020, at the Wellsville City Offices at 75 East Main. City officials present were Mayor Thomas G. Bailey, Councilwoman Denise Lindsay, and Councilmen Bob Lindley, Perry Maughan, and Chad Poulsen. City Manager/Recorder Scott Wells was also present. A copy of the Notice and Agenda was mailed to the Mayor and Council members and emailed and faxed to the Herald Journal on July 31, 2020. The meeting was called to order at 6:00 p.m. by Mayor Thomas G. Bailey.

Others Present: Jennifer Leishman Joyce Hawker Brenda Hawker
 James Hawker Blaine Anderson

Opening Ceremony: Bob Lindley

City Councilwoman Kaylene Ames was excused from this meeting.

The Council reviewed the agenda. Perry Maughan made a motion, seconded by Bob Lindley, to approve the agenda as presented.

<u>YEA</u> 4	<u>NAY</u> 0
Bob Lindley	
Denise Lindsay	
Perry Maughan	
Chad Poulsen	

Denise Lindsay discussed how property tax is applied. A copy of the presentation was available for those in attendance. Denise Lindsay reviewed the pie chart from the Tax Area Property Tax Distribution slide. Ms. Lindsay explained each piece of the Tax Area Property Tax Distribution slide. Ms. Lindsay used a pie analogy to explain the tax distribution. The pie gets bigger because of new development. Wellsville City receives less tax monies because the pie gets bigger. Perry Maughan asked how the previous elected officials missed this. Ms. Lindsay stated that they more than likely did not understand holding the rate. Ms. Lindsay stated that every year, Wellsville City should at the very least, hold their rate. Mr. Maughan stated that the City Manager/City Recorder is only one person. The City Manager should keep the City Council up to date. Mr. Maughan suggested that Wellsville City separate the City Recorder responsibilities from the City Manager and have two individuals, one for each job. Ms. Lindsay stated that the purpose of property taxes is not for the City to become rich. Ms. Lindsay explained 'holding the rate' concept.

City Manager Scott Wells discussed Wellsville City's need for additional revenue. City Manager Scott Wells stated that Wellsville City is in need of the following items: Snow Plows/Maintenance, Urban Forestry Management, EMS/Ambulance, Sidewalks, Parks, Trails, and Splash Pad.

Beginning at 6:15 p.m., receive public input, then consider for possible adoption of Resolution 2020-11 increasing property tax revenue for Wellsville City. The Wellsville City tax on a \$301,000 residence would increase from \$150.65 to \$157.11 which is \$6.46 per year. The Wellsville City tax on a \$301,000 business would increase from \$273.91 to \$285.65, which is \$11.74 per year. If approved, the city would increase its property tax revenue by 4.32% above last year's property tax budgeted revenue excluding eligible new growth. City Manager Scott Wells stated that he is in support of holding the tax rate from Wellsville City. Mr. Wells stated that it is wise for Wellsville City to hold the tax rate in order to maintain the tax level they currently have. Denise Lindsay stated that holding the tax rate does not mean increasing the tax rate. If there is no increase in the value of the property, then there is no tax increase. The value of the property is the value as of January 1, 2020. Ms. Lindsay stated that holding the tax rate keeps the value and the money in Wellsville City. Mayor Thomas G. Bailey stated that this is a public hearing and asked if there was any public input. Joyce Hawker stated that she can't afford any more taxes. Ms. Hawker stated that Maverik should be a big help for taxes. Ms. Hawker stated that every penny counts and it adds up fast.

At 6:21 p.m., the public hearing was closed.

Bob Lindley asked some questions for clarification. Mayor Thomas G. Bailey used Joyce Hawker as an example living on a fixed income. Mayor Bailey stated that he was asked why Wellsville City can't go to Cache County to get more tax income. Mayor Bailey stated that this is the only way to obtain more tax money without raising taxes. Mr. Lindley asked for more clarification. Denise Lindsay stated that Lewiston has held their rate every year. Wellsville City is ranked #16 out of #20 cities in Cache County for their municipal tax rate. Ms. Lindsay stated that it is a disservice to the citizens of Wellsville that the tax rate wasn't held before. Perry Maughan stated that 40 years ago, Wellsville City bonded for \$1 million for the sewer lagoons. The rate for water back then was \$0.25. Mr. Maughan stated that Wellsville City is so far behind concerning property taxes. Mr. Maughan stated that they have to hold the tax rate and raise it a little at a time or else it will kill the citizens financially. Mayor Bailey stated that the tax situation is hard to understand. Mayor Bailey stated that he has no idea if any minds have been changed with the information given tonight. Mayor Bailey stated that he believes there was a misconception stated by the radio saying that 5 or 6 cities were raising taxes when all they were doing was holding the tax rate. Mr. Maughan thanked those in attendance for showing up and stating their opinion. After discussion, Bob Lindley made a motion, seconded by Perry Maughan, to approve **RESOLUTION 2020-11 A RESOLUTION ESTABLISHING THE MUNICIPALITY CERTIFIED TAX RATE FOR FISCAL YEAR 2020/2021.**

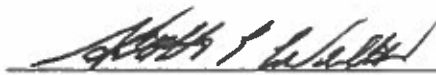
At 6:57 p.m., Perry Maughan made a motion, seconded by Chad Poulsen, to adjourn the meeting.

YEA 4

Bob Lindley
Denise Lindsay
Perry Maughan
Chad Poulsen

NAY 0


Thomas G. Bailey
Mayor


Scott E. Wells
City Manager/Recorder