

**MINUTES OF TOWN COUNCIL MEETING
TOWN OF SNOWFLAKE
HELD 01/04/2022**

- 1. CALL TO ORDER/ROLL CALL at 7:01, Present: Kerry Ballard, Bob Flake, Lynn Johnson, Byron Lewis, Greg Brimhall; Excused: Cory Johnson, Allison Perkins; Staff: Brian Richards, Katie Melser, Joe Jarvis, Chief Martin, Chief Nelson, Ella McAdams**
- 2. PRAYER/PLEDGE Johnson L/Brimhall**
- 3. PROCLAMATIONS AND RECOGNITIONS** Chief Martin presented James Frost as the newest officer for STPD as soon as he passes the written portion of the testing. James talked about himself a little bit and talked about his experience in law enforcement. Council welcomed him to the community.
- 4. CALL TO PUBLIC:** none
- 5. CONSENT AGENDA:**
 - A. COUNCIL MINUTES DATED DECEMBER 7, 2021
 - B. DECEMBER CHECK REGISTER

Motion by Ballard, 2nd by Flake, to approve the Consent Agenda. Motion passed; unanimous with Johnson C and Perkins absent
- 6. PUBLIC HEARING**
 - A. OPEN PUBLIC HEARING ON SALES TAX RATE CHANGE AND ADDING A USE TAX

Motion by Lewis, 2nd by Johnson L, to Open the Public Hearing. Motion passed; unanimous with Johnson C and Perkins absent

Joe presented the proposed ordinance, 2022-01, which would modify the sales for Snowflake. The rate would not change until July 1, 2022. This would also enact a use tax, which does not currently exist. This has been brought up at a few public meetings, in joint with Town of Taylor and solely. Taylor is also on track to approve the 2nd reading for an increase from 2% to 3%.

Mayor Johnson asked for statistics on calls for service, etc. that would warrant an increase in tax.

Joe provided the information from the chiefs, showing the increase in calls. Chief Martin suggests that on his study on the situation, his department needs 6 officers above what is currently considered to be fully staffed in the budget, they are at 14 (that is complete staff, they only have 7 patrol officers), would need to be at 22, to cover the amount of work that his current staff is covering. Chief Nelson suggests that their needs have greatly increased, just today all 3 of their ambulances were at the hospital at the same time. Would like to get 3 crews, not even addressing fire service. This would help address the day-to-day average response.

Brian presented information on sales tax in the state and Navajo County. The new dollars will help with anything related to the general fund, including police and fire services. He showed a report created that includes population and tax amount per capita; also showing property tax and fire district tax and the cost per property owner per year. Snowflake and Taylor are the only communities that don't have property tax or fire district tax. Would commend this council and past councils for not charging a property tax or fire district tax, but that is why we're asking for a "consumption" sales tax.

Robb Hatch- what businesses are making up the \$450,000 difference with the tax increase. Maybe follow the formula that is working, like a fire district. Has the thought of consolidation of Snowflake and Taylor come up again, to utilize budgets and staffs and share taxes in both communities? Just trying to throw some ideas out. Set up to drive more people here with business to increase tax. An increase in tax never gets repealed. He's not going to lose a car sale on \$100 more for \$10,000, but the idea of a higher tax is never a positive. Thinking there must be a better way of coming up with the money than this 1% increase.

Joe pointed out that council members can direct staff in any direction. It is great that we have citizens that care.

Johnson L pointed out that there have been many discussions on taxes over the years, including a fire district when the fire departments were consolidated. Sales tax taxes anybody that spends money in the area, but a property tax or fire district tax only taxes property owners.

Ballard- we have never gone for a property tax, people like that we haven't done that

Brian if we did a property tax, business owners would be paying much more than a sales tax increase. With this, a person would be spending \$5 a year more on \$500 at Ace, fire district would be \$500.

Lou C- those communities that have higher taxes are more liberal, there is a reason people move here, for more conservative values and lower taxes. The consequences of the actions of the council will affect many people. You get a tax, and it doesn't go away. The Town of Snowflake should live within their means. There's got to be some place in the budget we can make cuts. Something like this is remembered at the voting booth.

Louise Liggett- have been here for 2.5 years, love it here. Our area wouldn't warrant having a fire district, no trees. What is our plan to bring more businesses here, more restaurants? Can you contact the small business administration and have them let businesses know that they may want to come here? What about half a percent instead of a whole percent?

Brian- it was discussed at a previous meeting with Taylor and the half percent wouldn't provide nearly enough.

Lewis- the introduction of broadband to the area will help keep people here. We've tried over the years to bring in box stores, unsuccessfully. There have been many efforts to bring business here, these options have been explored.

Johnson L- it is always asked, why don't you bring business here. We have partnerships to help bring business here. The county did a study that says we need outdoor activities, but half the community doesn't want the town to grow, so there is a balancing act. We have looked at a lot of options, this is a tough spot, there are two sides to the argument. A sales tax is more even than charging a property tax, it includes more people than just homeowners. It isn't cut and dry. It's not a waste of time to hear people's opinions and ideas.

Mark Schein- tech transplant that moved here recently; in favor of the tax increase, this and every good idea tonight is necessary for the growth and development of Snowflake. Shoring up police and fire is noble; we need to keep our community safe. People who own property can pay the bills, so it is not a bad idea to consider a property tax. The hardest hit by a 1% sales tax has the least means to pay for any kind of tax. There is a false notion that this is the only thing we can do to increase revenue. We need businesses for people to spend money. Make it attractive for businesses to come here to increase revenue and places for people to spend their money.

Lewis- none of us are in favor of a property tax but getting the people passing through is a main idea.

Johnson L- what is the plan?

Brian- the plan is to continue to operate on a lean budget, we have 3 people in administration. We will use this to improve all our departments in the general budget.

Johnson L- what can we do to get more business in this town?

Joe- the town is engaged in a lot of really good actions; wish there was an easy option to bring businesses, creating an environment that is consistent and fair, so they know what to expect and how to do that.

Flake- have friends that were out in San Tan foothills, there was nothing out there, but 20 years later there is quite a bit. Until the population really increases it will be hard to attract businesses. It's going to be a few years before the businesses come once more people get here. Services and people will hopefully bring the businesses, but it doesn't happen very quickly. We'll have to figure out some other things to keep up with the needs of the general fund.

**B. CLOSE PUBLIC HEARING ON SALES TAX RATE CHANGE AND ADDING A USE TAX
*Motion by Flake, 2nd by Ballard, to Close the Public Hearing. Motion passed; unanimous with Johnson C and Perkins absent***

7. DISCUSSION/ACTION ITEMS

- A. FIRST READING OF ORDINANCE 2022-01: SALES TAX RATE CHANGE AND ADDING A USE TAX

Motion by Flake, 2nd by Johnson L, to approve 1st Reading of Ordinance 2022-01, Sales Tax Rate change and adding a Use Tax, by title only. Motion passed; unanimous with Johnson C and Perkins absent (Flake read by title only)

- B. DISCUSSION OF WATER LINE EXTENSION POLICY

Brian- the code talks about the town council establishing a water line extension policy, but we don't have one in place. Looking for council to direct staff on what the council would like to see as the policy.

Johnson L- anything that addresses the well issue? Brian- at this time we don't need to address this issue

Ballard- it should be 6" for sure, it always needs to be updated once people hook on to it

Johnson L- we need a policy in place for consistency

Brian asked the council to review the issue and email him with ideas

Johnson L asked for this to be placed on a future agenda for the council to establish policy
no action, for discussion only

- C. PURCHASE OF PARCEL 202-05-022C

Brian- we've been working on tourism over the last year to try and attract people for our businesses.

Applied for a grant from the state for a bike skills park and we got a grant from them. We own property off of 7th S and cottonwood wash, purchasing this property that is adjacent would make this property very special. Asking for the council to approve this purchase ahead of the board meeting to approve it.

Motion by Johnson L, 2nd by Lewis to approve purchase of parcel 202-05-022C as presented. Motion passed; unanimous with Johnson C and Perkins absent

8. COUNCIL MEMBER REPORTS

Lewis- met with some congressional candidates to express concerns about water adjudication, been involved in redistricting

Ballard- Senior Center had a flood in their attic so they've been using the Catholic church while the senior center is getting their kitchen back together.

Johnson L- condolences to community members that are dealing with covid loss and sickness, appreciate staff for professionalism and ability to report and work with small staff, appreciate everyone involved in the December/Christmas activities

9. MANAGER'S REPORT

61 new home building permits for 2021, it was a pretty big year including all the other permits; January 19th is state legislative day

10. ADJOURNMENT 8:38

I hereby certify that the foregoing minutes are a true and correct copy of the Town of Snowflake Council meeting held January 4, 2022. I further certify that the meeting was duly called, and a quorum was present.

Katie Melser, Town Clerk