

Whereupon Council Member Jones moved that the following Resolution be adopted:

RESOLUTION NO. 07-19-2815

A RESOLUTION APPROVING CHANGES TO THE USAGE OF THE LOCAL OPTIONS
TAX REVENUES

WHEREAS, the financial needs of the city of Eldora, Iowa are always changing and;

WHEREAS, the one percent Local Options Sales Tax revenue is a significant income source for the city but it is limited to how the funds can be spent and;

WHEREAS, pursuant to Chapter 423B of the Code of Iowa ("Chapter 423B") an election duly held in accordance therewith on November 28, 1995, and an ordinance adopted by the Board of Supervisors of Hardin County, the City of Eldora, Iowa (the "City"), is entitled to receive proceeds (the "Local Option Proceeds") of a local option sales and services tax imposed in accordance with Chapter 423B; and

WHEREAS, Chapter 423B provides that a change in the use or allocation of the Local Option proceeds must be approved at an election at which a majority of the voters favor such change, and the City desires to proceed with such election; and

WHEREAS, Chapter 423B requires that the ballot proposition to be presented to the voters at such election must include the present use of the Local Option Proceeds, the proposed use of the Local Option Proceeds and the date on which the use of the Local Option Proceeds will be changed; and

WHEREAS, Chapter 423B requires that publication of the ballot proposition calling for the change in use be made not less than 60 days prior to the date of the election;

WHEREAS, the City now desires to change the allowed allocation and use of the Local Option Proceeds; and

NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Eldora, Iowa, as follows:

Section 1. The City Council hereby requests the County Commissioner of Elections of Hardin County to submit to the registered voters of the City, on November 5, 2019, at the regular municipal election to be held on such date, the question of changing the allocation of the Local Option Proceeds as set out below, such change to be effective on December 1, 2019.

Section 2. The Purpose for which the Local Option Proceeds are currently being allocated shall be listed as follows:

70% for Capital Improvements
30% for Community Services

Section 3. The purpose for which the Local Option Proceeds are proposed to be allocated shall be listed on the ballot as follows:

Yes
No

Shall the City of Eldora change how the current LOST tax is spent. Current spending is 70% for Capital Improvement and 30% is for Community Services and the proposed change is following:

60% for Capital Improvement
40% for Community Services

This 60% for Capital Improvement includes but is not limited to: debt payments, street construction, blight, ect...

This 40% for Community Services includes but is not limited to: All expenses incurred in running a city, park, cemetery, pool, library, police and fire protection, insurance, etc...

These changes will take effect as of December 1, 2019.

This is not a new tax nor a tax increase but a change on how the current Local Option Sale Tax is being currently spent.

Section 4. The County Commissioner of Elections is hereby authorized and requested to issue a proclamation and notice of the election on the proposition and of the time and place thereof, in accordance with Chapter 423B, and to take all other actions necessary pursuant to state law to conduct the election.

Section 5. The City Clerk is hereby authorized and directed to work with the County Commissioner of Elections to cause notice of the ballot proposition to be published in a legal newspaper of general circulation in the City. Such notice is to be published not less than sixty days prior to the date of the election.

Section 6. All of the foregoing matters are adopted and resolved by this City Council, and the City Clerk is hereby directed to give written notice thereof by submitting a copy of this resolution to the Hardin County Commissioner of Elections, who has the duty to conduct this election, for approval, ratification and confirmation to the extent required by Iowa law, and such County Commissioner of Elections shall signify such approval, ratification and confirmation and shall order the election to be conducted in the manner set forth herein by signing the order attached to this resolution.

Section 7. All resolutions or parts of resolutions in conflict herewith are hereby repealed, to the extent of such conflict.

Note: This is not a new tax nor is this a tax increase. The purpose of this is to change what the local option sales tax funds can be used for to keep from raising property taxes further.

This motion was seconded by Council member John and after due consideration thereof, the roll was called and the following Council Members voted:

AYES: Jones, John, Hoy, Priske & Budweg
NAYS: None
ABSENT: None

Whereupon, Mayor David W. Dunn declared said Resolution duly passed and adopted this 9th day of July, 2019

David W. Dunn, Mayor

ATTEST:

Chandra Kyte, Deputy City Clerk