

MONDAY, AUGUST 28, 2017
BOARD OF ALDERMEN MINUTES
6:00 P.M.

Mayor Rhorer called the special meeting to order at 6:00 p.m. on Monday, August 28, 2017 at 109 East Broadway, Ashland, Missouri.

Mayor Rhorer called the roll:

Ward One: George Campbell-here, Danny Clay-here
Ward Two: Jesse Bronson-here, James Fasciotti-here
Ward Three: Rick Lewis-here, Jeff Sapp-absent

Staff Present: Fred Boeckmann, City Attorney, Darla Sapp, City Clerk, Shelley Martin, Treasurer/Deputy City Clerk and Lyn Woolford, Police Chief/City Administrator.

Mayor Rhorer presented Council Bill 2017-033 for consideration. Alderman Bronson made motion and seconded by Alderman Clay to take up Council Bill No. 2017-033, an ordinance imposing a Local Use Tax for the General Fund purposes at the rate of two percent (2%) pursuant to the authority granted by and subject to the provisions of Section 144.600 through 144.761 RSMo; Providing for the use tax to be repealed, reduced or raised in the same amount as any city sales tax is repealed, reduced or raised; and providing for submission of the proposal to the qualified voters of the City for their approval at the Special Election called and to be held in Ashland, Mo. on Tuesday, November 7, 2017. First reading by title only. Mayor Rhorer called for questions or comments. Alderman Bronson gave an overview of his understanding of the use tax and stated that it comes down to an honor system in reporting this. Lyn Woolford, City Administrator stated the company has to have a presence in the State of Missouri and it is a use tax for on line purchases. He stated this is making it a fair market for local businesses. He presented a copy of the use tax collected in Richmond, Missouri with similar population as ours. He stated he felt this fixed the loophole in the sales tax collection. Shelley Martin, Treasurer/Deputy City Clerk reported that 48% of sales are on line purchases and will only increase. She informed the Board that the State of Missouri is already collecting use tax for on line purchases and Boone County is placing this on the November 7, 2017 ballot for consideration. She stated if this passes the use tax could supplement the loss in sales tax revenue. Mrs. Martin stated we could restrict the funds to park, general, streets or storm water or dedicate portions to different funds. Lyn Woolford, City Administrator stated that the storm water currently has no income and we could dedicate these funds. Mayor Rhorer reported he has attended three different meetings on the use tax and gathered the information on the use tax. The Board discussed the pros and cons of the use tax and felt they should place this on the November 7, 2017 special election ballot. Lyn Woolford reported if this ballot issue passes, we would not start collecting it until April 2018. Mayor Rhorer called for the vote. Alderman Fasciotti-aye, Alderman Clay-aye, Alderman Lewis-aye, Alderman Bronson-aye, Alderman Campbell-aye, Alderman Sapp-absent. Motion carried.

Mayor Rhorer presented Ordinance No. 1134 for consideration. Alderman Bronson made motion and seconded by Alderman Lewis to take up Ordinance No. 1134, an ordinance imposing a Local Use Tax for the General Fund purposes at the rate of two percent (2%) pursuant to the authority granted by and subject to the provisions of Section 144.600 through 144. 761 RSMo; Providing

for the use tax to be repealed, reduced or raised in the same amount as any city sales tax is repealed, reduced or raised; and providing for submission of the proposal to the qualified voters of the City for their approval at the Special Election called and to be held in Ashland, Mo. on Tuesday, November 7, 2017. Mayor Rhorer called for questions or comments. Mayor Rhorer called for the vote. Alderman Fasciotti-aye, Alderman Clay-aye, Alderman Lewis-aye, Alderman Bronson-aye, Alderman Campbell-aye, Alderman Sapp-absent. Motion carried.

Alderman Bronson made motion and seconded by Alderman Clay to adjourn the meeting. Mayor Rhorer called for the vote. Alderman Fasciotti-aye, Alderman Clay-aye, Alderman Lewis-aye, Alderman Bronson-aye, Alderman Campbell-aye, Alderman Sapp-absent. Motion carried.

Darla Sapp, City Clerk

Gene Rhorer, Mayor