

PERSONNEL AND FINANCE COMMITTEE FEBRUARY 28, 2022, 3:30 P.M.

Committee Members Present:

Chair Sheila Niezgodski*, Vice-Chair Eli Wax*, Troy Warner*, Rachel Thomas Morgan*, Dr. Oliver Davis*

Agenda:

Bill No. 22-12

Members marked with an asterisk (*) are present digitally

Please note the attached link for the meeting recording: https://docs.southbendin.gov/WebLink/browse.aspx?dbid=0&mediaid=351415

Committee Chair Sheila Niezgodski called to order the Personnel and Finance Committee at <u>3:30</u> p.m.

Bill No. 22-12: Resolution Regarding Property Tax

Committee Member Tomas Morgan noted that the tax resolution is in the best interest for the fiscal state of the City. The resolution calls for a guaranteed state replacement revenue source to be available to municipalities should business and personal property tax be eliminated or reduced. She noted that the business personal property tax is likely to re-emerge. Other cities have passed this resolution. Committee Member Tomas Morgan noted the losses that comparable cities are facing. Representative Bower noted the state of Indiana is expecting a five billion tax surplus. Due to this, many in the General Assembly believe that a tax cut is warranted. There is concern that there will be long-term ramifications to this change and there needs to be consideration for sustainability.

The floor was opened for discussion. Committee Member Davis asked for clarification regarding the aim of the resolution. Representative Bower noted that this is to reduce barriers for businesses to do business in Indiana. This has a local impact. This business/personal tax needs to be replaced for local municipalities. The current bill has not addressed a complete replacement of this income. In <u>2013</u>, Idaho did a similar tax cut and were in challenging times by <u>2017</u> when the surplus was gone. There was discussion on how municipalities can keep the state accountable to replace local revenue.

The floor was opened for public comment. There were no comments in favor or opposed to the resolution.

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Committee Member Warner now entertained a motion to send Bill 22-12 to full council with a favorable recommendation.

Committee Member Warner motioned to send Bill 22-12 to full council with a favorable recommendation, seconded by Committee Member Davis, and carried by a vote of five (5) ayes.

Committee member Troy Warner - Aye	Committee member Rachel Tomas Morgan - Aye
Committee Chair Sheila Niezgodski - Aye	Committee Vice-Chair Eli Wax - Aye
Committee Member Oliver Davis - Aye	

With no further business, Committee Chair Sheila Neizgodski adjourned the Personnel and Finance Committee meeting at <u>3:46 p.m.</u>

Respectfully Submitted,

Shiila Niejzoch-

Sheila Niezgodski, Committee Chair

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