

RECORD OF PROCEEDINGS
Minutes of Rossford City Council Committee of the Whole Meeting
Held May 15, 2017

The meeting was called to order by President of Council Larry Oberdorf followed by the Pledge of Allegiance.

ROLL CALL: Staczek, Oberdorf, Marquette, Wagner, Minarcin all present. Mr. Staczek moved and Mr. Minarcin seconded the motion to excuse Mrs. Eckel. All ayes. Motion carried. Mr. Staczek moved and Mr. Minarcin seconded the motion to excuse Mr. Ruse. All ayes. Motion carried.

PRESENTATION: Mr. Oberdorf said the purpose of tonight's meeting was to talk about ways of funding roadway improvements. He said no public comments would be accepted and turned the meeting over to Mr. Scott who presented a PowerPoint presentation regarding city finances, roadways, and the 2017 budget versus 2016 actual (see written report).

Mr. Ruse arrived three minutes into the presentation.

Mrs. Eckel arrived ten minutes into the presentation.

After the completion of the PowerPoint presentation Mr. Ruse said that looking at the report that we do have a plan in place to work on residential streets but we need money to fund. Mr. Ruse said we showed \$800,000 of income last year from payroll income tax and have an estimate of \$400,000 of that being prepaid reciprocity money. Mr. Scott said they used ½ of the income. Mr. Ruse asked why we did not have a better handle on how much of the prepaid needed to be returned and was told by Mrs. Freeman that after contact with RITA last summer they could only measure what people paid on estimated income taxes in total and as of this date still can't tell a definitive number since the April 18th filing date. Mr. Scott said for this presentation they used the most aggressive number for income in the tax revenue. Mr. Wagner said Mr. Scott said revenue growth was stagnant from 2012 to 2016 but Mrs. Freeman shows growth at 4 to 5% from now to 2022. He also said fire and recreation do get some money from levies so they are not a total hit to the general fund.

Mrs. Freeman said they used historical revenue and expenses growth for the projections with revenue growth projected at 1.3% per year and expenses at 2.4% per year.

Mr. Wagner asked for a projection of income if we raised the payroll income tax to 2.5% for everyone.

Mr. Marquette asked if the Harmon Business Park is included in the revenue growth and Mr. Scott said no.

Mrs. Eckel asked Mrs. Freeman to provide council with the revenue from a .25% credit reduction to council. Mrs. Freeman said she will do so.

Mr. Oberdorf asked if reducing the reserve from ten months to seven months would give us \$3M to use on roads and Mr. Scott said yes but that would probably change our rating from AAA to AA which affects our borrowing rates.

Mr. Staczek said that in discussing the road improvements for the Colony the word assessment came up and said that if we assess a certain neighborhood that sets a precedent for the rest of town and asked for clarification.

Mrs. Eckel said that assessments are one of the mechanisms to fund road and sewer projects and that if we can't come up with a large funding source we would need to assess.

Mr. Staczek asked how fair it would be to assess Hannum Ave. property owners when that road gets much more traffic due to the park and marina traffic.

Mrs. Eckel said the priority would be to do road improvements in neighborhoods that wanted to assess themselves first.

Mr. Ruse said the current policy is to assess for curbs and sewers if not already in place as those streets that already have curbs and sewers already paid for them.

Mr. Staczek said he is concerned about neighborhoods that can't afford an assessment and said he does not think it is right to make people pay to play.

Mr. Ruse said the policy is not to resurface roads without doing curbs, sewers, and sidewalks.

Mr. Wagner said that assessment is not always the best answer because we front the money and wait years to recoup.

Mr. Oberdorf said we need to look at the reality of the options 1) tax reciprocity was already run by the citizens once. 2) property tax is a steady source of income. He said these all sound great but are they realistic and that if we wait to put tax reciprocity or a property tax on the ballot streets are not getting better. He said we have a plan but need working capital to get started.

Mr. Wagner said Mr. Ruse wants the ordinance for tax reciprocity to start immediately and increase from .25% to .50% in the fifth year.

Mrs. Eckel said the fact the voters just passed a school levy may show they would favor a road levy.

Mr. Ruse said we have to do something, that there are more homes for sale and property values are going down. He said we need roads and the time is now to do something for the roads like we did for the schools.

Mr. Staczek noted that we don't know yet what the schools are going to do in the future with the bus garage and remediation of their properties.

Mr. Oberdorf said we have to act, we can't think about what the schools are going to do but we need time to review the information presented and ask Mrs. Freeman any questions we may have. He said there is no easy decision but we need to go for the option that is most viable.

Mr. Scott said we need to look at all the options and remember that the projections are not exact.

Mrs. Freeman said the income tax credit reduction ordinance will be on the agenda at the next regular council meeting and probably be given a first reading.

Mr. Scott said maybe we could have another committee of the whole meeting to look at.

Mr. Staczek asked what levy millage would we need, 7mills?

Mrs. Eckel agrees that we keep working through the committee of the whole and said public works committee will get with Mannik & Smith and have estimated cost numbers updated. She agrees with Mr. Staczek that we work on a levy number and said we have until August 23rd to get it to the Board of Elections for the November ballot.

Mr. Wagner asked Mr. Heban to research whether the public has a right to speak at committee of the whole meetings and if the legal opinion is that they do not we should waive that and allow public comment.

Mr. Marquette asked what one mill would cost the average homeowner. Mr. Scott typically we go to the auditor and ask them to determine what a levy would cost.

Mr. Marquette said he likes the idea of a mixture rather than the reciprocity reduction. He would like to see a levy coupled with the reserve being reduced from ten months to seven.

Mrs. Eckel asked Mrs. Freeman to research levy information for the next meeting and reaffirmed with Mrs. Freeman that 10 mills is the maximum total millage the city can collect and Mrs. Freeman said we are probably looking at a 5 mill levy being the most we could go for.

Mr. Oberdorf moved and Mr. Wagner seconded the motion to adjourn. All ayes. Motion carried.

Larry Oberdorf
President of Council

Robert P. Watrol
Clerk of Council