

BEAVERCREEK CITY COUNCIL
REGULAR MEETING March 9, 2020 6:00 p.m.

PROCLAMATIONS

- ◆ Girl Scout Week

PRESENTATIONS

- ◆ Waves, First Lego League Team

CALL TO ORDER

Mayor Stone called the meeting to order followed by roll call

PRESENT: Council Member Bales, Council Member Curran, Council Member Garcia, Council Member Rushing, Council Member Schwartz, Vice Mayor Adams, Mayor Stone

ABSENT: None

ALSO IN ATTENDANCE: Randy Burkett, City Planner; Dennis Evers, Chief of Police; Theresa Hathaway, Assistant Finance Director; Bill Kucera, Financial Administrative Services Director; Pete Landrum, City Manager; Steve McHugh, Legal Counsel; Dianne Miscisin, Clerk of Council; Jeff Moorman, City Engineer; Mike Thonnerieux, Public Administrative Services Director

PLEDGE

Council Member Curran led the pledge and a prayer.

APPROVAL OF AGENDA

Council Member Garcia **MOVED** to approve the agenda, seconded by Council Member Curran. Motion **PASSED** by majority voice vote.

APPROVAL OF MINUTES

Council Member Curran **MOVED** to approve the February 10, 2020 Regular Meeting minutes, seconded by Council Member Rushing. Motion **PASSED** by majority voice vote. (Abstain – Council Member Schwartz)

Council Member Rushing **MOVED** to approve the February 18, 2020 Work Session minutes, seconded by Council Member Garcia. Motion **PASSED** by majority voice vote.

Council Member Bales **MOVED** to approve the February 24, 2020 Regular Meeting minutes, seconded by Vice Mayor Adams. Motion **PASSED** by majority voice vote. (Abstain-Council Member Garcia)

PRESCHEДУLED SPEAKERS

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U.S. Census, Randy Burkett, Interim Planning & Development Director

Mr. Burkett said April 1st was U.S. Census Day. The federal government has been doing the Census every ten years since 1790. The data that everyone provides is 100% confidential and is protected by law. He explained the Census is important because there are \$675 billion allocated every year for grant programs. The allocation numbers are based on the U.S. Census. Some of this grant money is Medicare, Medicaid, federal student loan dollars and nutrition programs. The Census also justifies the congressional apportionment. The Census is also used as a research tool to provide studies for the public and Council. He reviewed the nine questions on the Census and the three ways to respond to the Census; online, mail or phone. He also reviewed special circumstances for those displaced because of natural disaster victims, military personnel and college students. For every person not counted in the State of Ohio it costs the state between \$1,200-\$1,800 per year in federal grant opportunities.

Alternative Revenue Income Tax, Bill Kucera, Financial Administrative Services Director

Mr. Kucera said at the last meeting Council heard a presentation from the Beaver Creek Fairer Funding Committee (BFFC). He said for the past eighteen months this committee had been meeting to discuss alternative revenue sources for the city. He said they had a lot of variables and narrowed down their proposals, finalized their solution and presented their concept to council at the last meeting. Their proposal was an earnings tax for every person residing or earning and receiving income in the city limits. The proposal included a tax rate of 1% and a 100% credit for those residents paying earned income tax to other municipalities. Excluded from the earning tax would be retirement income, active duty military and other tax exempt income. The proposal also included an immediate rollback of the 3.4 mill levy that expires in 2021 and immediately reducing the city property taxes. He said the goal of the group was to distribute the funding of city services and infrastructure improvements between residents and non-residents, diversify the tax base and get the city away from being property tax dependent, provide residents a property tax relief now and in the future and address the backlog of infrastructure, capital improvements and maintenance projects that have been postponed due to the current tax structure. He reviewed the city's long term financial strategy goals and objectives which mirror the BFFC's goals and objectives. Mr. Kucera reviewed the timeline for the revenue options. He gave a comparison of the alternative city funding allocation methods which reflected non-residents generating some of the revenue by an income tax. He said both objectives between the BFFC and the city are in line and reviewed a proposed timeline for the income tax being placed on the November ballot with a proposed implementation for 2022.

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ORDINANCES, RESOLUTIONS AND PUDS

Ordinance 20-05 Convey Easement to Greene County Engineering (First Reading)

Clerk Miscisin read an Ordinance to declare certain City owned property interests as surplus and to approve the conveyance of a water main easement on City owned property generally known as Overlook Reserve on the south side of Park Overlook Drive.

Mr. Moorman explained as part of the approval for the Homestead America project along the south side of Park Overlook Drive, Greene County Sanitary Engineering is requiring a water main connection between the dead end water main at the end of Spicer Drive and the existing 12 inch water main along Park Overlook Drive. The connection would help eliminate a dead end water main and enhance the public water system in this area. He said the easement was selected to minimize the disturbance to the existing trees and vegetative cover on the Overlook Reserve property.

Council Member Bales asked if the city had spoken to the residents that backup to the easement. Mr. Moorman replied he had not.

Council Member Bales MOVED Ordinance 20-05 to the second reading, seconded by Council Member Curran. Motion PASSED by majority voice vote.

Resolution 20-07 Acceptance of Ohio Law Enforcement Body Armor Award

Clerk Miscisin read a Resolution to authorize the Beaver Creek Police Department to accept the Ohio Law Enforcement Body Armor Program Grant.

Chief Evers said the State of Ohio Attorney General Office grant is to provide 75% reimbursement of the total costs of the city's purchase of 60 ballistic plates with 30 vest carriers. Total costs of the vest carriers and ballistic plates is \$19,984.40. The grant will reimburse \$14,988.30 with the city match requirement being \$4,996.10. The vests purchased with funding from this program will allow the police department to equip one vest in each marked and unmarked vehicle in the police fleet. This will allow officers to be able to wear these advanced body armor plates over their soft body armor to provide enhanced protection during active shooter or other critical incidents.

Council Member Garcia MOVED to approve Resolution 20-07, seconded by Vice Mayor Adams. Motion PASSED by majority voice vote.

Ordinance 20-06 Additional Appropriations (Single Reading)

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Clerk Miscisin was an Ordinance to approve supplemental appropriations and certify additional revenue and authorize inter fund transfers for the fiscal year beginning January 1, 2020 and ending December 31, 2020 and to amend Ordinance 19-30.

Ms. Hathaway said she was presenting supplemental appropriations and certification of additional revenue that effect four different funds. She said the first was the police levy fund regarding the grant the chief just explained regarding the grant for the ballistic plates and vest carriers. The total cost of the equipment if \$19,984 and the grand will pay for 75% of this, therefore the city needs to appropriate the entire cost of purchasing the equipment and then certify the grant revenue of \$14,988. The 25% city match would come from the fund balance within the police levy fund. Secondly, the city received its first reimbursement for debris removal from FEMA and Ohio EMA totaling over \$818,000 which represents 75% reimbursement from FEMA and 12.5% from Ohio EMA. This is the first installment of approximately \$3 million the city has expended relating to the May 27th tornado event. As required by the Auditor of State, a FEMA fund was established to receive the reimbursements. Once reimbursements are received into the FEMA fund, reimbursement can then be made to the fund that incurred the expenditures which in this case was the street levy fund. In order for the street levy fund to be reimbursed for the tornado related expenses the \$818,518 needs to be certified as reimbursement revenue. In 2019, the general fund advanced to the street levy fund \$250,000 to ensure it continued to meet the minimum fund balance requirement along with helping to cover the costs of the tornado related expenses. With receipt of the reimbursement from the city's FEMA fund the street levy fund is now in a position to payback the advance to the general fund. She said they are asking the city to appropriate the funds from the street levy fund as a transfer out, certify the revenue, which is a repayment of funds back to the general fund in the amount of \$250,000. She said in fund 750, the parks department has been accepting donations and rental revenue and depositing them into a designated fund for the long term care of Wartinger Park. There are currently two cabins, Harshman House and Ankeny House that need repairs which include drywall, ceiling repair and door replacement. The city would like to utilize \$4,550 of designated funds to complete the repairs. Since this amount was not originally budgeted in 2020, the \$4,550 needs to be appropriated to complete the necessary repairs before spring. Also out of the 750 fund, the senior center needs to replace the commercial grade dishwasher which has been in use since the center opened in 2005. The cost is estimated at \$5,000. The funds to cover the replacement of the dishwasher would come from the senior center growth fund of which the \$5,000 would need to be appropriated. The Beavercreek Enrichment Association (BEA) has agreed to cover \$2,500 of the cost of the new dishwasher. This money will be

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deposited back into the senior center growth fund and this \$2,500 amount needs to be certified as additional revenue for fund 750.

Council Member Schwartz MOVED to approve Ordinance 20-65, seconded by Vice Mayor Adams. Motion PASSED by a roll call vote of 7-0.

DECISION ITEMS

Boards and Commissions Appointments – Greene County Board of Health
Council Member Schwartz MOVED to appoint Andrew Root and Mark Walsh to the Greene County Board of Health for the term ending February 29, 2024, seconded by Council Member Bales. Motion PASSED by majority voice vote.

Boards and Commissions Appointments – Community Reinvestment Area Housing Council (1 Vacancy)

Council Member Schwartz MOVED to unappoint Keith Ayers, John Compton, Shannon Graham, Loren Ross, Brian Smith and Zach Upton, seconded by Council Member Curran. Motion PASSED by majority voice vote.

Council Member Bales MOVED to open nominations for the Community Reinvestment Area Housing Council, seconded by Council Member Garcia. Motion PASSED by majority voice vote.

Council Member Bales nominated Zach Upton.

Council Member Curran MOVED to close nominations for the Community Reinvestment Area Housing Council, seconded by Vice Mayor Adams. Motion PASSED by majority voice vote.

Council Member Bales MOVED to appoint Zach Upton to the Community Reinvestment Council for the term ending February 28, 2023, seconded by Council Member Rushing. Motion PASSED by majority voice vote.

COUNCIL TIME

Council Member Curran read to students at Primrose. He participated in the Mayor's First Thursday. The Greene County Park District had their pancake breakfast on Saturday.

Council Member Schwartz participated in the high school robotics league last week.

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Council Member Garcia also read to the students at Primrose. She thanked the Girl Scouts and Waves for attending the meeting. She attended the MVRPC meetings where they talked about the long term recovery. She encouraged people who still need help is to call United Way at 211.

Council Member Rushing said Gene Fischer would be holding a town hall regarding the sales tax increase on Wednesday at 6:30 at the Fairborn Senior Center.

Council Member Bales thanked the Girls Scouts and Waves for attending the meeting.

Vice Mayor Adams thanked Waves for coming to the meeting to show what they do. Greenebucs Visibility Day was fun as he watched the receivers of the trikes ride around. Please exercise your right to vote next Tuesday. Congratulations to Chief Evers for being chosen as Beaver creek Employee of the Year.

MAYOR'S REPORT

Mayor Stone also read to the students at Primrose. The Chamber Awards was being held on March 11th. He and Vice Mayor Adams attended the state wide tournament at BeaverVu Bowl.

CITY MANAGER'S REPORT

Mr. Landrum said the chipping and hauling of the tornado debris is complete. There will be an open house regarding the 2020 Land Use Plan Update on Thursday, March 12th from 5:00-7:00 p.m. Shakertown Road will be closed at U.S. 35 starting Monday, March 16th. The Fourth of July committee is seeking sponsors for the event. For more information please visit www.beavercreekohio.gov/604/4th-of-july.

CITIZEN COMMENTS

Samuel Schmitz, 4097 Summerfield Drive, Beavercreek, Ohio

Mr. Schmitz said he's been looking at buying a house in Beavercreek however with the proposed income tax he has started to look elsewhere. He said last week's presentation that the Beavercreek Fairer Funding Committee (BFFC) gave they did not source any of their numbers. They said over 75% of the jobs in Beavercreek are held by non-residents. He said he could not find this number anywhere. He said this is a number that a lot of news organizations have run with however no one has cited a source. When he went to college, writing classes tell you to cite your sources when writing an argumentative paper otherwise they mean nothing. He said it's not fair to propose an income tax that doesn't affect everyone. What they are proposing is retired people don't get taxed – they only have to pay

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the 1% property tax, military people only have to pay the 1% property tax but all of us future workers and all of us who are currently working are going to be forced with that burden on us by us having to pay that tax until the end of time. Taxes never get replaced. Taxes are only created, they never go away and they're only increased. If you look at the history of a federal income tax, the first was created by President Lincoln in 1861 to pay for the civil war. In 1872, after the war was over it was repealed but later on Congress brought it up. When it was created it went to a 5% income tax and then a 10% income tax. Once Herbert Hoover and Franklin D. Roosevelt became president, Roosevelt raised the top rate to 79% and then to 90%. In 1941, Roosevelt proposed a 99.5% rate on all incomes over \$100,000. Mr. Schmitz said this was his fear with what will happen to the city. Last week when one of the members of the BFFC said that Beaver Creek in her time has gone from 25% retired to 75% retired people. He did not know if that number was true as he could not find any sources for that number. He assumed it was not true and if it was not a real number then they should apologize for giving out false numbers and provide real numbers. He said if this is true, that means the burden would be on the 25% that are working which was not fair. He said the problem is once a government incorporates an income tax it never goes away and only grows larger. Another issue of the proposed income tax is that the city would be forcing people who don't live in Beaver Creek to pay taxes in Beaver Creek which goes against what the Founding Fathers fought for, taxation without representation. Our Founding Fathers fought against the British Stamp Tax which forced the colonists to pay a tax on all printed materials and force them to print all materials in England instead of the United States. The Founding Fathers thought it was unfair because they had no representation in British Parliament and the representation that they sent was not recognized by the British Colonies and why the Revolutionary War started. He said if we incorporate an income tax anyone who pays income tax in Beaver Creek should be allowed to vote. If someone works in Bellbrook and comes to Beaver Creek and Beaver Creek has an income tax and they're paying Beaver Creek income tax they should have the right to vote. They have the right to their representation if they are being taxed. If we incorporate an income tax it would punish those who work and succeed in their careers. The more I move up in the chain at work, the more money I make and I'm going to have to give more money to the city. That's essentially saying the city knows how to spend my money better than I do. He said it also removes incentives for people to donate money to organizations, charities and to the city because they are being forced to pay more in taxes. It also rewards those who don't work and unfairly gives the retired and military more benefits than the working citizen. They get to pay less taxes and get the same representation that he does. Their vote counts for the exact same as his does but he is paying more in taxes.

Mary Bradley, 1399 Townhall Rd, Beaver Creek

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Ms. Bradley said she was the one who gave the 75/25 percent which was an incorrect statement. She said this was the percentage of people who live in Beavercreek with kids in school and who didn't have kids in school. She said this is what has switched in the last 40 years. 40 years ago it was 75% of the people who lived here had kids in school and now it has switched to 25%.

Michael Hall, 2647 Big Woods Trail, Beavercreek

Mr. Hall said what excited him about Beavercreek was relatively lower property taxes and no city income tax. He has seen his property taxes have gone up from \$2,400 per year to now \$3,900 per year. He looked at the numbers from last month's meeting and even with the rollback his family would be paying \$60 more per month. However, even if he saved money with the new proposal he would still rather pay more property taxes and not have an income tax. He said every time a property tax comes up for a vote, it causes him to research and judge merit of that spending and discuss it with his family. He said we have a choice and a vote. If we go to an income tax his family loses a lot of that opportunity.

Chad Whilding, 2428 Brown Bark Drive, Beavercreek

Mr. Whilding said we've been through this before and we learn from each other and hope we listen. We've only talked about the need and we haven't talked about how. He said just because Ohio did it wrong decades ago doesn't mean we continue down this road. He said this is taxation without representation. The people that are taxed do not get to vote on how this money is spent. He said the last time we voted it was at least 69% of the people understood that they preferred property tax taxation because they get to control how the money is spent. He said there is an impact to the earning population if done incorrectly that would give no credit to what he is trying to do to save for his future. A future that is in jeopardy because of the way federal government has structured some of the finances. He wanted to be sure when the numbers are put out, it is known the communities around us are going to be impacted. He said we care because they are going to lose money. He did not want to see a spiraling increase in taxes in the entire region which would then impact our community. We know our community is one of the richest in the area and those employees will bear the brunt of that if the increase impacts the communities around us. We have to be very careful in saying there would be no impact on your income because there will. He did not know which community had the largest concentration of workers that would be affected by this but we people that work in those communities as well. He asked council to please consider that as they deliberate in the next few months.

Bob Baker, 2608 Brown Bark Drive, Beavercreek

Mr. Zimmer said one of the main reasons this income tax has failed before is because of accountability. No one has ever come out and said this is what we

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need it for and this is how we are going to spend it. We have asked for an allocation to show us what percentage of the income tax goes to what funds. We want a clear accountability. The legislation needs to say how we are going to spend the money

Judy Padak, 2919 Crone Road, Beavercreek

Ms. Padak agreed with Mr. Baker. She said she had been speaking Mr. Jarvis and Mr. Perales and she said the city needs to put it in the Charter how the funds would be allocated if we do an income tax. She said the Charter would have to be done first and implemented before putting the income tax on the ballot in November.

Public Input was closed.

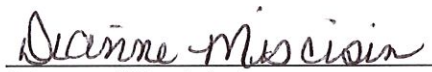
ADJOURNMENT

Council Member Curran MOVED to adjourn the meeting at 7:28 p.m., seconded by Council Member Garcia. Motion PASSED by majority voice vote.



Bob Stone, Mayor

ATTEST:



Dianne Miscisin
Clerk of Council
Cmin03092020