

SPECIAL CITY COUNCIL MEETING

MINUTES

JANUARY 13, 2010

The meeting was called to order by President Gore at 7:00 p.m.

MEMBERS PRESENT: Mr. Taylor, Ms. Richardson, Mr. Fogt, Mr. Gore, Ms. Groat, Mr. Reams, Mr. Berbee

OTHERS PRESENT: Mayor Schmenk, Director of Administration Froment, Asst. Fire Chief Riley, Police Chief Golden, Finance Director Morehart

CITIZENS PRESENT: Marion Ward, Mike Endsley, Sara Endsley, Tracy Braun, William Kreis, Bob Buckle, Richard Nielsen, Ernest Jones, Juanita Jones, Aaron Story, Alan Seymour, Herb Richardson, Tammy Penhorwood, Scott Brock, Gene & Rachel Sirca, Dave & Marjolein Dzmura, Lance Pete, Don Bergwall, Linda Birkheimer, Eric Frenberg

AGENDA:

Public discussion on the tax levy issue, focusing on commuter credit.

President Gore welcomed everyone to the meeting and welcomed Ms. Richardson and Mr. Berbee to their first official act of newly-elected City Council representatives.

Mr. Gore explained the intent of this meeting. The issue of .5% income tax increase failed by 84 votes in the November Election. Council made the decision to put it back on the May ballot. A Citizens Committee, consisting of 22 representatives, was formed prior to the election. After the election, they came back with feedback saying that they had heard that residents voted no because of a commuter credit, because they work in another community, and they pay a tax in another community. Council has heard that side, but hasn't heard much from the people who live and work here, to see what they think of giving a commuter credit. Council wants to hear from those people, as well as the people who are pro tax credit. They want to hear both sides. Council has the ability to pass a resolution prior to the vote that will be a companion resolution. If in fact a decision is made

to offer some type of credit and put a date specific, which means it can't be overturned by any future councils until a certain date, which would be a part of that legislation.

Mr. Taylor asked how many people were in attendance from Wards 2 and 3. There were eight people.

Mr. William Kreis addressed Council. He thanked the Fire and Police Departments for their wonderful work keeping the streets safe and working with what they have. He expressed the importance of the local government and how people need to be a part of what's going on, not only to support, but to question their decisions. He works a full-time job in town and also works doing odd jobs to support his family and his property. In the last three to four years, his mortgage payment has increased by \$100 per month due to taxes and levies. Local sales tax also recently increased. He asked, "Why hasn't the increase in population that we all talk about in town also increased the revenue for a lot of the things you are all wanting to tax us more for."

Mr. Gore explained as the population increases, the income increases, the cost of doing business also increases.

Mayor Schmenk stated the 1% income tax rate was put into effect in 1968. It was intended to, at that point in time, go for street paving. Marysville didn't have any income coming in to handle street paving. It's never been raised, and the City has added a lot of other services. Back then we had primarily volunteer firefighters, maybe a Police Chief, but not a police staff. As the city has grown, the city services have been growing and growing, and that 1% does go up as our population grows, but it never really covered the services that we offer.

Ms. Froment added that in years past, the City has borrowed money in many cases and are making payments on that borrowing. We've never actually operated in the black to provide those services.

Mr. Gore noted it was found a few years back, as the City renewed the long term loans, we were still refinancing equipment that the City bought 20 years ago. We've been able to make a big dent in that as far as paying down the debt.

Mr. Kreis asked, "Why is it so important to raise our tax burden on people and their families in the midst of a recession/depression, depending who you are?"

Mayor Schmenk said as Mayor, she struggled with this, but knew when coming into office the City was in bad, financial condition. Past Mayors have had to “rob Peter to pay Paul,” and take loans out and roll things into long-term debt when we should have had the cash flow to do things, like replace police vehicles and buy fire equipment and pave streets. We haven’t had the ability to do that. When the Mayor took office two years ago, she did it with the commitment to try to get the City in better financial condition. Unfortunately, the economy tanked about a year ago. She realizes the timing if awful. It’s been a very important thing for the City to face what we’re dealing with and to come up with a long-term solution, that we decided to go ahead and try it anyway.

Mr. Taylor noted that residential development never generates what it costs. The only development that pays for itself is commercial and industrial.

Regarding Mr. Kreis’s question on why hasn’t growth and inflation kept up with the City’s increased costs. Part of that is the inflation that we see as a Consumer Price Index isn’t necessarily what the City is faced with. The cost of inflation for construction projects due to the increase in cost of construction materials has been over 10%, and you compare that to the Consumer Price Index that’s in the neighborhood of 2-4%. We’re not able to keep up. It’s cheaper to borrow the money and buy it now than it is to save the money and wait. Its put us in a hole.

Regarding Mr. Kreis’s question about economic timing. Mr. Reams heard a question asked, if you had a fire in your home and you’re having to deal with that, the response time from the fire department is going to have a big impact on how that turns out and what the costs are to rebuild and replace what was in it. The question was, when could you better deal with that, when you have a good job and things are going well or could you deal with it better when things are tough and you’re barely scraping by. The point is that you need that protection more when things are tough.

Mr. Kreis said the people spoke in November on this issue. He asked if the voters would have passed this by the same narrow margin that it failed, would we be sitting here today talking about whether we should vote on it again. Mr. Gore said, “Of course not” but he went on to say would we be talking about a commuter credit, the answer would be no. The intent of the discussion this evening is to see what would make more people in favor of the increase. He has heard some people say they would support it if they would receive some credit, because they pay a personal income tax in another community where they work; others have said they

are opposed to that. That is the purpose of this discussion this evening. Council wants to know where people stand on the commuter credit issue.

Mr. Kreis asked, "If this issue passes in May and construction starts and the loans go through, if for some reason a major collapse in our economy and unemployment reaches an incredible amount in our area, how will you pay for the debt owed to your lenders?"

Ms. Froment responded that the City finances it over a period of time. The City works with their Bond Counsel and Bond experts to help in selling our debt. City relies on their advice on basically watching both the economy and our debt to make wise choices for the City to limit exposure on items like that. There is no crystal ball. City employs experts to help manage that debt and make sure that we don't put future services and our City in risk.

Mr. Ernest Jones addressed Council. He bought property here three years ago. It's a great community. He works in Westerville. He pays a flat 2%. Council is asking him this evening how he feels about giving the City another 2.5% of his money. Unfortunately, what the City is going to do when you start doing a 5% tax on citizens, you are punishing him, because he makes money. His answer is no, not a .5. If City was to credit him his full 2.5%, what he pays in Westerville, he would be happy to vote yes on this. To get more money in his pocket, as a homeowner and as a person who voted for the Library levy only to watch the hours be cut back even after the levy was approved, he would have to vote no.

Mr. Richard Nielson addressed Council. He has never had employment in the City of Marysville and has worked for 25+ years. The issue for him is not necessarily a tax issue; it is a fairness issue. If you are going to double tax people who earn income outside of Marysville or allow such situation to be that they are double taxed, it seems extremely unfair to him, as well as to other people in that similar situation. Whether or not there is a tax issue going on, he's sure that issue cuts against the support for it. It is a fairness issue, and it's who the City of Marysville wishes to be more fair to when they go about collecting income taxes.

Mr. Gore said say wherever you work, whatever you pay, you're credited that amount towards what we charge locally to operate the city, and that a key revenue source of operating the City is the 1% personal income tax. Through your taxes, the City provides police and fire services, street cleaning and repair, etc. He asked Mr. Nielson, "If you are paying City B and you're paying your share there and there is no contribution to Marysville, how do we pay for those services we

provide?” Mr. Nielson asked if Marysville had citizens that live elsewhere that get taxed for working in Marysville. Mr. Gore said yes. Mr. Nielson feels that Marysville would have a reciprocal situation existing where City is collecting taxes from those folks that are not receiving services. He feels that would be fair. It’s all about fairness.

Mr. Taylor said the ideal situation is for the Federal and State legislation to come in and say, this is the tax rate – period. Columbus, you can’t put 2% on, whether they live there and work there. If they live in Marysville, they pay their city tax to Marysville on that income, Columbus, you don’t get any. Where you live is where you should pay your city taxes. That’s true fairness. But the problem is, Marysville doesn’t get a say about what happens in Columbus or other cities. We only get to deal with what’s here. His question to Mr. Nielson, 24/7, 365, that residency is protected by Marysville services. His concern in all fairness, X dollars pays X taxes here whether they’re earned here or here, because here is where the services are. He’s heard from several citizens about why should they pick up the slack where they’re getting a break just because they work someplace else. I make my dollars here and pay my taxes here. Their protection is here, whether they make it here or there, that’s a decision a person makes. Mr. Taylor used to be in the same situation, working outside the City, and he never got a tax break on either side. Does he think its right? – no, but he needs to deal with, as a City Councilman, what’s best for the whole of Marysville. He’s one of those people who feels everyone should pay the same, but will rule by what the City tells him they want done. Council is trying to say, help us figure this out, we have needs that everybody needs, whether it’s a family that has two incomes or retired that has none. He’s willing to listen. He’s not really supportive of giving a deduction. Someone has to persuade him.

Mr. Neilson said you can look at fairness a lot of different ways. Who do you want to be fair to. There are other exemptions in the tax code that have other incomes that are exempt from the tax. The notion that this is a special exemption, it’s just a notion. It’s all in who you want to be fair to. It’s a tax fairness question that existed up until 2005. If you are wishing to get broader public support for income taxes, he would agree that the citizens that are paying the tax should feel like they are being treated fairly. Whether that’s fair to one city or another city, we can’t control that. We can only influence what’s fair to the tax payers in Marysville. You may even find that it’s a more attractive place to live and earn an income because of it.

Mr. Fogt needed clarification of what Mr. Nielson was asking for. Is he saying that a .25% credit is not enough, that he's asking for more than that? Mr. Nielson said he's not sure what he's asking for. He's looking for a fair approach to that, so that in his mind he's being treated fairly with the question of being taxed and not having any representation for it. He hears that from a lot of people that he works with and lives around. It's simply not fair to be double taxed.

Ms. Groat said to look at what has been going on in the City for eight months in order to put this out to the voters in November. The idea was that these are X number of dollars necessary because we're falling behind. Whether or not the X number of dollars is necessary, there are ways you can find out for yourself. Where are the X number of dollars going to be obtained, and added that Mr. Neilson's word fairness is such a good point, because to collect differently because somebody is being taxed in another municipality for where they work, is to mean placing an unfair burden on the people who live where they work. To her, that becomes counterproductive. You're encouraging somebody not to live where they work, because if you live where you work, you don't get a credit; you don't get a break. It's the people who were here and working elsewhere who are going to end up if we take the .25 credit; they're going to end up paying unfairly for the people who don't work where they live. The word fairness can work both ways.

Mr. Nielson agreed. It's who you wish to be fair to. There are other incomes that are earned in Marysville that are not taxed as working family income, such as pensions and retirement. Mr. Gore said that all earned income is taxed. If you are earning a pension, it is not taxed. If you are earning money in addition to your pension, it is taxed.

Mr. Fogt said people working here, their gross income is taxed by the City of Marysville. The gross income is taxed so that money is already taxed one time by Marysville. To tax the pension, would be double taxation of that money and that's not fair.

Mr. Nielson thanked Council for holding the public forum.

Mr. Gore noted that he received four emails regarding this issue; one in favor of the tax credit and three opposed to the tax credit. These emails will be made a part of the public record in these minutes. One individual commented that if you reside in Marysville in City B and you pay that tax there without the representation, then maybe the time has come to petition them to credit you for something. Here you are still getting the full services that are paid for by that 1% income tax, yet you get

nothing for that 2 or 2-1/2%. That's another part of a discussion when you talk about fairness. This is not unique to Marysville. All municipalities are having a tough time making ends meet.

Mr. Tom Gray addressed Council. He stated that he's not particularly over confident in the first statement made about the previous history of the city and the way they've been maintained as far as refinancing things over 20 years old. Mr. Gore said that is old and has been addressed and is not the case anymore. That was some of the things that the city inherited 8/10 years ago that we've been working on over that period of time. Mr. Gray noted the City borrowed \$4M to repave roads and still haven't paid that off, which is a significant amount of money. He sees it as a lot of shifting and protecting these retirees and yet it's their property that's a part of this whole thing that's being protected, but yet they get to vote and pass a tax on everyone else and receive these services. He finds this very offensive and very undemocratic. Same thing with this commuter credit. It was a project estimated at .75% that would take to cover \$20M and then it was downsized to .5% and now we want to give another exclusion. He doesn't see how the numbers add up. Something needs to be done. He's for progress in this community. Have we looked at downsizing this project. Have we assessed our needs to say that the Police Department is where the major need is or the Fire Department? Do we have to swallow the whole ball of wax at once while we're still paying back \$4M on our roads. He realizes this is a good time with interest rates, but Marysville has businesses that are really struggling. He feels it should be a property tax and not an income tax, because it's property that is being protected. He said he can't believe the Police and Fire protection isn't covered by property tax in the first place.

Unidentified lady said she agreed with everything Mr. Gray said.

Mayor Schmenk explained why a property tax increase was not proposed. City looked at all means to do this, including a property tax. It was felt we should stay away from this for several reasons. All of the county services are funded by property taxes, including our schools and library. City felt if we tried to put a property tax on, it would jeopardize their ability to get the taxes they need, which was an issue and concern. Also looked at the ability to raise money from the most sources. City receives income taxes from people who don't live in our community, which gives us a broader pool to be able to collect money from, so therefore, everybody that's paying, is paying a little bit less. If we had to go after a set amount from a fewer number, which is just the people who own property, to get the amount, their proportionate share would have been a lot higher, so it would

have been a lot higher tax burden on people who own property. Those are some of the major reasons why we stayed away from property tax increase.

Mr. Gore clarified one thing Mr. Gray said, giving more back with a credit. Mr. Gore said that is not the intent now. That's what people have asked for, so what do you think. Mr. Taylor said he's opposed to it. There are others on Council that are opposed to it, there may be others in favor of it, but no decision has been made.

Mr. Gray said he would be opposed to it from the standpoint of giving a credit because you put a massive project in front of this town and it's got to be paid for. You've already brought it down to a bare-bones level that he doesn't feel can be achieved in the end. He thinks the costs are going to be higher and City will be coming back to us in 2/3 years from now. If you give anybody a credit after you've given these retirees a credit, they should be paying for it just like everyone else.

Ms. Linda Berkheimer addressed Council. She lives in Marysville, works in Dublin and pays 2% in Dublin and 1% in Marysville. She is all for the commuter tax credit. She needs it to be back at .5% credit. That means she'll be paying 3% of her income towards taxes. If she could find a job in Marysville that pays what she makes in Dublin, she'd love to, then she could be at 1-1/2%.

Mr. Reams said we've heard from a lot of people who are commuters and the original intent of this meeting was to hear from the people who live and work in the City and are not commuters. He asked if anyone was in attendance who pays only income tax to the City of Marysville.

Mr. Marion Ward addressed Council. He has lived in Marysville since 1968. He worked for 38 years at Goodyear before he retired. Three years ago he went to Dublin to work and has been paying Marysville and Dublin taxes. He doesn't think a quarter of a percent will make a difference in the people who vote for or against it; a half a percent might, but not a quarter of a percent. Personally, it doesn't make any difference to him because he's not going to be working much longer. If he were, that half a percent might sway his vote.

Ms. Berkheimer asked what percent of the population of Marysville lives in Marysville and works outside of Marysville. Ms. Froment said we don't have exact numbers because City only tracts W-2's collected, so there could be duplicate W-2's from people who work more than one job. It is estimated that it

could be anywhere from 30-40% that live here and work in a different city. About 50% of the income is from people that work here and live somewhere else.

Mr. Gore asked for a count of the people in attendance that live and work here. The amount was ten people. He would like to hear from those individuals.

Mr. Mike Endsley addressed Council. If you have the .5% credit, and he's not against the people who are working outside and having to pay the extra taxes, the integrity of that ballot is lost. He doesn't want to ask the retirees to pay taxes either, but with .5%, they're basically not paying any extra tax. Their vote is they get the extra service, but don't have to pay extra for that service. The integrity of that vote will not be so great. If 30% is the number for retirees, 30% is a huge amount of that vote to not have to help pay for the benefit.

Ms. Tracy Braun addressed Council. She asked for clarification on a couple of things. She and her husband are new to Marysville. She was surprised when she filed her taxes last year and had to pay Marysville, because her husband works in Columbus. When they voted in November, it was very hard for her to make the decision on how to vote on the tax issue because they pay 2-1/2% in Columbus. In 2005, when the commuter credit got rescinded, what amount did that mean for the City. Ms. Froment said that 1/2% meant about \$500,000. Ms. Braun said the Mayor said when she came on board with the City, the finances were in the tank. Where are they now?

Mayor Schmenk said she still feels they are in the tank. We needed a balanced budget this year. The first two years in office, they dipped into cash reserves, but this year, they can no longer do that. City has to maintain a certain level of cash reserves or outside lenders could raise interest rates or maybe even call loans due, so they had to come up with a balanced budget. We're committed to living within our means, but we're not able to fulfill all the city's demands for services. We're falling behind in police and fire services.

Ms. Braun said the .5% is strictly for police and fire department.

Mr. Taylor said no, a portion of that will go to city services. The cuts that were made were not just police and fire. They were across the budget. There is service money in there that is not police and fire.

Mr. Gore made it clear that right now to operate the police and fire department out of General Revenue Funds exceeds a half percent. Even though' it would go into

the General Fund, a half a percent of 1-1/2% plus additional 1 or 2 tenths percent would still have to be used to operate the police and fire department. To say that it's not specific, it still requires 6 or 7 tenths percent of the General Fund to operate Police and Fire, so that half a percent would still have to dip into the remaining 1% to operate Police and Fire. You are still exceeding a half a percent.

Ms. Braun asked how long is this half percent for or are you coming back in two years for another increase. Mr. Gore said the City has operated for 41 years on 1%. Mr. Gore said it not the intent of anyone here to come back in five years to ask for another quarter. With the .5%, the key is managing what you have in order to get the job done.

Mr. Gore said government hasn't had the best reputation of trying to run like a business. Ms. Braun said it can't. Mr. Gore said it can't, but it can be more efficient and that's one of the things we're trying to get to. To sit here and tell you that there are plans or discussion for an additional tax 5/10 years from now, that hope is not there.

Mr. Richard Cole addressed Council. He has lived in Marysville for the past 15 years. He's trying to understand the driver on the tax increase. A part of him sees the City boundaries growing by leaps and bounds. Fifteen years ago, City limits were much smaller than they are today. Is the need for more Police and Fire due to the dramatic growth of the city municipality in area?

Mr. Gore said area and population. Twenty-five years ago, the City had 4-1/2 sq. miles. We're now at 16 sq. miles. That growth has been through annexation. Annexation is not an option because you must maintain what you annex, and City is not in a position to deal with any annexation requests.

Mr. Cole said over the years when we had the dramatic growth from 4-1/2 sq. mi. to 16 sq. mi., that's almost 400%. When City Council or the predecessors were increasing the boundaries, how were they planning to pay for this? His concern is the City was expanding by 400%, how are we going to pay for it if City income tax of 1% is not sufficient, and how did we get to this position. Has it been a land grab to grow the municipality. He's in favor of progress, but has it been too much, too soon?

Mr. Fogt said part of that, Mr. Cole called a land grab, part of that was initiated by the City, part of it is initiated by the land owners. There were a couple of landowners in the last four or five years who approached the City and wanted to

annex, so he wouldn't call that a land grab. Cooks Point for example, there was to be some development out there which would generate some revenue, but the economy tanked and there hasn't been anything done there. That area doesn't have any services at this point, but it will in the long run. There is also some farm land between here and Scotts that's in the City limits.

Mr. Gore said at one time there was a large acquisition of additional land into the city. Farm lands that have been annexed do not require a lot right now, but some has been developed into residential, which has increased the population and increased the demand for services. Annexation has to show that it can pay for itself. He's not sure that's always been the case.

Mr. Cole said if the municipality has grown by almost 400%, does that mean that the city service, road clearing, police & fire have also had to expand by almost four times. Is that why we can't maintain our budget?

Ms. Froment said that's the problem we're facing. We have not had the resources to keep up with the growth. We don't have the Fire Department and personnel to provide appropriate response times and coverage what you would expect having a municipal fire department in your area and times that would reduce harm to both people and property. We don't have the Police Department both in personnel and as a facility you would expect in a municipality of this size to provide safety to the community. We don't have the funding that we should have for capital investment in simply replacing snow plows or in replacing police and fire vehicles that you would expect to be able to maintain a municipality of this size. Revenue is growing, but the expenses are outpacing that revenue, and we're not keeping up. Council and past Administrations have, in the last ten years, made money go further than you would ever expect the dollar to go. We're seeing the fall-out of that. We're not making it to your home in time when your child had an episode; we're not getting to a fire in time, we're not providing a safe place when we need to lock up criminals. In the last year, we had four police cars die on us, because the motors are dying on them. We're seeing dump trucks that are rusting out and we're piecing pieces together. We're at a point where if we don't make an investment in our community, we're going to fall backwards. We can't keep operating on how well they've managed to stretch the dollar.

Mr. Cole said if you go forward with another levy, you should sell it better to the residents. Last November this was sold as a levy to fund a Police Station and a Fire House expansion. He had no idea that should the levy not pass, there would be drawbacks in services. He doesn't know why there was a failure to explain that to

the residents. In his opinion, if you give it to the residents in black and white, tell them what services the residents can expect with the .5% increase. If we don't have this .5% increase, there will be drawbacks which could include X, W, Z. "Residents of Marysville, what do you choose."

Mr. Gore said that's an excellent point and we've beaten ourselves up because we've all heard that a number of times. But in the discussions about doing the education piece, it was like, here are the needs, here's why we have the needs and here's what it's going to cost to do that. You hear from so many people, including himself, their tired of hearing threats. City decided to try to be positive about the needs rather than negative about the losses.

Mr. Cole said it shouldn't be a threat, it should be a choice. If you clearly explain to the residents that you have two or three choices and City Council strongly recommends that we implement this .5% increase because of these reasons, and then let the people decide.

Mr. Cole said we are in the worst economy in the 25+ years, and all municipalities across the nation are strapped budgetarily. He wants to understand that this is not a short-coming due to the economy being pinched, but this is a long-term need and in his opinion, he has not heard this.

Mr. Gore said about eight years ago, we had a request for an increase and it failed miserably, then about six years ago we had discussions again and it became a political issue. The need has been there for eight years, but it's always been looking the other way. He commended the current Mayor for seeing the need to address it now.

Mr. Cole asked what's wrong with a short term countermeasure that is not permanent. As we all know, things get more expensive over time, the 1-1/2% becomes the new expectation, then it goes to 2%, etc. etc.

Mr. Taylor said a lot of things have been put in place to improve the operation as a business. Our customers are us. The intent of all these people is this is the last one we see. The planning and looking ahead, the what if, the black day, gray day, the problem day, is addressed in the plan out there. That was addressed in the study when we looked at what does Marysville need ten years down the road. Unfortunately, visions from others have not been to look 20 years ahead. The right decisions were made now. The process now is that everything needs to look far ahead. Mr. Taylor agreed with Mr. Cole, everyone needs to think about, it's their

dollar, it's their city and it's their decision. Mr. Taylor feels that .5% takes care of the needs. To say it's going to go away in 5-10 years, it's not going to go away. The needs are going to be there, so you have to plan now and that's why .5% became the critical figure.

Mr. Gore said, is .5% a cure all forever – no. Is more efficiency and better management and increased planning with that .5% going to help is in the foreseeable future meet the needs – yes.

Mr. Cole said no one wants to give up their money, but if you can itemize and explain how you have gotten by and why is it the right time to increase the tax, as a concerned resident, he'd say it looks like we have to have it or cut services.

Mayor Schmenk asked Mr. Cole and the people in attendance what they felt was the best way to communicate to the residents. Mr. Cole likes the public forums where people can raise their concerns. It's a good exercise to understand where you're sitting and why you are coming to us asking for the money.

Mr. Cole said when the increase failed, he had no clue as to the depth of the problem.

One lady said communicate on the water bill.

Mr. Gore said City Council meets every second and fourth Thursday of every month. There is a place on the agenda, Hearing of Citizens. Citizens are welcome to address Council on any issue that is not on the agenda. When legislation is on the agenda, there is a public hearing on the second reading, at which time residents may comment on that issue. Comments are permitted at the third reading with prior notice to the Council Clerk. Council encourages people to come to Council meetings.

Mr. Cole said, "Bottom line is, we're all in this boat together, and we need to come up with a solution together and I think if you publicize that, then the prudent residents of Marysville will do the right thing."

Regarding a comment made by Mr. Cole about not getting a fire house, Mr. Reams said whether we spend \$5M on a firehouse or \$50,000 on a fire house or someone like Bill Gates gives us a firehouse, we couldn't afford to staff it. It's not about the building; it's about the services and staffing of the EMS and Fire Staff. Mr. Reams asked Mr. Cole if he thought that message got out there or was he aware of that.

Mr. Cole said as an average resident, he thought the November levy was for a new police station and new fire station over by Mill Valley. It never occurred to him that that means staffing expansion. That was not clearly understood.

Ms. Groat said every first Tuesday of the month, 6:30 p.m. in the Library, she meets with Ward 3 residents or anyone who wants to come. The meeting is very informal. It's a much more comfortable, low-key meeting. If you ask a question and Ms. Groat can't answer it, it gives her time to get an answer from Council. This is another communication tool. She welcomes casual comments.

Ms. Groat said initially Mr. Cole said he didn't understand the driver on the income tax increase and asked him, after this discussion, if he felt differently about it now. Mr. Cole said it's good to hear that it's just not for the Police and Fire Stations. Seems like there has been a budgetary shortfall for some time and that's not been clearly communicated to the average Joe.

Mr. Cole said we are in a contraction of the economy, does it make sense to even evaluate whether we need to have the municipality be four times larger. We're all pro growth, but you're in a position to make hard choices, does it make sense if there is not going to be growth in this next decade, to maybe draw down the municipality lines so that we can control costs and get by with what we have.

Ms. Groat asked Mr. Cole if he has taken the tour of the Police and Fire stations. His response was no, he attended the public information session but did not take the tours. Ms. Groat encouraged him to take the tours.

Mr. Gore acknowledged that communication in this community is difficult. A lot of information is put on the City's website. Unless you get in the habit of checking the website on a routine basis, you will miss things. There is no TV or radio and not everyone reads the newspaper. We have to figure out a way to keep people informed. It's key to get information out to the public. He encouraged everyone checking the website for pertinent information. The website is www.marysvilleohio.org.

Mr. Cole applauded this public forum, in addition to the Council meetings. Unless he has a concern, he does not have a reason to come to the meetings.

Mr. Nielson said, so we've had 20 years where we've had a generation that didn't keep things up and all of a sudden we have to make amends, repair our snow plows, etc. and wonders just how many of that generation has moved on to their

retirement years and isn't going to get taxed on this. They've escaped that period of time and now their going to do it again. He feels he just has to drive home a fairness issue.

Mr. Don Bergwall addressed Council. He is a retiree, for the most part. He has lived in Marysville for 7-1/2 years. During his career of earned income, he has lived in five different states and Ohio is the most unique. There is no question that we're over taxed in too many ways. Everybody is kind of at the end of the line and then with the current economic situations and what's happened with pensions, etc. pressure is on, so we vent, and any time where some opportunity comes up where we do get a choice of voting on it, we want to vote it down. He understands that and it makes sense. We seem to have little leverage over what gets taken from us on a Federal and State level, but what a great opportunity we have here to come face to face with the people who are leading us on the local level. By not having earned income, this gives Mr. Bergwall the opportunity to pay his civic dues. He believes everyone should do that to some extent. He's had the opportunity to get involved in the community in a variety of ways and feels like he's giving back, be it volunteering at the hospital, working on the Veteran's Monument, serving on Planning Commission. There are a variety of ways to pay back for what you are not earning, but you also have a better insight. He's had the opportunity to take the tour, had the opportunity of working with City staff. He's had the privilege of being on a team that just finished up putting together the Comprehensive Plan. There is no doubt in his mind that this need exists for additional revenue on the City basis and doing these things, making these improvements through these contributions is going to improve and sustain property value, it's going to improve quality of life for our family and neighbors and it's going to improve our safety and security. He's written his State officials on a variety of issues, but we don't have the same opportunity and we don't fight as hard at the State and Federal level like we can here, and we need to bring that into balance. We need to make an investment here for our quality of life, our sustaining of property value and our safety and security. The City has changed due to growth, because of proximity, because of easy access to metro Columbus and with that, has brought some new social issues. The biggest point he would like to make is we have this communication problem in getting with people, to get that emotional attachment and everybody is leery. For the record, "the current Administration, the current Council, the current department heads, he's had the privilege of meeting and work with the Fire Chief, the Police Chief and a variety of other department heads, Engineering. We're blessed with some very dedicated, very capable people on the City Staff; we're blessed with a dedicated group on the City Council. I think the citizens of the community need to get behind the recommendations that you

make.” Mr. Bergwall said he doesn’t have a good feel for if you make this .25% compensation for those that commute, whether that’s going to be an issue that will bring more votes or not. It kind of blew him away that you get double taxed here. In communities that he’s lived in in the past, it was common where in one place you paid half of what the rate was. If you worked and lived in the city, you paid the full amount. Mr. Bergwall said, “With retirees, I get confused on that too because there are sometimes I think from all these reports that I hear and the feedback, the best thing I could do for the city is burn down my house and move, because I’m a burden, you know even though I don’t send kids to school and I don’t have a whole lot of crime at my address, but that I’m a burden by being here, and yet I’m being lured to other states that at age 62, you no longer pay for school tax and at age 65 you get a greater compensation for your taxes, at a state level that is, in cities similar.” There is balance point in some of this. It would be nice if all the communities could come together. We probably can’t afford to be the bigger city and come forward and offer that and try to encourage other communities to, but if somehow collectively the people in the whole metropolitan area of Columbus and the surrounding communities could come together and have an equal share basis, that would be great.

Ms. Braun thanked Mr. Bergwall for the volunteer work he does. Her husband works in Columbus and pays both taxes. She does some volunteer work.

Mr. Gore said if anyone has comments and wants to become part of the record, please email or contact the Clerk of Council and she will make it a part of the record.

The next Public Discussion will be held next Wednesday, January 20, at 7:00 p.m. in Creekview Intermediate School. This meeting will be for Wards 1 and 4 or for anyone else who could not attend this evening.

Mr. Gore encouraged attendance at City Council Meetings on the second and fourth Thursday of each month. We would love to see a crowd like this at a City Council meeting.

He thanked everyone for coming and commented that this has been a fantastic meeting. He’s heard a lot of good comments and seen a lot of interested citizens. It’s encouraging to see a turnout like this. We need to work on communication. It’s important to do the right thing and be fair. City has the need. What’s the fair way to do it.

Mayor Schmenk thanked everyone for coming. She loves to hear your comments.

Mr. Taylor recommended everyone attend the meeting next Wednesday. Hear what Wards 1 and 4 have to say. He said, "We're looking out for you and you're looking out for us." Feel free to give him a call.

ADJOURNMENT: There being no further business to come before Council, the meeting adjourned at 8:40 p.m.

Emails received on the commuter credit issue are noted printed below:

"Just some early thoughts -- I feel it is patently unfair that Marysville should be the half of the equation giving the credit. As a payer of Columbus City Tax my consumption of services in that municipality is de minimus and my vote, voice and representation on Columbus spending is non-existent. I want to throw tea in the Town Run!

What would be the fiscal impact if the "other" city gave the credit? We would need to assess the tradeoff impact of Marysville having to give that type of credit to individuals working here while retaining 100% of our citizens taxes.

I think other cities share this concern. Perhaps this type of approach conflicts with "Home Rule" interpretations. However, if it is possible to achieve this type of arrangement down the road, starting those conversations through Rep. Burke and Senator Gillmor now may help our cause from a voter behavior impact perspective.

Just thinking "aloud" . . .

John Cunningham"

"I'm not sure if I can make it to a meeting or not, but it sounds like the city is considering providing a credit to residents that commute to another location for work. If I have that correct, I can see where it might be a good incentive to get a few more votes in support of the levy, but as a resident and commuter I am not in favor of the credit.

In my case, I made the choice to live in Marysville while working elsewhere. The contributing factors were the smaller size of the city, the level of services

provided, the excellent school system, the historic uptown charm, the friendly nature of the community and the lower cost of construction compared to other area's surrounding Columbus.

While it would be more economical for me to get a commuter credit, I don't think it is fair to all the residents of the community. If I am utilizing and benefitting from the same services they are I should be paying my share.

Jim Foeller”

“Thanks for this email notification. We had seen in the paper last Dec that these meetings were going to be held and had hoped to be at one of them. Unfortunate there is a church meeting on both nights. We’ll watch the paper for more info on these meetings. Our input would have been that we understand the city’s needs but it does not seem right that we must pay full Arlington & Marysville city income tax, especially when the commuter tax provision was taken out w/o our vote.

I wish we could attend one of these meetings because there are other questions we have. We will watch the newspaper, but if they are not answered there is there anyway we can submit a question?

Thank you

Steve & Ann Waltman
245 Restoration Dr “

John,

I can’t make any of the income tax meetings. But I am not in favor of any commuter tax breaks. Since the commuters live in Marysville and use all the City services they should help pay for them as the rest of us do, to give them a tax break would be a slap in the face to the rest of the citizens. If they want a tax break they should contact the city they work in and try to get one there as they are only there only long enough to work.

This tax increase should have been done twenty years ago. I have a lot of respect for this Mayor's Administration and council for attempting to get this accomplished.

Ken Nicol