

Brookville City Council
Special Meeting
January 12, 2017

The Special Meeting of the Brookville City Council was called to order by Mayor Seagraves at 6:30 p.m. on January 12, 2017 in the Brookville Council Chambers. The Pledge of Allegiance was recited. Members Apgar, Cantrell, Duncan, Henry, Kirklin and Letner; City Manager Burkholder, Police Chief Jerome, Fire Chief Fletcher, Finance Director Keaton, Law Director Stephan, Clerk Wheeler and Public Service Director Williamson were present.

Roll Call by Clerk Wheeler.

Member Cantrell announced Member Kirklin will be a few minutes late to the meeting.

Member Duncan stated there is no Citizen Comments on the Agenda tonight. He motioned to add Citizen Comments to the Agenda.

Mayor Seagraves stated there are no Citizen Comments tonight since the Meeting is a Work Session.

Motion by Duncan, second by Cantrell to approve the Agenda as presented. All yeas, motion carried.

Mayor Seagraves introduced Steve Stanley with the Montgomery County Transportation Improvement District to give a presentation on the Market Street Extension Project.

Steve Stanley, of the Montgomery County Transportation Improvement District (TID) informed he is here to give a follow-up on the project. He stated the TID is working with the City to complete Phase 1 of the project. The work they do at the TID is varied and is made to fit the individual needs of a community. He commended City Council for their thinking of what they can do to enhance the community's future.

Mr. Stanley presented a Power Point Presentation on the Market Street Extension Project.

Member Duncan asked if there is any prediction of how much the other property owners will contribute to the project? He stated he does not feel we should develop the property if it makes someone else's property more valuable and we should recoup some of the money back from the road, sidewalks and upgrades.

Manager Burkholder informed that is a two-part question and he will answer the first part and then defer the rest to Law Director Stephan. He stated the contribution by the property owners has really already been made in two ways: 1. the sale of the actual fire station site was sold to us at a very reasonable price per acre and 2. the right-of-way for the actual road way was donated to the City prior to him coming. He informed all of the land where the road will be built was donated to the City and was a contribution made in order for the project to be possible. The area was platted in approximately 2010.

Manager Burkholder stated we are still working with the property owner on the regional storm detention. It will make the fire station site more viable by not having the retention on the fire site, plus we did need more space on the fire site. He informed it will also be positive for development in the area and the property tax generated by developing the area will be part of tax increment financing and some of that money would be directed to underwrite the cost of the roadway. He stated we have not signed an agreement yet but are working on signing an agreement for the detention area to be donated to the City in order for the regional storm water detention solution.

Law Director Stephan advised we are looking at designating the area for tax increment financing (TIF). He explained for the properties that develop along Market Street, a portion of the taxes would be paid into a 10 year, 75% TIF. Seventy-five percent would be paid back to the City to be used for infrastructure costs, and other costs endured from the project. It is speculative in the sense that we do not know when development will occur but that it is probably safe to say within a 25 year time period there will be development along the street. He informed he is working with the property owner on a new subdivision plat that will be presented to Planning Commission and City Council soon. A number of lots are laid out along Market Street zoned GB which would be for retail and office development. He stated there are very promising signs that development will occur there and we would generate funding through the TIF. As far as assessments go, we have waived some assessments with the current property owners in agreement for their donation of certain property. In respect to the regional storm water area, we won't assess for the cost of storm water piping in exchange for the donation of the land. There are other areas we will be looking to assess future owners once the project develops. Assessing for sidewalks, lights and other items to help recoup the costs. In the short run we do not know exactly when development will occur and we can't count on dollars from the TIF until development occurs but we do expect development within the next 25 years. Once development occurs and we are in a ten year TIF then we will have ten years worth of payments that can be used toward the cost.

Mr. Stanley stated that Law Director Stephan gave a very good explanation. He informed in his experience there is almost always a new real estate developer ready to develop.

Member Cantrell asked if the bid comes in considerably lower than the \$1.7 million that would give us more opportunity for everything listed initially to be included and will that affect the contingency?

Mr. Stanley informed that is correct, a contingency of some size will need to be maintained. He can't answer specifically until we come to that point. He has built a 10% contingency into the loan which would give us some room, then we can evaluate anything above that. For instance, the sidewalks. We could go ahead and build and then assess later.

Member Cantrell asked about bike paths?

Mr. Stanley informed the TID has built more bike paths than anyone else in Montgomery County. It is a mistake not to look at incorporating those. That is an area that can be looked at as an independent area. He stated the TID has a track record of getting other people's money to help pay for those. A bike path has not been designed along this roadway itself yet, but incorporating that as a second step make all kinds of sense especially since it is attached to an older developed section of the City.

Mayor Seagraves asked when Council needs to have an answer to Mr. Stanley for the funding mechanism and can Council wait and make a decision at the next meeting.

Manager Burkholder informed no decision needs to be made tonight, he only wanted all of the information presented so that Council would have time to digest and ask questions. The next trigger will be January 25 and then the appropriate legislation would be brought back the first Meeting in February for Council approval to move forward with the second phase.

Member Cantrell asked when we will know about the repayment amounts?

Manager Burkholder stated that information will come after the 25th.

Mr. Stanley informed Council he will know the repayment amounts when they are considering the second phase as that will be a part of the Agreement.

Mayor Seagraves thanked Mr. Stanley for his presentation.

Manager Burkholder stated he would be happy to answer any questions on the legislation that is before Council on the Agenda tonight.

Finance Director Keaton provided Council with a packet of local municipalities who currently have tax levies as well as the amount and type of levies. She also provided Council with a spreadsheet for estimates of millage rates.

Finance Director Keaton explained the proposed 5 mill Police Operating Levy would generate approximately \$494,328 annually and would cost a homeowner with a home valued at \$100,000 a total of \$175 per year or \$14.58 per month.

Finance Director Keaton explained the proposed 2.5 mill Street Levy would generate approximately \$247,164 annually and would cost a homeowner with a home valued at \$100,000 a total of \$87.50 per year or \$7.29 per month.

Mayor Seagraves asked if the two new levies being looked at are for a five year period of time?

Finance Director Keaton stated yes.

Member Duncan stated Finance Director Keaton had said at the last meeting that the .25% tax increase has already brought in \$267,000.

Finance Director Keaton stated at the last meeting she reported that in her accounting budget for 2016 what was actually pulled in was \$267,000. She informed that following the last meeting she received the end of the month report from Vandalia and we actually received in for 2016 a total of \$337,000 that was attributed to the .25% increase. She informed that amount was for the entire year of 2016 from January 1 to December 31.

Member Duncan stated at an April Meeting held last year before the .25% tax increase was passed it was stated we lost \$260,000 due to cuts from state taxes. He stated in his opinion, we have already gained more than the \$260,000 lost with the 25% income tax. We were expecting approximately \$700,000 from the .25% tax increase

Finance Director Keaton informed we have lost more than that in inheritance tax alone.

Mayor Seagraves stated he does not understand the point Member Duncan is trying to make.

Member Duncan stated that Finance Director Keaton said we have made \$337,000 in the last six months.

Member Kirklin stated no, we made that amount for the full year.

Member Duncan stated we lost \$260,000 and now we have made \$337,000.

Mayor Seagraves stated we were supposed to make \$700,000.

Member Duncan indicated that we should have recouped our losses then.

Member Cantrell and other Council Members stated they do not follow Member Duncan and his point.

Member Duncan stated we should still have more money coming in.

Member Cantrell stated there isn't going to be much more coming in. The amount was for the entire year of 2016 and will be similar next year also.

Member Letner stated he thinks some people never adjusted their tax rate for 2016 with their Human Resource Department and come April 15th they will be surprised to find out they owe additional money. He stated that Finance Director Keaton made a good point a few meetings ago that it may take two to three years before we really see the total amount brought in from the 25%.

Member Cantrell stated there may be some people who haven't adjusted their tax rate with their employers but not a significant amount.

Member Letner stated even \$100,000 would be good that would be almost 25%.

Member Cantrell stated \$750,000 was the number and right now we are off from that by about \$430,000.

Member Letner informed that number has been revised. He stated come April or May he thinks we we will see something different.

Manager Burkholder clarified when talking about the Fire Station and Capital Improvements, it was clearly stated that the .25% increase would be for both, the estimate at the time and Council's impression is that we would have approximately \$775,000 but with the loss of 3M and Parker Hannifin that knocked the total down at least \$250,000. He stated those numbers have been sited by Finance Director Keaton. We may still see an uptick from the amount collected in 2016 but the reality is that with the loss of those jobs and income we also need to add in the net operating loss which will take effect in 2018. He informed we need to have more conversations on how that is going to affect us.

Finance Director Keaton stated the calculations started January 1, 2017 and will actually be phased in over the next three years and then will be fully recognizable in three to five years.

Member Cantrell asked how many refunds were issued in 2016?

Finance Director Keaton stated approximately \$175,000.

Member Cantrell stated we had to pay back businesses in Brookville for overpaying a total of \$175,000. So now, our \$330,000 gain has been offset by \$175,000.

Finance Director Keaton advised that was the net gain.

Member Cantrell stated we may have more money that would offset the potential for the employees that may not have had that before.

Manager Burkholder stated our income tax rate is not just on earned income but net profits from businesses. The net operating loss is the new law that allows businesses to bring losses from the last five years forward. That will have a negative impact on our revenue stream because it's not something that can be calculated quite yet and we have never allowed for net operating loss carry forward but will have to come into compliance with the new law. Manager Burkholder stated at the time of the .25% increase, our situation was different than it is now. We have had changed conditions since the tax increase, which is why staff has recommended and Council has acted on new policy in order to fund those things originally talked about like the Fire Station and also capital improvements needed throughout the City. He stated there have also been surprises pop up along the way that we did not anticipate, for instance, the water issues at the Northbrook Industrial Park. He wants everyone to know of the changing conditions so they can fully appreciate the variables dealt with over the last twelve months.

Law Director Stephan advised City Council acted on December 20, 2016 on the proposed repeal of the income tax credit reduction and did not approve Ordinance 2016-14 to repeal the income tax credit reduction. Under Section 10.01 of the Charter of the City of Brookville, the Committee for the Initiative to Repeal Ordinance 2016-08 filed the necessary certification with Clerk of

Council within ten days of the final action of City Council requesting that the proposed repeal be placed on the ballot for consideration by the voters of the City of Brookville. Under 10.01(H) City Council is required to place the initiative on the ballot at the next general or primary election to be held within the Municipality, provided that such election day shall occur at least 45 days after the receipt of the proposed initiative ordinance or resolution from the Clerk of Council.

Law Director Stephan informed the next primary election is on May 2, 2017. To place an initiative issue on the ballot for May 2, City Council must act prior to February 1, 2017, which is the deadline for submitting an initiative issue for the May 2 primary election. Under Section 4.07(A)(3) of the City Charter, an ordinance or resolution for the purpose of submission of any question to the electorate or the determination to proceed with an election takes effect immediately upon passage. Under Section 4.04 of the Charter, each ordinance and resolution shall be read by title only on three separate days, unless the requirement is dispensed with by a vote of at least two-thirds of the members of the Council. Although City Council is now precluded from declaring an emergency on legislation "involving taxation," City Council can act by two-thirds vote to dispense with the second and third reading of an ordinance to place a tax issue on the ballot. Under 4.07(A)(3), this ordinance becomes effective immediately, and the ordinance can be submitted to Board of Elections prior to the February 1, 2017 deadline.

Law Director Stephan requested City Council take action on Ordinance 2017-01 to approve the first reading and dispense with the second and third reading to place this issue on the ballot. He stated in his opinion, Council is mandated by 10.01(H) of the Charter to place this initiative issue on the ballot at the next primary election on May 2, 2017.

Mayor Seagraves stated these are different areas, the first one is talking about the roll back. He thinks that should be done in three readings. He stated the citizens have asked us to do away with emergency format. He understands the urgency needing to pass this legislation but believes it should be done in three readings. We can do the first reading tonight and then a Special Meeting if needed.

Law Director Stephan asked when could we hold a Special Meeting?

Member Apgar suggested the Wednesday after the next regularly scheduled Council Meeting.

Motion by Henry, second by Apgar to schedule a Special Meeting on Wednesday, January 18, 2017 at 6:30 p.m. All yeas, motion carried.

Mayor Seagraves had no report and thanked everyone for attending the Meeting.

In New Business,

Motion by Cantrell, second by Kirklin to read proposed Resolution No. 17-11. All yeas, motion carried.

Mayor Seagraves asked Finance Director Keaton to remind everyone what a five year Police Operating Levy would generate.

Finance Director Keaton informed a 5 mill Police Operating Levy would generate approximately \$494,328 annually.

Mayor Seagraves asked that as of right now 100% of the Police Department's Budget comes from the General Fund?

Finance Director Keaton informed currently in the General Fund we have the Police Department, Fire Department, and Legislative Department which includes all of the transfers out of the General Fund to the other funds that are not self sufficient.

Member Cantrell asked the number we receive from Montgomery County property taxes right now.

Finance Director Keaton reported approximately \$124,000 annually. She stated we only receive inside millage.

Member Cantrell stated that right now the City only generates \$124,000 total in revenue from all of our citizens that are property owners. She stated this Police Levy would raise an additional \$494,000 to be used exclusively for the Police Department for the next five years.

Finance Director Keaton stated that is correct.

Member Duncan asked Finance Director Keaton how sure is she of the numbers figured?

Finance Director Keaton informed the numbers were provided to her by the County Auditor.

Member Duncan asked why are we asking for the numbers from the Auditor again?

Finance Director Keaton stated that is the process.

Law Director Stephan stated it is required by law.

Finance Director Keaton informed she provided a spreadsheet with her Memorandum to Council showing the estimated revenue at different millage rates at a 95% collection rate.

Manager Burkholder explained the process is to get an unofficial estimate so that Council will know ahead of time what it would produce, it is required by the Ohio Revised Code to be a two step process. He stated the Staff will request a suspension of all three readings tonight so that if this is passed, we can forward it to the County Auditor. The County Auditor will review and then send us a certificate of the official estimate the millage would raise. The legislation would then come back to Council for consideration to be placed on the ballot. Manager Burkholder wanted to clarify that this is a two-step process and tonight's legislation is only to send the information off to the Auditor's Office to obtain certification.

Law Director Stephan advised this rule applies to both Resolutions and Ordinances. He stated if Council wants to have this on the ballot for May 2, 2017 then Council needs to pass the first reading tonight, dispense the second and third readings so that it become effective immediately under our Charter and then if passed tonight it would be forwarded to the County Auditor for formal certification and they have 7-10 days to respond. The Auditor's Office indicated they could respond in 24 hours. He informed once the certificate is received a second Resolution would be brought to the next Council meeting to schedule placing it on the ballot. He stated this must be submitted to the Board of Elections by February 1, 2017 in order to be placed on the May 2, 2017 ballot.

Member Kirklin clarified that the legislation on tonight's Agenda is only for the purpose of getting a certificate of the estimated revenue generated from the Montgomery County Auditor's Office.

Law Director Stephan stated that is correct.

Mayor Seagraves asked Police Chief Jerome for his thoughts.

Police Chief Jerome stated we are one of a few rare City Police Departments that are funded by the General Fund. He stated it is a little unsettling when you start looking at where the funding comes from. One hundred percent of the police department's budget comes from the General Fund. He informed a major loss of any company and the overall funding to the General Fund would have an adverse affect to his budget directly. He stated he has been told and it is true that

he really is the largest budget in the City. He stated it is a scary venture to say that your future is based on sales tax. He stated that basically, instead of salaries and equipment coming from the General Fund, this portion would come from the levy and be more of a guarantee and less of a burden on the General Fund.

Police Chief Jerome stated we are facing some challenges soon. With the unfortunate event with the recent Police shooting, we have relied on part-time staff for so long and as he has reported over the last five years as Chief, the ability to hire part-time staff continues to dwindle and not just for the City of Brookville but for every city in Montgomery County. He stated most can't even get part-time staff which is the reason in 2017 we are hiring a full-time officer. That will help the wound of where we are at currently but if we had another incident where we had a couple of officers go off for a lengthy period of time we would likely be in a crisis.

Police Chief Jerome informed our five year deal ends the first of 2018 for dispatch services with Englewood. We received a really good deal when we left the Sheriff's Office and switched to Englewood and we really like their service. He informed it is projected his Police costs will double from where they are this year. Which means he will be coming back next year to tell Council what his costs are for dispatch services. He stated he tries to give a heads up so that Council is not shocked, but if we want to continue the same level of service with the same level of cars on the street and the same programs we currently offer then this is where we are. Chief Jerome stated if he understands correctly on how the millage works and where the money comes from than it will secure money from a different source compared to taking the Department's entire salary from the General Fund. He stated he had a recent conversation with the Chief in Union and learned their entire Police and Fire Departments operate on levies and not from their General Funds. He was shocked by that. He stated right now it is all dependent on how the legislators decide to pay each Department's Budget and where the money comes from.

Chief Jerome stated he is probably biased but feels our Police Department is great and provides the best Police Services and we have a low crime rate, which is why homes in the area sell so fast. He stated we also have a great school system. He continues to tell everyone we have the best Police Department in the State and he truly believes that. With that, he would like to ensure our longevity to and secure funding to make sure we have the adequate staffing we need in order to continue to provide a quality level of safety. He stated last night there was another incident from the highway where a chase came off the highway and ended up with flat tires behind a fast food restaurant and another felon was captured. We continue to see these frequent things from our highways, these are not one of our residents but it still involves us. He stated he continues to bring incidents like this to the attention of Council so there are no surprises.

Mayor Seagraves stated one concern he has is the initial contract for Dispatch Services with Englewood that was for a five-year period is almost over. He stated everyone remembers signing that because it was a great deal under the assumption that it would change one day but it gave us the opportunity to pay back the money we owed to the County. He stated the potential influx in dispatch rates for police, will most likely be the same for the Fire Department.

Fire Chief Fletcher stated the Fire Department's fees will not double but will definitely expand. We were given a "sweatheart" deal when we switched to Englewood and that helped us to cover the amount we had to pay in order to get out of our contract with the Sheriff's Department. Even with the additional money that will be due in 2018 we will still be getting a better rate and experience by the service of the Englewood Dispatch Center. We have known this would come, but the last five years have flown by.

Mayor Seagraves stated there is no question the tremendous job the Englewood Dispatch Center does. The reality is our calls continue to increase and we are charged per call. We need to have expectations of where funds will come from for things like this.

Fire Chief Fletcher stated we are charged on a per call basis and in the Fire Department alone, calls are up 500 calls from when the arrangement was made five years ago. He stated we are

experiencing a double digit increase in demand for services per year. He informed those are the expenses that are the real ones that we are realizing with the increased need for Police and Fire Services.

Member Kirklin stated Police Chief Jerome has worked for years to establish relationships with other Police Chiefs in surrounding areas but he commented that he was surprised that other Police Departments are not fully reliant on the General Fund. She asked has their been any discussion with other Chiefs on how it might remove some level of risk exposure from taking the budgetary decision and making it into it's own separate millage to support Law Enforcement?

Police Chief Jerome stated he is not sure he has had that specific conversation yet with them because he is still trying to look into what other funding they receive from other sources. He stated if you look at the packet from Finance Director Keaton there are a lot of inconsistencies among the different cities and the portions each city receives from the levy or millage, the length of levy etc. He reported his Department has tried hard and has done well with annual maintenance of cars, equipment or computers, changes to technology and made changes five years ago to the technology in the cars. He stated he is absolutely pleased with the dispatch services received and he understands their cost and charges across the board. We all knew this day would come at the end of the five-year Agreement. He has looked at his proposed numbers and his costs will double, the Fire Department will not double but his will.

Member Kirklin stated she would be curious to hear comments from Chiefs from other Departments on each end of the spectrum.

Fire Chief Fletcher informed approximately 80% of his budget is based upon levies and contracts from the Townships and then the rest comes from the General Fund. As Chief Jerome mentioned, if we had a major loss of another business it would mean a negative impact on income tax and would have an affect on our General Fund which would then have a dramatic affect on our Police Department who relies 100% on the General Fund. It would affect the Fire Department on a smaller scale of 20%. He stated a healthy or unhealthy General Fund only affects his budget by 20%. He would be concerned if he were only supported by one single levy, but each Township has multiple levies. He informed if one levy were to fail in a Township, that is only a small portion of the revenue stream that supports his budget. His budget is more diversified because it does not solely rely on one fund to pay the Fire Department's Budget. A failure in one part would not have an immediate effect on his ability to provide services or to have to make cuts or discontinue something we currently do. It gives a reactionary time frame. He stated it does concern him that the Police Department's budget does solely rely on only one single fund. He stated if you look at other public safety entities you will see there are multiple forms of sources for revenue for that purpose. He believes Brookville Police would be more of an exception than the rule with regard to the money that is available to operate on.

Member Kirklin stated that was the point she was trying to make.

Manager Burkholder stated when you have a combination of both income tax and property levies it adds stability to the revenue stream. The legislation tonight would bring stability to our revenue stream and as both Chiefs have mentioned we are kind of the exception. At least from the fire side, they have multiple levies and do not have all of their eggs in one basket so they have more stability and that is important particularly when talking about safety services.

Mayor Seagraves stated for the Resolutions tonight, we are looking to pass them and remove the second and third readings to get them to the Auditor's Office in order to get results back for review in February.

Member Duncan asked if this is only for a result from the Auditor's Office?

Mayor Seagraves stated yes.

Motion by Henry, second by Apgar to accept the first reading, dispense with the second and third reading and adopt proposed Resolution No. 17-11 entitled, "A RESOLUTION REQUESTING THE MONTGOMERY COUNTY AUDITOR TO CERTIFY TO THE COUNCIL OF THE CITY OF BROOKVILLE, MONTGOMERY COUNTY, OHIO, THE TOTAL CURRENT TAX VALUATION OF THE CITY OF BROOKVILLE, MONTGOMERY COUNTY, OHIO AND THE DOLLAR AMOUNT OF REVENUE THAT WOULD BE GENERATED BY A NEW PROPERTY TAX LEVY OF FIVE (5) MILLS, FOR A PERIOD OF FIVE YEARS, COMMENCING WITH TAX YEAR 2017, FOR THE PURPOSES OF PROVIDING POLICE SERVICES, AS DEFINED IN OHIO REVISED CODE 5709.19 (J) TO THE CITY OF BROOKVILLE." All yeas, motion carried.

Motion by Cantrell, second by Kirklin to read proposed Resolution No. 17-12. All yeas, motion carried.

Mayor Seagraves asked for comments. He stated it is a lot to take in and Council is trying to make some sound decisions and understands this stuff is needed but is questioning the thought process on putting a Police Levy of 5 mills and another one of 2.5 mill for the roads. He is not questioning our need for the funds but the mindset of how we can approach the citizens so that they understand the necessity. When people go to vote they will be looking at several things.

Member Letner stated there will also be the initiative on the ballot and there will be conflicting interests on that and he thinks by adding Resolution No. 17-11 and 17-12 on the ballot in May, it will call the wrong attention to the Initiative. He stated by doing this we are basically saying the initiative is going to pass and this is our backup plan.

Mayor Seagraves stated he does not think that by doing this we are saying it's our backup plan.

Member Letner asked if the Initiative and both Resolutions pass then what, will we have that much taxation?

Member Cantrell stated we are giving the voters an option.

Member Duncan asked what will we do if all three pass and if this is being done to confuse the citizens?

Member Cantrell stated no one is trying to confuse anyone, we are trying to give the citizens a choice.

Member Duncan stated the wording is confusing, for the Initiative to pass people have to vote yes, on a tax levy people have to vote no and when most people see tax they want to vote no.

Mayor Seagraves stated it is up to the citizens. He stated we just heard Police Chief Jerome speak on our public safety issues.

Member Cantrell stated we do not know the exact wording of how the issues will be worded on the ballot.

Law Director Stephan advised the wording on the Ordinance for the income tax credit reduction will be texted the same. It must be reviewed by the Board of Elections and the Secretary of State and if they agree with the drafting he has done, then it will be the exact language. He advised the wording for the Resolutions will be similar, we will quote the Ohio Revised Code but the Board of Elections Office will reword slightly to make more sense to voters. The next Resolutions that come before Council will have the exact wording that will be on the ballot.

Member Duncan asked what if the school has a levy on the ballot at the same time? He stated Clay Township has discussed a road levy also and all of those levies are a lot for voters and the chance of any of them passing are zero because of too much competition.

Member Cantrell stated we have to figure out our future and if the issues are voted down then we know we have to start cutting services. She informed we are in a limbo spot right now, we know we are committed to pay a bond for a fire station but know nothing else. So if they are all voted down then we will need to start cutting services for everything else.

Member Duncan asked what we receive back from the fire levies.

Manager Burkholder stated we receive 60% of the township levy. We have two levies with Clay Township.

Member Duncan stated based upon 5 mills we would receive \$500,000 and 62 % of that is raised in the City and we would get \$310,000 back which would leave 280,000 out there.

Manager Burkholder stated their are different valuations. There are 2 different millages, Perry and Clay Township and they are both different levies. He stated the levy in Clay includes the unincorporated areas and that changes the valuation. What is being discussed on our levies is only the incorporated areas. He informed that you can't say 5 mill on the Fire Levy which includes the unincorporated area because you have to base it on the valuation and it is different then the incorporated area of the City.

Member Duncan asked what is the amount of the incorporated areas of Brookville and how much does Clay Township send us? Are we subsidizing the Townships like he thinks we are because he has argued this for years. He asked how can we ask our citizens for more money? He doesn't want to ask the citizens for money when in his heart he feels we are giving money away.

Finance Director Keaton stated the last time the amount was discussed it was approximately \$12,000-\$15,000 but she can check the numbers again to see what they are now.

Member Cantrell stated they are having this lengthy discussion for what could only be \$15,000-\$20,000.

Member Duncan asked if we are only losing \$12,000 of what is collected in Brookville?

Finance Director Keaton informed the difference that our area generates is based on our values because our values are much greater than all of the other taxing districts in Clay Township, we get almost all of that back but approximately \$12,000-\$15,000.

Member Duncan asked what does Clay Township pay us to protect the unincorporated part of Clay Township?

Member Cantrell stated we just heard the Fire Chief talk about how a majority of his budget comes from the Townships.

Fire Chief Fletcher stated the amount varies based upon what is collected.

Finance Director Keaton informed she has received about \$378,00 into the General Fund from all of the levies from both Townships.

Member Duncan asked how much more would we be ahead if we charged Clay Township? Would we be ahead more than \$12,000?

Fire Chief Fletcher stated he does not understand the question and other Council Members agreed.

Member Duncan stated if we should keep all of that money in Brookville that we send them.

Finance Director Keaton stated the townships put on the levies.

Member Duncan stated we might as well be sending it straight to them because what is collected in Brookville has to amount to more than the 60%.

Finance Director Keaton stated we receive 60% of what is collected from Clay Township. She will look into the numbers again.

Member Apgar informed Clay Township has to pay Phillipsburg too.

Member Cantrell stated it is only \$12,000-\$15,000.

Finance Director Keaton asked if we start cutting into their budgets then what will happen?

Member Duncan stated if the whole amount raised in Brookville stays here then they would have to pay us for protecting them and wouldn't that be more money in our pockets.

Member Cantrell stated she doesn't think anyone is understanding what Member Duncan is trying to say.

Finance Director Keaton stated he wants to collect or bring back in what our taxing district pays in.

Manager Burkholder informed the last calculations showed the difference of \$12,000-\$15,000.

Mayor Seagraves stated it isn't worth cutting the Township's throat and it would cause bad relationships. We currently have good relations with both Townships.

Fire Chief Fletcher stated if we demand too much or too many changes compared to the way we do it now, that would put us in a position that would force those other departments out of business, they couldn't operate. There is no perfect way to collect taxes to fund our operations. Even if you gave the Fire Department all of that money he could not handle having to cover all of that extra area in an acceptable fashion.

Member Duncan stated it doesn't mean we have to cover that area.

Fire Chief Fletcher asked then who would protect those people?

Member Cantrell stated why would they pay us anything at all then if we weren't protecting them?

Fire Chief Fletcher stated another benefit to having two other fire departments in Clay Township is they are also a back up to us. We help them and they help us. They helped us out this morning because we did not have enough personnel to cover everything going on.

Member Cantrell stated back to the original question on the Initiative and the tax levies she thinks that it is only fair to us as a City to know what the residents want and obviously, based upon the initiatives received, the citizens want a choice and this is giving them a choice. She stated that if they all fail then we will have some decisions to make and if they all pass we will have decisions to make. She stated we need to let everyone vote and if it is confusing then she is sorry but people also need to educate themselves.

Mayor Seagraves stated the most important thing is to show the taxpayers there is a legitimate need and why, and to make sure we have the correct facts on the table.

Manager Burkholder reminded Resolution No. 17-12 is just to be sent to the Auditor's Office and then another Resolution will come before Council.

Member Cantrell asked how much a tax payer would pay for a property valued at \$100,000 for the 2.5 mill levy?

Finance Director Keaton advised \$87.50 annually.

Member Cantrell asked if the 2.5 mill would be for five years and could only be used for the streets?

Finance Director Keaton advised the 2.5 mill levy would be for five years and could only be used for the construction, re-construction, resurfacing or repair of streets.

Motion by Cantrell, second by Henry to accept the first reading, dispense with the second and third readings and adopt Resolution No. 17-12 entitled, "A RESOLUTION REQUESTING THE MONTGOMERY COUNTY AUDITOR TO CERTIFY TO THE COUNCIL OF THE CITY OF BROOKVILLE, MONTGOMERY COUNTY, OHIO, THE TOTAL CURRENT TAX VALUATION OF THE CITY OF BROOKVILLE, MONTGOMERY COUNTY, OHIO AND THE DOLLAR AMOUNT OF REVENUE THAT WOULD BE GENERATED BY A NEW PROPERTY TAX LEVY OF TWO AND ONE-HALF (2.5) MILLS, FOR A PERIOD OF FIVE YEARS, COMMENCING WITH TAX YEAR 2017, FOR THE CONSTRUCTION, RECONSTRUCTION, RESURFACING, AND REPAIR OF STREETS, ROADS AND BRIDGES IN THE CITY OF BROOKVILLE." All yeas, motion carried.

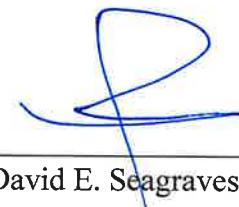
Motion by Duncan, second by Kirklin to read proposed Ordinance No. 2017-01. All yeas, motion carried.

Motion by Duncan, second by Apgar to accept the first reading of proposed Ordinance No. 2017-01 entitled "AN ORDINANCE PROVIDING FOR ELECTION ON AN ORDINANCE PROPOSED BY INITIATIVE PETITION IN CITY OF BROOKVILLE, OHIO." All yeas, motion carried.

Motion by Apgar, second by Kirklin to adjourn. All yeas, motion carried.



Meghan Wheeler, Clerk



David E. Seagraves, Mayor