



CITY COUNCIL
SPECIAL MEETING AGENDA
April 7, 2026 @ 6:00pm Heritage Hall in Smith Park

1. Call to Order: Mayor William Lindsey
2. Roll Call: Clerk of Council
3. Invocation:
4. Pledge of Allegiance:
5. Action on Minutes: None
6. Communications: Fire Dept Recognition
 - Chelsea Keechle promoted to Captain
 - Allen Snedigar promoted to Lieutenant
 - Chris Abshear promoted to LieutenantProclamation Allen Snedigar
7. City Manager Report:
8. Committee Reports:
9. Comments from Members of the Public: *Comments limited to 5 minutes or less

10. RESOLUTIONS: None

11. ORDINANCES: None

12. OTHER BUSINESS:

- Additional City Business:
 - Fire Levy Discussion
 - Open for Discussion on City Related Business

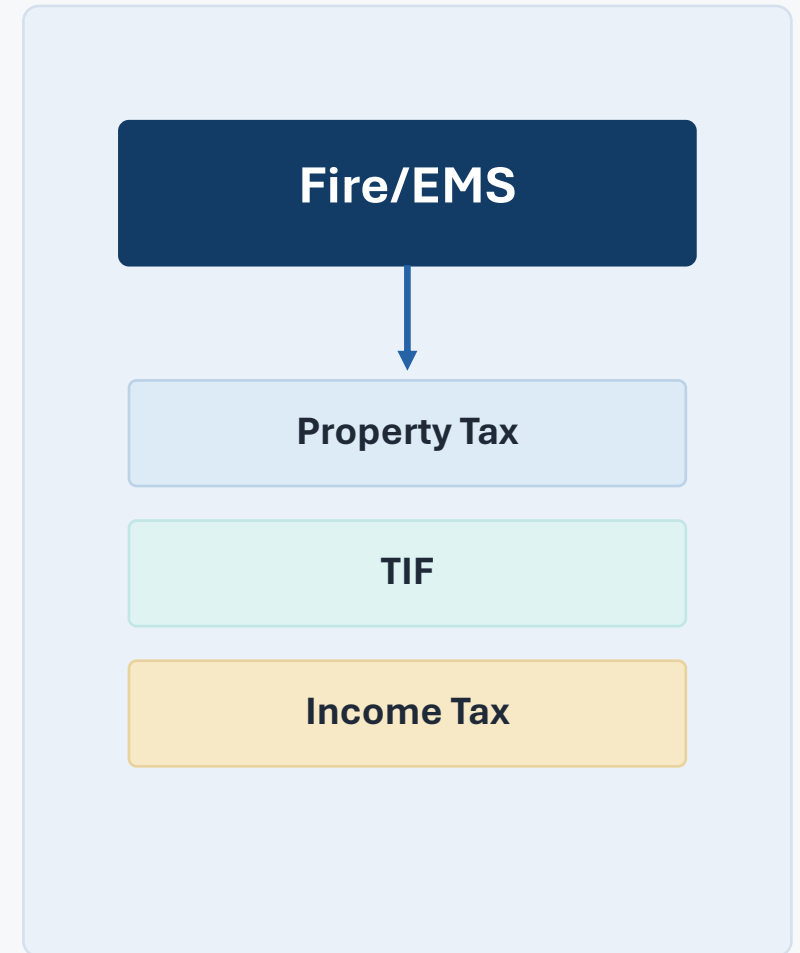
13. Executive Session:

14. Return to Regular Session:

15. Adjournment

Fire/EMS Funding Overview

Property tax, HB 920, TIF, and municipal income tax options for City Council



Current Fire/EMS Property Tax Levy

Where the City stands today

Current levy

Renewal of prior levy
3.0 mills for five years
Tax list and duplicate: 2023–2027
Collections: 2024–2028

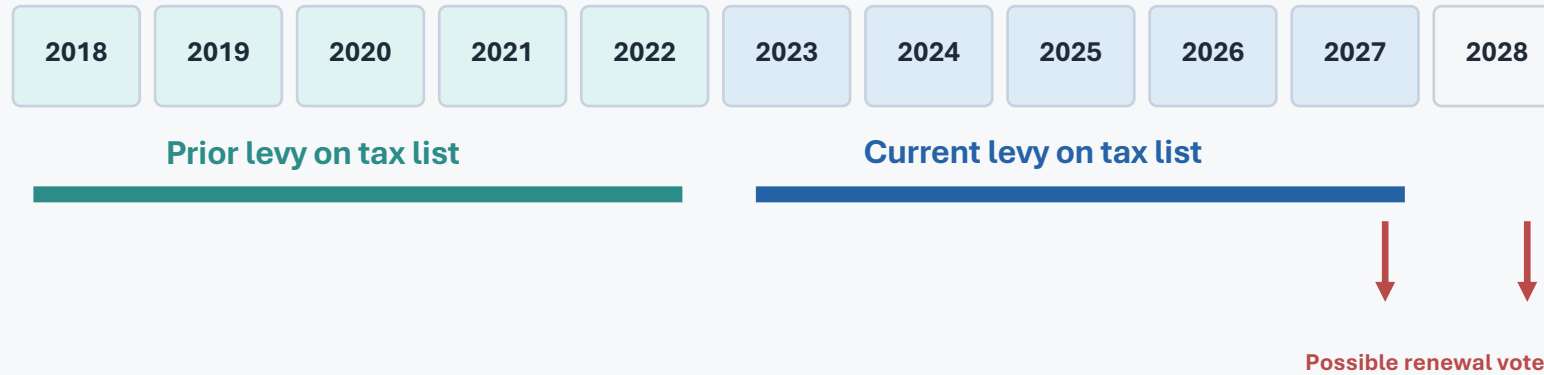
Prior levy

Tax list and duplicate: 2018–2022
Collections: 2019–2023

Renewal timing

Renewal may be submitted at the 2027 general election or at any election in 2028.

Tax list / duplicate timeline



Ballot Options and Election Timing

What can be placed before voters, and when

Option	What it does	Typical timing
Renewal levy	Continues an existing levy at the same voted millage	2027 general election or any election in 2028
Additional levy for Fire/EMS under R.C. 5705.191	Creates new property tax millage on top of existing levies	General, primary, or special election
Replacement levy	Historically replaced existing levy with new rate	No longer authorized after January 1, 2026

Practical implication

If the City wants a ballot issue before 2027, the practical property-tax option is an additional levy.

Alternative approach

A municipal income tax increase can be considered separately from the renewal timing for the current fire levy.

How Millage Works

Simple example for a residential property

Key rule

1 mill = \$1 of tax for every \$1,000 of assessed value

In Ohio, residential property is assessed at 35% of appraised value.

Example: home appraised at \$100,000

$\$100,000 \times 35\%$ = \$35,000 assessed value

$\$35,000 \times 0.001$ = \$35 tax per mill

Result

One mill generates \$35 per year on a \$100,000 home

HB 920 Reduction Factors

Why rising property values do not automatically grow levy revenue

- Most voter-approved property tax levies are subject to HB 920 reduction factors.
- When existing property values rise after a reappraisal or triennial update, the effective millage rate is reduced.
- The goal is to keep revenue from carryover property approximately the same as the prior year.
- Revenue can still grow through new construction or additional voter-approved millage.

Key point: Reduction factors largely prevent the Fire/EMS levy from generating more revenue than when it was first approved

Simple example

Property value increases



Effective millage decreases



Revenue from carryover property stays about the same

Levy Types Compared

How each option behaves in the first year and after HB 920

Levy type	What it does	First-year effective millage	Revenue effect
Additional levy	Creates a completely new levy on top of existing levies	Full voted millage but reduction factors begin after first year	Produces new revenue
Renewal levy	Continues an existing levy at the same voted millage	Reduced effective rate as of the year of renewal	Revenue stays about the same from carryover property
Renewal with increase	Renews existing levy and adds additional mills	Renewal portion stays reduced; increase portion starts at full millage	Produces some additional revenue

Key point

A renewal with increase behaves like two levies: a renewal component and an additional component.

Inside Millage

Unvoted millage that grows with property values

- The Ohio Constitution allows up to 10 mills of unvoted property tax, collectively, on any property.
- This unvoted portion is commonly referred to as inside millage.
- Inside millage is not subject to HB 920, so revenue generally grows when property values rise.
- School districts typically receive the largest share of inside millage.

How it is allocated

County budget commission, with limited discretion, is responsible for allocating inside millage among overlapping political subdivisions in the county.

**Guaranteed / minimum levy –
a substantial portion of inside millage is
automatically allocated**

**Free millage –
allocated per budget commission's
discretion**

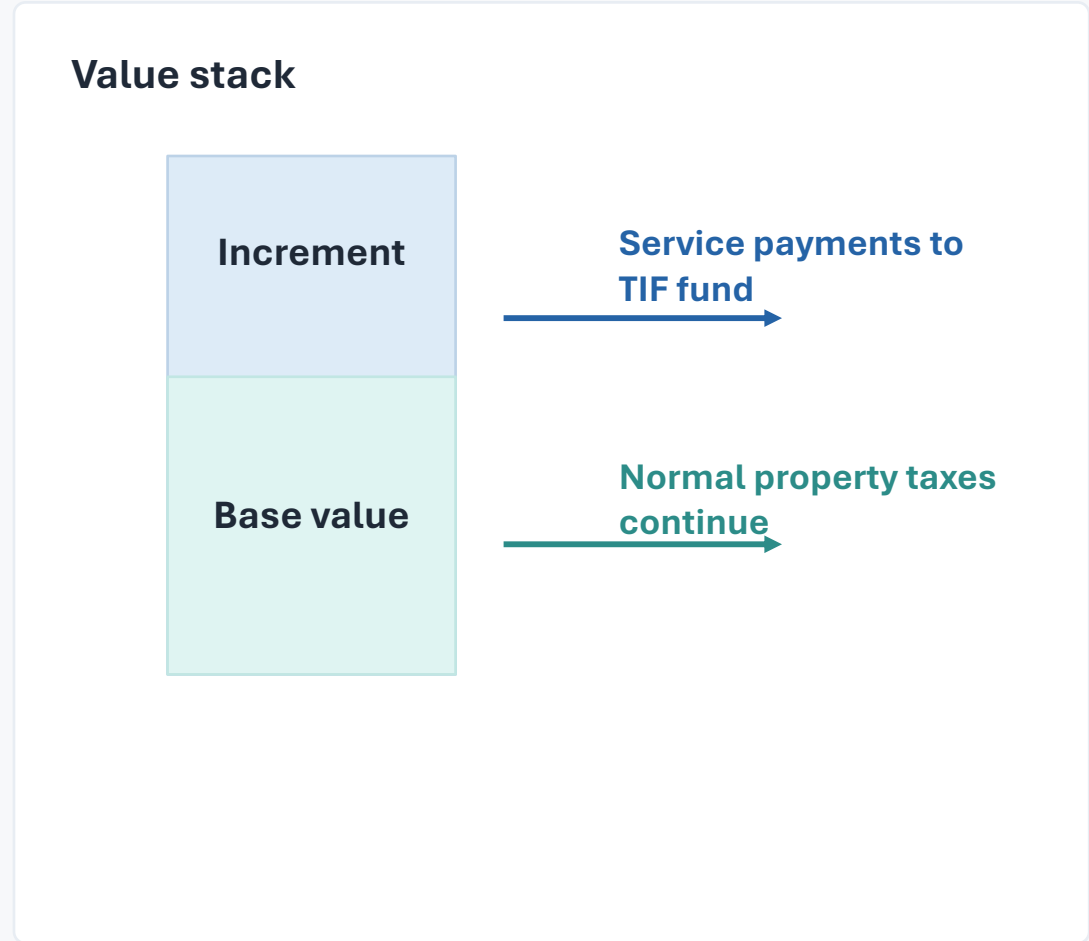
Illustration

A 10% increase in property value generally yields about a 10% increase in inside-millage revenue.

TIF and Property Tax

What happens to base value, increment, and service payments

- In a TIF district, the base is the property's value when the TIF was established.
- The increase in property value from development ("increment") is captured by the TIF.
- Instead of taxes on the increment, the owner typically makes service payments in lieu of taxes.
- Those service payments go to the TIF fund and may be used for public infrastructure improvements.
- The base value remains subject to normal property taxes, including voter-approved levies.



Implication for Fire/EMS

If large developments are within a TIF district, property-tax growth may be limited even while service demands increase.

TIF and a Fire Station

- A fire station may qualify as a TIF-funded public infrastructure improvement in some circumstances.
- The station should benefit or support development within the TIF district.
- The expenditure should be treated as a capital infrastructure project rather than an operating expense.

Audit considerations

Auditors sometimes look for proportional allocation of TIF funding based on service demand. For example, if the TIF area generates 50% of service runs, auditors may expect TIF funds to cover no more than 50% of the construction costs. This is not a statutory requirement, but a proportional approach may avoid audit issues.

Takeaway

TIF may be part of capital strategy, but it is not a simple substitute for operating revenue.

Current Municipal Income Tax

Existing rate and dedicated police portion

1.5%

Current municipal income tax
rate

Who pays

Applies to taxable income of residents, individuals earning income in the city, and business net profits, as defined under Ohio R.C. Chapter 718.

Dedicated police portion

A 0.5% portion of the tax is dedicated to police expenses for the five-year period from July 1, 2025 through June 30, 2030.

Why it matters

Income tax is not subject to HB 920 reduction factors, so revenue may grow with population, employment, and wages.

Why Income Tax May Be Attractive for Fire/EMS

Particularly where development is occurring within TIF districts

No HB 920 limits

Municipal income tax revenue is not subject to HB 920 reduction factors.

Broader tax base

Income tax may be collected from residents, individuals working in the city, and business net profits.

Flexible use

May support staffing, equipment, station construction, and EMS services.

Why it may fit current conditions

- If large housing developments are located within a TIF district, property-tax growth may be captured by the TIF instead of supporting levy growth.
- Income tax revenue tends to grow with increases in population and employment.
- Income tax therefore may be a more effective operating-revenue source for Fire/EMS when development increases service demand.

Bottom line

Property tax and TIF can support capital and infrastructure planning; income tax may better support ongoing Fire/EMS operations.

Key Takeaways for Council

Funding choices depend on timing, growth, and intended use of revenue

- The current 3.0 mill Fire/EMS levy cannot be renewed until the 2027 general election or an election in 2028.
- If Council wishes to act sooner on property tax, the practical option is an additional levy.
- HB 920 limits revenue growth from existing property for most voter-approved outside millage.
- TIF can help with infrastructure, but it may reduce the property-tax growth that would otherwise accompany development.
- Municipal income tax offers broader, more flexible, and potentially growth-oriented revenue for Fire/EMS.

Near-term ballot option
Additional levy or income tax

New Fire Station
TIF can help

Best fit for operating growth
Income tax