

**CITY OF CLEVELAND**  
**CALLED COUNCIL MEETING**  
**2019 MILLAGE RATE AND TAX DIGEST**  
**1<sup>ST</sup> PUBLIC HEARING**  
**JULY 18, 2019**

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**CALLED COUNCIL MEETING**

The Called Meeting of the Mayor and Council of the City of Cleveland was called to order by Mayor Shan Ash at 9:00 a.m.

**COUNCIL MEMBERS PRESENT:** Nan Bowen, Annie Sutton, Kevin Stanley, and Bradley Greene.

**APPROVAL OF AGENDA**

On motion by Annie Sutton, seconded by Kevin Stanley, in favor – Nan Bowen and Bradley Greene, and carried unanimously, the Mayor and Council voted to approve the agenda for the Called Council Meeting for the first public hearing of the 2019 Millage Rate and Tax Digest.

**2019 MILLAGE RATE AND TAX DIGEST – PUBLIC HEARING AND DISCUSSION – 1<sup>ST</sup> CONSIDERATION**

Mayor Ash opened the floor for public discussion. There was no one present from the public to discuss the millage rate or tax digest.

Tom O'Bryant, City Administrator, informed the 2019 digest increased due to new growth and not through the reassessment of property. While working on the budget, city staff calculated the property tax revenue at the current six-millage rate. Continuing with the same rate will help to generate the revenue the city needs to operate. All city departments work very conservatively and have very lean budgets.

Mayor Ash asked what would the city lose by taking the rollback. Mr. O'Bryant answered approximately eight to ten thousand dollars. Nan Bowen asked how can the city make up the difference. Mr. O'Bryant explained the property tax is just one source of revenue and the city is diligent in collecting other fees and taxes but none of these fees and taxes are a guaranteed amount. City staff tries to project out the expected revenue. Mayor Ash stated he feels the city has significant increases in revenue. Mr. O'Bryant responded you may see an increase in some of the franchise taxes and occupational taxes, but the amounts projected are not guaranteed. An example was given of the premiums tax that funds the fire department, one year it could be \$250,000 and the next year drop to \$150,000. Most taxes are driven by new development.

Bradley Greene stated by reviewing the digest, the city would lose closer to forty-thousand in revenue by taking the rollback. There is an increase in property exemptions on the digest. Exemptions are typically based on properties owned by churches, schools, and some non-profits.

Mayor Ash reminded the council of the large budget expenditures that will not be in the budget next year, such as the police department's new computer program.

**2019 MILLAGE RATE AND TAX DIGEST – PUBLIC HEARING AND DISCUSSION – 1<sup>ST</sup> CONSIDERATION – continued**

Mr. O'Bryant confirmed the one time expenditure and gave Chief Foster credit for reducing other expenditures to accommodate for the costs of the new computer program.

Mr. Greene reminded the council of the city's auditor cautioning the city of using the fund reserve to balance the budget. In his opinion, he does not mind using the fund reserve to a point, but feels the city needs to keep a healthy balance in the fund reserve.

Mayor Ash said, for the record, he feels the city can take the rollback and he is against any tax increase. Mayor Ash wants to look at other ways to reduce the budget.. Mayor Ash stated, they, as mayor and Council, answer to the taxpayers.

Annie Sutton stated she doesn't want a tax increase, but she feels the council should consider all the population of the city. The city does not need to depend on the fund reserve. If the city had an emergency, such as a tornado or the need for new equipment, the fund would be needed. Ms. Sutton added she personally did not think the 1.71 percent is that much of an increase. Ms. Sutton informed she has spoken with Mayor Ash and a couple of council members, she has read through the information provided on the millage and feels keeping the millage at six is the right thing to do for the citizens. Ms. Sutton informed no one from the public has called her about the millage rate. She has heard from family members (sisters) but once she explained the city's goals, they were fine with not taking the rollback.

Nan Bowen stated the city followed the law by posting the ad and wished the public would have shown for the hearing. Ms. Bowen informed she has not received one phone call since the ad was published in the paper. Mr. Greene also has received phone calls from the public about the millage rate.

Kevin Stanley expressed his concern of using the fund reserve to balance the budget and the city doesn't need to dip into the fund any more than it has to. A rollback will increase the amount of the fund balance used to balance the budget. Mayor Ash stated items needed to be removed from the budget.

Annie Sutton stated the council should continue with the three public hearings and hopefully the council will receive public input or attend a hearing.

Nan Bowen agreed and suggested the city look at the rates for next year. Ms. Bowen expressed the city's obligation to meet the expected revenues for the budget year.

On motion by Bradley Greene, seconded by Kevin Stanley, in favor – Nan Bowen and Annie Sutton and carried unanimously, the City Council voted to accept the first consideration of the 2019 Millage Rate and Tax Digest from 5.899 to 6.00.

Called Council Meeting  
2019 Millage Rate and Tax Digest  
1<sup>st</sup> public hearing and consideration  
July 18, 2019 Minutes  
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**2019 MILLAGE RATE AND TAX DIGEST – PUBLIC HEARING AND DISCUSSION – 1<sup>ST</sup>**  
**CONSIDERATION – continued**

The second consideration will be held Thursday, July 18, 2019 at 6:00 p.m.

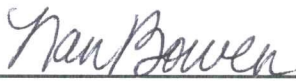
**ADJOURNMENT**

On motion by Annie Sutton, seconded by Nan Bowen, in favor – Kevin Stanley and Bradley Greene, and carried unanimously, the Mayor and Council voted to adjourn the Called City Council Meeting, First Public Hearing 2019 Millage Rate and Tax Digest at 9:21a.m.

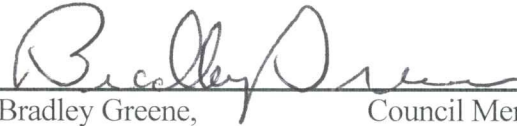
Not present to sign

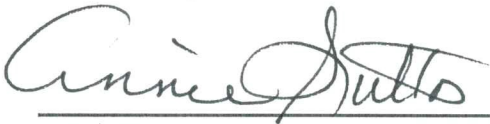
Shan Ash, Mayor

  
Kevin Stanley, Council Member




Nan Bowen, Council Member

  
Bradley Greene, Council Member



Annie Sutton, Council Member

Attest:

  
Connie Tracas, City Clerk

Approved by City Council August 5, 2019

