

RECORD OF PROCEEDINGS

Minutes of

Committee of the Whole

Meeting

BEAR GRAPHICS 800-325-8094 FORM NO. 10148

Held Monday, May 5, 20 25

Subject: City Financials and Income Tax

Attendees: Mayor Plybon, President Vance, CJ Handwerk, R. Aspiras, J. Lax, R. Davies, P. Carr, K. Shanklin, B. Squirrell. Directors Wheeler, Brediger, Strimlan, Kirkbride

Start Time: 6:30 pm

End Time: 7:27 pm

Mayor Plybon called the meeting to order.

Mayor, Director Strimlan and Director Wheeler presented a slide show of information on the income tax discussion

Talks included balancing essential services and planning for future growth. The income tax is a major part of how we fund our daily operations but it isn't keeping up with the city's needs. Without changes we risk falling behind in service quality and in growing and improving the community. Income tax provides 73-78% of Orrville's revenue. It funds everyday city services and long-term projects like roads, buildings, and equipment. Since 2020, the growth in income tax revenue has slowed. We are seeing about \$1M less than expected even though wages have gone up. Remote work has had been the tipping point. In Ohio you pay income tax where you physically work. When they work from home in other cities their taxes go there, not to Orrville.

Slides show tax revenues projection which shows a shift to less income tax since COVID. Revenue reductions included Inheritance Tax elimination in 2013 which previously generated from \$75,000 to \$850,00 annually. Tangible personal property tax elimination which was reduced in half in 2001 and eliminated completely in 2012, at its peak generated \$95,000 annually. And local government funding reduction was frozen during the recession, reduced by 25% in 2012 and 50% in 2013 which resulted in an annual average loss of \$192,000

EMS call volumes continue to rise. We prepare for the future growth with increased personnel and building up fire station two.

A list of recent investments/achievements was presented. Rails to Trails from downtown to downtown Marshallville. 20 Acres of greenspace for educational purposes as well as the Rails to Trails project. Splash pad. Skate park. Pickleball courts. Storybook trail. New cemetery section 14 and new ash garden. Additional park equipment at Gailey and Orr. New park restrooms. Over 65% of roads score 75 or higher on the PCR list. 100% rate at the ODOT standard of fair or above. Depot park project which is currently in progress. Maintenance and upkeep of these projects will be ongoing.


A slide showing long-range financial projections show we are at a crossroads now.

Meeting adjourned at 7:28 pm.



Jeanne Gault, Clerk of Council

May 19, 2025
Date



Paul Vance, President of Council