

**CITY OF OBETZ
RECORD OF PROCEEDINGS**



REGULAR MEETING OF JULY 28, 2025

The regular meeting of July 28, 2025 was held at 6:00 PM in Council Chambers at the Government Center, 4175 Alum Creek Drive, with Mayor Angela Kirk presiding.

ROLL CALL

Ms. Boumis called the roll. Mr. Michael Flaherty – present; Mr. Robert Kramer – present; Mr. Guiles Richardson – present; Mr. Derek Varney – present; Mr. Mike Kimbler – present; Mr. Todd Gibbs – present. Also present were Gene Hollins, Esq., Law Director; Stacey Boumis, AICP, Clerk; Mike Confer, Police Chief; and, E. Rod Davisson, Esq., City Administrator.

MINUTES

Mayor Kirk called for a motion to approve the minutes of the July 14, 2025 Council Meeting. Motion made by Mr. Richardson; seconded by Mr. Gibbs. Voting as follows: Mr. Richardson – yes; Mr. Flaherty – yes; Mr. Kimbler – yes; Mr. Varney – yes; Mr. Kramer – yes; Mr. Gibbs – yes. Motion carried.

ORDINANCES

First Readings

No first readings.

Second Readings

Ms. Boumis read the title of Ordinance 39 – 25: An Ordinance To Amend Section 182.012 Of The Codified Ordinances Of The City Of Obetz To Increase In The City Income Tax Rate From The Current Rate Of Two And One-Half Percent (2.5%) To A Rate Of Three And One-Half Percent (3.5 %) To Become Effective On January 1, 2026 To Provide For Safety Services, And Declaring An Emergency. Mr. Davisson discussed the Ordinance. He stated the Administration recommends a 1% income tax increase. He asked Council to send this to the voters and let them decide. He discussed the current safety levy. Since the 0.5% safety levy was passed in 2016, expenses have continued to increase. There is currently a \$2 million dollar gap between the Obetz police expenses and the safety levy income. In 2025, only 55% of the police expenses were covered by the current safety levy. Funds are taken away from other areas such as parks and programs to cover the deficit.


Mr. Davisson discussed the current income tax structure. The current income tax rate is 2.5%. Obetz gives 100% credit for taxes paid to another jurisdiction up to 2.5%. The result is that residents working in other cities with a 2.5% income tax owe zero to Obetz. Residents working in a no tax or lower tax area owe Obetz the difference in tax up to 2.5%. Currently Obetz is one of the cheapest places to live in Ohio.

Mr. Davisson reviewed the various courses of action. Option 1 is a 1% safety levy which increases

income tax to 3.5% with a full credit up to 3.5%. He explained that a resident would pay 1% to Obetz if working in a 2.5% tax city and up to 3.5 percent if working in a no tax or lower tax area. The 3.5% income tax would be the highest city rate in Ohio right now but not the highest effective rate because of double taxation in many places. He discussed the table below. If you live in Ashville and work in Columbus, your effective tax rate is 3.5% because Ashville does not have a credit for taxes paid elsewhere.

Assumes you work in a City with 2.5% Income Tax like Columbus

Municipality	Tax Rate	Credit Factor	Cap	Owed to Home	Owed to work	Total Effective Tax Rate
Ashville	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Baltimore	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Darbyville	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Harrisburg	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Lithopolis	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Lockbourne	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Millersport	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Mount Sterling	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Pataskala	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
South Bloomfield	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Sunbury	1.00%	0.00%	0.00%	1.00%	2.50%	3.50%
Obetz with new 1% Safety Levy	3.50%	100%	3.50%	1.00%	2.50%	3.50%
Bexley	2.50%	65.00%	2.50%	0.88%	2.50%	3.38%
Commercial Point	0.75%	0.00%	0.00%	0.75%	2.50%	3.25%
Carroll	0.75%	25.00%	0.75%	0.56%	2.50%	3.06%
Obetz with new .5% Safety Levy	3.00%	100%	3.00%	0.50%	2.50%	3.00%



Option 1 would generate approximately \$5,024,295 per year which covers expenses.

Option 2 is a 0.5% safety levy, up to 3% income tax, with a full credit. He discussed the resident impact. This option minimally meets current needs.

Option 3 is to eliminate the credit. Residents would pay 2.5% income tax to Obetz regardless of where they work which could result in up to 5% of total tax for commuters and residents. He stated Council could eliminate the credit by ordinance; a public vote is not required. He stated eliminating the credit places a high burden on the residents. It results in double taxation and requires filing returns. He did not recommend this option.

Option 4 is to cap the credit at 1.5%. Residents would pay 1% income tax to Obetz if working in a 2.5% city and 2.5% if working in no tax areas. Credit caps are common across Ohio cities, including Bexley. A credit cap is allowed by ordinance with no public vote.

Mr. Davisson stated other communities will follow and increase income taxes. People working in Obetz pay the majority of the tax. About 200 people living in Obetz pay Obetz taxes. The biggest impact on the residents is to eliminate the credit. He then stated the sky is not falling.

The City is working to attract new businesses and sell land to cover the gap. All City expenses will be reevaluated. Putting a 1% safety levy on the ballot asks the residents how they want to spend their money. Do they want to keep all the current services they have? If residents vote to pay nothing, cuts will be draconian to include the possible elimination of the Obetz police department.

Becky Thacker addressed Council. She stated she was there at the request of several residents. She stated people are upset about the levy. She shared information about Grandview Heights and Groveport. She stated Obetz has an 18.2% poverty rate. People are on a limited budget. She stated more options are needed. The City needs to try to do more with less. She stated there is a vagueness about what is included in "safety". Another option is to allow Franklin County Sheriff to help patrol Obetz. Obetz asked Franklin County not to patrol. Mayor Kirk stated no one told the Sheriff not to come here. They can patrol wherever they want. Mr. Davisson stated he was the person who asked Franklin County not to patrol when he was Mayor. The current elected officials do not share that position. Mr. Davisson then stated that if the City wants the Sheriff to patrol, Obetz will need to pay for that.

Bill Steele asked if each option would be on the ballot. Mr. Davisson stated only one option. Mr. Flaherty asked if 0.5% is put on the ballot, will the City be back for another increase in the future since things are not getting cheaper. Mr. Davisson stated yes. He then stated that Buckstone will generate a significant amount of money for thirty years. Unfortunately, because the City is landlocked, density of development and redevelopment needs figured out. Mr. Davisson then stated that in 2026 there will be modest wage inflation and declining refunds from the State of Ohio. In 2027, the refunds will go down more but there will be slow organic wage growth. In 2028, the refunds will be ending; hopefully one of the three remaining building sites will be constructed. In 2029 the second of the three buildings will be online and refunds will be minimal. In 2030, this will be the peak of the income tax base. In 2031 and moving forward, growth will be very slow. Also, AI and automation decreases employees and machinery cannot be taxed. By 2035 there will be a mature tax base. This is how income tax growth is projected. Mr. Davisson compared the amount of money generated by different levy options – a 1% safety levy, a 0.75% safety levy, and a 0.5% safety levy. He then stated the City needs to maintain a 25% carryover. As expenses go up, the amount of money that should be saved goes up.

Mr. Varney asked what if the City tightens our belts? What percentage works? Also, what type of cuts could be made? What does Armageddon look like? Mr. Davisson discussed the numbers. He stated Council decides where cuts occur. Council could decide to stop making capital improvements; lay people off; decrease public services; stop paving. Mr. Davisson stated Obetz' share of the Alum Creek Drive widening is \$4 million dollars. Mr. Borders asked if Obetz could refuse to pay that. Mr. Davisson stated no – some of Alum Creek Drive is Obetz' road. The County received a \$25 million grant to pay for most of the paving. Mr. Davisson stated no one wants to get rid of the police department – let the people of Obetz decide what they want.

Mr. Kramer asked about the State refunds. Mr. Davisson stated the State of Ohio allows companies to carry over losses and get tax refunds. It was a five-year net operating loss

carryover. That five-year period is almost over. Mr. Davisson discussed other State law changes that impact Obetz. Mr. Davisson stated the City can sell land and turn Buckstone into warehouses. Don't get desperate and pawn Obetz' future. Let the citizens decide.

Mr. Kramer asked if a 3.5% income tax rate will impact the City's ability to attract and retain businesses. Mr. Davisson stated 3.5% will be the highest nominal tax rate in the State. The credits are a different monster. Near Cleveland, there are cities with no credits and people are paying 5% or more. The higher the taxes, the harder it is to attract and retain businesses. The other option is to eliminate the credit which doesn't affect the businesses.

Mr. Andy Borders stated there is a difference between wants and needs. The City needs to go through the whole budget and take money away from every department. Mr. Davisson stated you can't cut everything and it is hard to determine what to cut. Mr. Borders asked what happens if the Obetz police department is cut. Mr. Davisson stated the County will be under the Franklin County Sheriff. They don't patrol. If the City wants patrol services, the City will need to pay the County for those cars and it will be a different level of service than currently exists.

Mr. Humphries stated years ago Hamilton Meadows had its own police force. They got rid of it because of cost. When they did, crime went up.

Ms. Thacker stated she previously ran youth sports. It wasn't free. There were family plans. Youth sports is an amenity and shouldn't be free. Mayor Kirk stated she agreed; however, kids who play sports are busy and stay out of trouble. Ms. Thacker suggested the City create a hardship fund. Mayor Kirk stated even if all sports are eliminated, that won't cover the gap. She then stated she knows the value of having a police force. If residents want the current level of service, then they have to pay for it. Everything costs more. No one thinks this is fun. This Council and I will continue to make cuts to every part of the budget and work hard for the community. She then stated that she has been transparent that a levy would be needed. Ms. Thacker stated 1% is too much; 0.5% seems fair.

Ms. Tucker asked if the City will need to come back to the residents in three years if only a 0.5% safety levy is approved? Mr. Davisson stated yes. She then asked about a 1% levy. Mr. Davisson stated no. He then stated a 1% safety levy is needed if the City wants to leave the townships. He stated that if townships fold due to State property tax changes, then the City may need its own fire department. Mr. Borders asked if a 1% levy would fund a fire department? Mr. Davisson stated very close. He then discussed the costs associated with leaving Hamilton Township and Madison Township and conforming the City's boundary. He then discussed costs associated with starting an Obetz fire department. It is a very expensive proposition. Mr. Borders stated he disagrees with Mr. Davisson – an Obetz operated fire department will not be cheaper than departments operated by the townships.

Mr. Gibbs stated he is here to represent the residents and a 1% safety levy is needed. Mr. Kramer stated it is a tough sell to the voters and it won't do any good if it doesn't pass. Greg McDowell, a resident, asked how the money could be used. Mr. Davisson stated by law it can only be used

for safety services. Mr. Kramer stated Council will be looking closely at the budget no matter what. Mr. Kimbler stated he has had a change of thought up here. Council has become more educated tonight and 90% of what is on social media is false. He then stated he originally did not support any increase but people need to understand how this improves Obetz. Mr. Varney stated he has argued for and against this and he doesn't want to make a decision in a silo. He thanked Mr. Davisson for being transparent.

Mr. McDowell stated the people need to know these facts. Mr. Davisson stated the City cannot advocate for the levy – only help with the information. Mr. Varney asked Council what they thought. Mr. Kramer stated 1% was too much; he supported a 0.5% levy.

Mr. Davisson stated this Ordinance is tabled until after the election. If the levy is approved, then Council adopts the Ordinance. Mayor Kirk called for a motion to table Ordinance 39 – 25. Motion made by Mr. Flaherty; seconded by Mr. Varney. Voting as follows: Mr. Richardson – yes; Mr. Flaherty – yes; Mr. Kimbler – yes; Mr. Varney – yes; Mr. Kramer – yes; Mr. Gibbs – yes. Motion carried.

Ms. Boumis read the title of Resolution 01 – 25: A Resolution Providing For The Submission To The Electors Of The City Of Obetz, At The General Election To Be Held On Tuesday, November 4, 2025, An Ordinance To Enact An Increase In The City Income Tax Rate From The Current Rate Of Two And One-Half Percent (2.5%) To A Rate Of Three And One-Half Percent (3.5%) To Become Effective On January 1, 2026, For The Purposes Of Safety Services, And Declaring An Emergency. Mayor Kirk called for a motion to suspend the rules regarding the adoption of Resolution 01 – 25. Motion made by Mr. Flaherty; seconded by Mr. Gibbs. Voting as follows: Mr. Richardson – yes; Mr. Flaherty – yes; Mr. Kimbler – yes; Mr. Varney – yes; Mr. Kramer – no; Mr. Gibbs – yes. Motion carried. Mayor Kirk called for a motion to adopt Resolution 01 – 25. Motion made by Mr. Richardson; seconded by Mr. Gibbs. Voting as follows: Mr. Richardson – yes; Mr. Flaherty – yes; Mr. Kimbler – yes; Mr. Varney – yes; Mr. Kramer – no; Mr. Gibbs – yes. Motion carried.

Third Readings

No third readings.

Emergencies

Ms. Boumis read the title of Ordinance 41 – 25: An Ordinance To Approve Changes To The 2025 Appropriations For The Current Expenses And Other Expenditures Of The City Of Obetz. Mr. Davisson discussed the expenses. He stated the money is to buy uniforms and equipment for football, cheerleading, and soccer. Numbers in the programs are up since the sports are free. Mayor Kirk called for a motion to suspend the rules regarding the adoption of Ordinance 41 – 25. Motion made by Mr. Flaherty; seconded by Mr. Kimbler. Voting as follows: Mr. Richardson – yes; Mr. Flaherty – yes; Mr. Kimbler – yes; Mr. Varney – yes; Mr. Kramer – yes; Mr. Gibbs – yes. Motion carried. Mayor Kirk called for a motion to adopt Ordinance 41 – 25. Motion made by Mr. Richardson; seconded by Mr. Flaherty. Voting as follows: Mr. Richardson – yes; Mr. Flaherty – yes; Mr. Kimbler – yes; Mr. Varney – yes; Mr. Kramer – yes; Mr. Gibbs – yes. Motion carried.

MAYOR'S REPORT

No questions for Mayor Kirk.

COMMITTEE REPORTS

No questions for Mr. Flaherty.

ADMINISTRATION'S REPORTS

Sergeant Rigby stated since the last meeting there have been 880 calls for service. Officers drove 2700 miles. He discussed a new program – “Cops and Coffee”. He held a test run in Enchanted Acres and it was a success. Mr. Kimbler thanked officers for helping someone change a tire on I-270.

NEW BUSINESS

No new business.

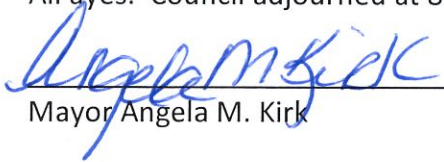
REMARKS FROM THE AUDIENCE

Mr. Borders stated the right of way on Rathmell Road needs mowed and the potholes fixed. He then stated the Junkyard Lounge lot needs cleaned up.

Mr. Bill Steele stated the steel plate on Groveport Road needs realigned.

ADJOURNMENT

Mayor Kirk called for a motion to adjourn. Motion made by Mr. Gibbs; seconded by Mr. Kimbler. All ayes. Council adjourned at 8:36 PM.



Mayor Angela M. Kirk



Stacey Bourmis, Clerk of Council