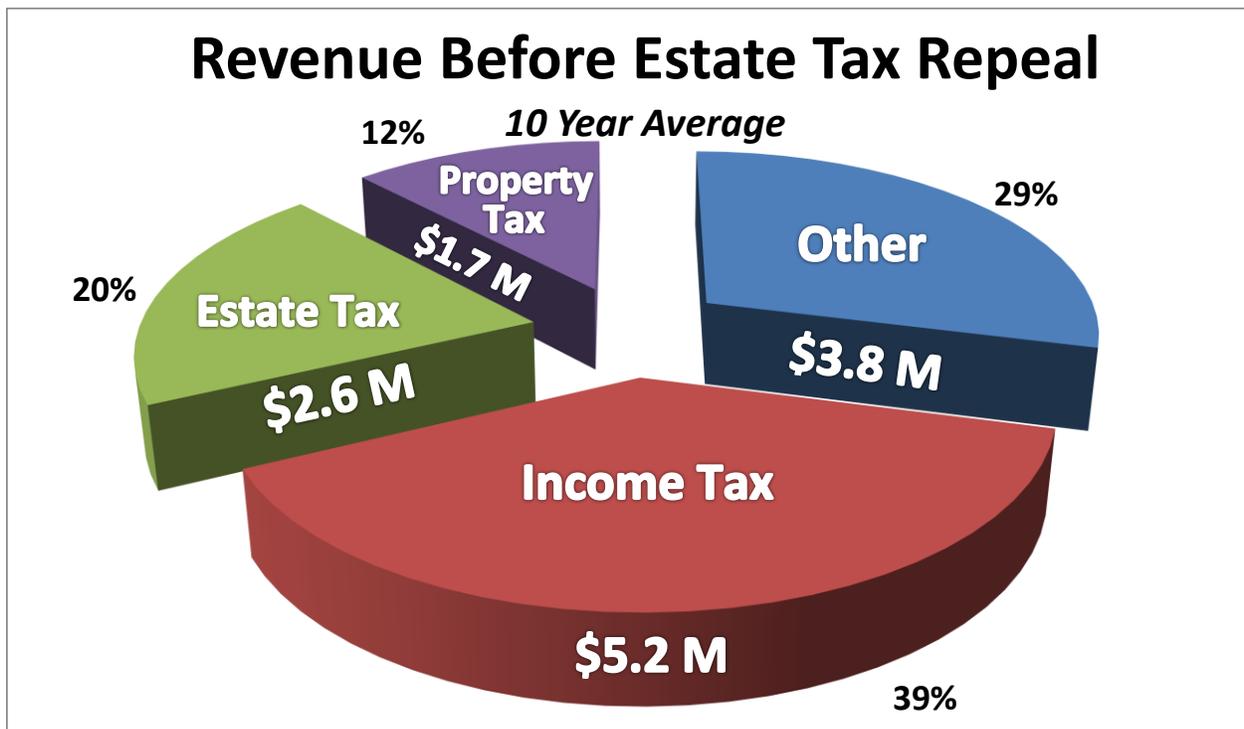


ARTICLE NO. 1

MAY 7, 2013 PROPERTY TAX VOTE
to
RETAIN CITY SERVICES

This is the first in a series of three articles from Oakwood City Council and the Oakwood Citizen Levy Committee discussing the plan for retaining city services and keeping Oakwood the finest Dayton area community in which to live, work, raise a family and retire.

As a result of action taken by the Ohio Legislature, effective January 1, 2013, the Ohio estate tax was eliminated. The tax had been a source of revenue to pay for local public services for over 100 years. Of the total estate tax collected statewide, 80% was returned to the community in which a person lived at their time of death. For Oakwood and many other Ohio suburban bedroom communities, the tax represented a major portion of the financial resources needed to provide police, fire & EMS services and to maintain streets, parks and other public infrastructure. For Oakwood, the average annual estate tax revenue amounted to \$2.6 million or about 20% of our revenue. This revenue allowed Oakwood to operate without increasing taxes for 22 years.



In addition to the estate tax, our Ohio Legislature also eliminated about half of the Local Government Fund. This was a portion of the state sales tax that was for decades returned to cities, villages, townships and counties to pay for local public services.

In response to these significant losses, Oakwood leaders completed a comprehensive information campaign to inform citizens about the impact of the state actions. The campaign was conducted between January and November 2012 and consisted of 28 neighborhood meetings, three town hall meetings and three open house events. Over 500 Oakwood citizens participated in the public dialogues. Specifically, the meetings:

- 1) informed Oakwood residents about the impact of losing the estate tax and other state funding cuts;
- 2) shared with our residents the options we have in addressing a \$3,000,000 annual shortfall, which is over 20% of the financial resources needed to pay for our city services; and
- 3) provided a forum for feedback from citizens that city leaders used to develop a comprehensive strategy to address our financial challenges.

Throughout the course of the 34 meetings, we heard three common themes:

- Oakwood residents said repeatedly that they live in this community for a good reason and they truly value the comprehensive and high quality city services and public safety.
- While recognizing that new taxes and fees must be part of the solution, our residents demand that the city do everything feasible to find ways to continue cutting expenses and become as cost efficient as possible.
- In considering options for raising fees or taxes, our citizens generally prefer a fee approach. To the extent that services can be paid for through specific fees, our citizens prefer that approach over general taxing.

With this extensive input, Oakwood city leaders developed a multifaceted plan to address the financial shortfall, a plan that essentially retains our comprehensive city services and ensures that our community will continue to be the most desirable in the Dayton region. The plan was presented to our citizens in October 2012 through a city-wide mailing. It calls for a continuation of expense cuts, new or increased fees and replacement taxes. Two significant fee changes were already implemented in January 2013. One involved raising the monthly refuse charge from \$12.50 to \$25 and the other establishing a \$6 per month residential stormwater fee. These two fees, coupled with about \$210,000 in cost cuts, make the refuse and stormwater utilities self-sustaining. The May 7, 2013 property tax issue is another component of the financial plan.

Article No. 2 will explain the cost cutting that has taken place since 2008. Our city cut spending in each of the last four years and will spend less this year than we did last year. In large part this is a result of eliminating 10 fulltime staff positions. We will explain that our last tax increase occurred in 1991 and that our annual growth in spending since then has averaged 2%, well below inflation.

The final article will specifically address details about the 3.75 mill property tax and will highlight all that makes Oakwood a very special community.

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