

*Village of Fall Creek*  
*Minutes of Committee of the Whole Meeting*  
*February 19, 2025*

1. **Call to Order:** 5:20 p.m. Village Hall Meeting Room, 122 E Lincoln Ave., Fall Creek
2. **Roll Call:** Members Present: Village President Tim Raap, Trustees Karen Herbison, Bryan Kaatz, Josiah Kleven, Matt Mattoon, Curt Strasburg. Members Absent: Trustees Ryan Aylesworth. Staff Present: Village Administrator/Public Works Director Jared McKee, Clerk/Treasurer Renee Roemhild.
3. **Pledge of Allegiance**
4. **Certify Open Meeting Law Requirements Have Been Met:** A notice of the meeting including the agenda was posted at the three public places and local newspapers were notified.
5. **Adopt Agenda:**
  - MOTION (Mattoon/Herbison) to adopt the agenda as printed. PASSED, without negative vote.
6. **Recognition of Visitors/Citizen Input/Correspondence:** None.
7. **Comparison/Consideration of Special Assessment Policy:** President Tim Raap stated we have talked about wanting to revisit our special assessment policy to make sure it is what we want going forward. The best time to do that is when we are not in the middle of any road or utility construction projects. We've surveyed other like-sized communities to compare with their policies, as well as prepared a summary of the history of the Village's special assessment policy over the years, so now is a good time to have this discussion.

Raap continued by stating the special assessment policy defines the level of cost-sharing a property owner is responsible for when a road and utility project affects their property; the levels are based on whether it is first-time/new construction or replacement/reconstruction of deteriorated infrastructure. Raap stated there are three main accounting funds that pay the costs: General Fund for street expenses, Water Fund and Sewer Fund, respectively, for their utility expenses. For many years, reconstruction of underground utilities has been viewed as a cost the Village did not assess for. That cost was paid for by all users as part of paying their water/sewer bill. The funds received via special assessments for General Fund expenses helped reduce the pressure on property taxes. The basic reasoning behind charging special assessments is that a property in the immediate location of the improvement will see a direct increase in the resale value of their property due to having a new street and/or updated utilities, above and beyond the increased advantage to all residents who use the streets and utilities. Also, eventually everyone will pay for a project in their area, so in the long term it is equitable.

Village Administrator/Public Works Director Jared McKee reviewed our current special assessment policy, along with going through the survey of other communities. It was recognized that although it is helpful to see what other communities do, we must also be aware that the overall financial picture (and the need for special assessment revenue to supplement finances) varies greatly between communities in relation to the amount of government assistance they receive in State aid and grant awards. A direct comparison is not complete if those factors are not taken into consideration as well. For that reason, McKee reviewed the financial comparison completed last fall (available on our website) of like-sized, neighboring communities with regards to their municipal cost of living and their municipal state aid per capita. Another recognition made is that many communities vary greatly on the level and consistency in which they maintain and replace their streets and utilities.

McKee reviewed the policy, cost, and level of special assessments for both new construction and reconstruction projects over the years. Discussion took place on the policy for reconstruction that had been in place for years which was basically assessing 66% for street, curb/gutter, sidewalk, and drive while the Village paid the remaining 34%, along with paying 100% of the storm sewer, water, and sewer costs. In 2019, the policy was reconsidered and changed from 66% to 50% for assessing street, curb/gutter, sidewalk, and drive. When bid prices came in for the McKinley Ave project, they far exceeded what was expected. The Board recognized that construction prices will fluctuate some years more than others, so the Board decided to look at that project alone and reduced the special assessment share from 50% to 25%. Currently, the standard assessment policy is still at 50% assessment for street, curb/gutter, sidewalk, and drive.

McKee worked with a spreadsheet showing a hypothetical project and went through several special assessment scenarios. Much discussion took place, including recognizing the fact that if special assessment revenue is reduced, taxes will increase because the cost needs to be paid one way or another, or else needed projects will have to be postponed or skipped. McKee again referred to the survey completed last fall saying it's important to figure out how to afford the needed road and utility projects, especially since we don't receive as much in grant funds due to the Village's high median household income. The Board talked about valuing the nice streets we have and not wanting to see that decline due to not having enough funds to do projects. Discussion also took place on how the special assessments can be difficult for property owners to afford, especially those on a fixed income.

- MOTION (Mattoon/\_\_\_\_\_) to keep the policy as is it is currently written but would like to see it reviewed again before the next capital project. Mattoon retracted his motion.
- MOTION (Mattoon/Herbison) to recommend to the Board that the special assessment policy be returned to what the Village Father's had before the McKinley Avenue project, specifically 66% property owner/34% village for street, curb/gutter, sidewalk, and drive approach. Stormwater, water, and sewer are to be paid 100% by the Village. Roll call vote: Herbison-yes, Kaatz-yes, Kleven-yes, Mattoon-yes, Raap-no, Strasburg-yes. PASSED.

**8. Adjournment:** 6:53 p.m.

Renee Roemhild, Clerk/Treasurer