



To: Gahanna City Council
Clerk of Council

From: Joann Bury, Director of Finance
Miranda Vollmer, Senior Director of Administrative Services
Mayor Laurie A. Jadwin

Cc: Raymond J. Mularski, Esq., City Attorney

Date: November 27, 2023

Re: Dept. of Finance – Request for Council Action (November 27, 2023 COTW Meeting)

ACTION ITEMS

ACTION ITEM #1: ORDINANCE TO AMEND GAHANNA CODE SECTION 133.02 – PURCHASING PROCEDURES

The Department of Finance respectfully requests amendments to Chapter 133, Purchasing Procedures. The first amendment is reflected in Chapter 133.02(c)(4)(A), sealed bids. This amendment is to raise the threshold for competitive bidding from \$50,000 to \$75,000 and then increasing by 3% each calendar year thereafter. This update follows the Ohio Revised Code (ORC) Section 9.17 revision made during the most recent State biennium budget. The City has historically followed ORC Section 9.17 thresholds.

The second amendment is found in Chapter 133(c)(6)(A)(5). This addition allows existing continuing contracts or existing contracts with a renewal to be renewed or continued without competition. Examples of these types of contracts are technology contracts such as Munis (Finance, Payroll, HR system). There are many processes and services where it is not cost beneficial to seek a replacement each year or at each contract cycle. There is a requirement that this may be evaluated each contract cycle.

The Administration is respectfully requesting an Ordinance to amend City of Gahanna Code Section 133.02 as presented.

Requested Legislation and Funding:

Legislation Needed:	Ordinance
Emergency/Waiver:	No
Vendor Name:	N/A
Vendor Address:	N/A
Already Appropriated:	N/A
Supplemental/Transfer:	N/A

Attachments:

FIN-ATT - CHAPTER 133_Purchasing CLEAN
FIN-ATT - CHAPTER 133_Purchasing REDLINE

ACTION ITEM #2: ORDINANCE TO AMEND GAHANNA CODE SECTION 161 – MUNICIPAL INCOME TAX

The State of Ohio, through the passage of House Bill 5, requires all municipalities to adopt the provisions of ORC 718 as their income tax code. The City of Gahanna adopted these provisions in December 2015 through an amendment to City of Gahanna Code Section 161 – Municipal Income Tax. When the State amends ORC Section 718, the City is required to incorporate such amendments into City Code to remain compliant. Based upon recent amendments to ORC 718, the Administration is respectfully requesting an Ordinance to amend City of Gahanna Code Section 161 – Municipal Income Tax as follows, in accordance with changes made to ORC 718:

Section	Summary of Change
161.03 (11) O.	Authorization language added for exempt income for those under age 18.
161.062 (i)	New section regarding remote employee or owner and apportionment of net profit taxes.
161.091(a) (1)	Language no substantive change
161.094 (a)	Extension language for businesses to 15 th day of eleventh month
161.094 (f)	New section restricts communication by a tax administrator to a taxpayer while in a granted extension. Establishes \$150 maximum reimbursement to the taxpayer by the municipality if violated.
161.10 (c) (4)	Sunsets current penalty for non-filing as of December 31, 2022. \$25 each failure up to \$150.
161.10 (c) (5)	New penalty language as of January 1, 2023, \$25 for each failure, no limitation, however municipality shall abate or refund first failure to file timely once the return is filed.
161.27	New section allows taxpayer to elect to be subject to ORC 718.80 to 718.95 rather than the provisions of City Code Section 161. This relates to Net Profit filers and filing with the State Tax Commissioner who then distributes the amounts collected on-behalf to the appropriate municipality.

Requested Legislation and Funding:

Legislation Needed:	Ordinance
Emergency/Waiver:	N/A
Vendor Name:	N/A
Vendor Address:	N/A
Already Appropriated:	N/A
Supplemental/Transfer:	N/A

Attachments:

FIN-ATT_Municipal Income Tax - CLEAN
FIN-ATT_Municipal Income Tax - REDLINE