



City of Gahanna

Meeting Minutes

Finance Committee

200 South Hamilton Road
Gahanna, Ohio 43230

Michael Schnetzer, Chair
Karen Angelou
Merisa Bowers
Brian Larick
Jamie Leeseberg
Nancy McGregor
Stephen Renner

Krystal Gonchar, MPA, Clerk of Council

Monday, September 13, 2021

Council Chambers

*** Immediately Following Committee of the Whole**

A. CALL TO ORDER

Chair Michael Schnetzer called the meeting to order at 8:54 p.m.

B. PRESENTATION & DISCUSSION

[2021-0197](#)

Quarterly Finance Report: Q2 (2021)

Director of Finance Joann Bury stated that in 2018 a new accounting system was authorized, wanted to provide an update on that project; it was meant to be a three-year project, which is coming to a close; we didn't want to put old processes into a new system so we had to reevaluate every process to try to gain efficiencies to use the new system to our advantage; showed a sample of the amount of paperwork that was generated with the previous system; accounts were reduced from 798 to 488; decentralization was a big part of the project; now departments receive invoices and enter them in, and have real time access to budget and account totals; were able to remove filing cabinets and boxes of paper, reduced staff time to process; payroll was implemented in July; is the most complex piece in the system; to reduce errors and staff time, moved from manual to automatic entry; when moving to timekeeping will keep an eye on those processes but it will eliminate the last of the paper time sheets; state reports are easier to generate now; this wouldn't have been possible without the help of a great team spending hours going over processes and trying to make things better. Angelou asked if in the future we could get notified if something is going to change, because recently they didn't receive their paychecks and then received a paper check and it looked different. Bury said she could provide updates; anytime there's a change over, despite testing, it's difficult to hit every

scenario. McGregor asked if the deductions would be made up. Bury confirmed.

Bury summarized the attach report. Income taxes are around 64% of planned, property taxes are 74%; intergovernmental revenue is 71% of planned which is based off the health of the state's revenue resources; lodging taxes are only at 42%; general revenue compared to 2020 is up by 11%; investment income declined by 47%. Bowers asked about the intergovernmental revenue increase, up by 23%, is that mainly up due to increase in local government funds. Bury confirmed. Bowers asked if that's anticipated to continue throughout the calendar year. Bury said she hopes so; the State's revenue appears to be more stable; they have the sales tax that can compensate for other areas. Schnetzer said their income tax base is broader than local governments" as well.

Bury stated that they have received about \$17m in income tax; it appears we are leaps and bounds over where we were but that's related to filing process; filing deadline was moved from April to July; Q3 will have a better picture; with the future of income tax and changes in legislation, lawsuits, state budget bill, the emergency legislation was meant to create some stability in revenue for local governments; that's still being fought through the courts; individuals are afforded the opportunity to request a refund if they didn't work in that municipality; in 2022, it will be back to business as usual; if the current lawsuit rules in favor of the plaintiffs then they can request refunds going back to 2020; brought in \$18.2m in income tax then; we have spent that money so we would refund them with our current collections. Bowers asked if that allows the city to collect income tax. Bury said some companies are going fully remote, some hybrid; is a huge administrative burden on an employer to track; how to enforce employees filing where they work is the issue; we don't know who is working from home here in Gahanna. McGregor said it used to be the case that if someone would request a refund from Columbus, for example, Columbus would notify Gahanna. Bury said we have limited capabilities for enforcement. Angelou asked if we are expecting any more monies from ARPA. Bury said that they received the first deposit in July. Bowers thanked Bury for her report; hopes to get updates on how the city will move forward with the income tax; hopes that we can go back two years ago, prior to Issue 12, and identify those who paid 16% to Gahanna; perhaps send them letters of inquiry. Bury said filing a return is different from withholding; we have to rely on employers for that piece.

Schnetzer said because of the extension last year, the Q2 compared to last year is off; is there a ballpark to where we stand, whether up or down.

Bury said she will know more and have a better picture once she receives info from Regional Income Tax Authority (RITA).

C. ADJOURNMENT

Meeting adjourned at 9:23 p.m.