



# City of Gahanna

## Meeting Minutes

### Finance Committee

200 South Hamilton Road  
Gahanna, Ohio 43230

*Michael Schnetzer, Chair*  
*Karen J. Angelou*  
*Brian D. Larick*  
*Jamie Leeseberg*  
*Nancy R. McGregor*  
*Brian Metzbower*  
*Stephen A. Renner*

*Kimberly Banning, Clerk of Council*

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Monday, April 24, 2017

Council Committee Rooms

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#### Immediately following Committee of the Whole

#### CALL TO ORDER

Chair Schnetzer called the meeting to order at 7:30 p.m.

**Present** 7 - Michael Schnetzer, Stephen A. Renner, Nancy R. McGregor, Karen J. Angelou, Brian D. Larick, Brian Metzbower, and Jamie Leeseberg

#### UPDATE FROM THE DIRECTOR OF FINANCE

[2017-0088](#)

Q1 Finance Report to Council - 2017

Bury said first quarter showed nothing out of the ordinary; compared to last year, we are down 10%; part of this is expected and is due to grants; income tax was down; had a large amount of individual collections from last year; there was not a driver; on average we are around half a million; 2013 was when we experienced this last time; compared to last year we are down 9% relating to the way we fund police pension; we are going back to looking at each quarter; fund balance is around 22 million; Larick asked about page 5 and CAFR reference; Bury said at the end of the year, we take a snapshot and look at assets and obligations; very manual process; pretty long process; goes step by step through each piece; takes 5 months to put together; Larick asked how much is due to Sunguard; Bury said there are not many systems that can do the governmental processing; we do not have anything in Sunguard regarding assets; have not taken advantage of that system; is very old and outdated; Larick asked if our process is the norm of municipalities; Bury said yes; Schnetzer said appreciates the historical chart; asked about the three different income tax types, specifically net-profit; Bury said each business in Gahanna does their own analysis; that profit is subject to the tax levy; Schnetzer asked if it occurs around a certain time; Bury said due at the same

time as the individual; Schnetzer asked about the state controlling that; Bury said is currently pending legislation; a lot of problems with the legislation; takes away from home-rule and will take things to a quarterly basis; they will also charge a 1% fee; claiming that most municipalities have a 3% fee; that is not accurate; would also change ORC; will be replaced and give all authority to the state tax commissioner; Schnetzer asked if that is a long run threat; Bury said potentially if it is allowed; Schnetzer said has had his eye on this for a little bit; spoke with the office of Representative Gonzales, there is some chatter to take that clause or language out and make it a stand-alone bill and voted on; don't believe we are out of the woods; asked if there is a desire to pass a motion resolution; McGregor asked why would they want to do this; Bury said the state is claiming it is bad for business; allowing it to stay under local control is bad for economic development; saying it is time consuming and costly; also claiming a savings; Teal said our net profit collections are not our bread and butter; but could open a backdoor for withholdings and other collections; not a lot of sympathy for the municipality; Angelou said are all involved in lobbying against this at MORPC; believes we should state our views as a home-rule city; they will be earning money while we wait to get it quarterly; believes it will not apply to townships; hopes that OML is doing their part; Schnetzer asked about the risk for auditing; Bury said right now we have access to all forms that are filed and we can see everything going through RITA; is the current problem with Ohio Business Gateway; would not be able to access what has been filed; will also not allow the municipality to appeal; Renner said absolutely to passing something; have heard that Ohio is the test bed for things; is that the case here; Bury said have not looked at any other state; Teal said we are hard to compare because of our tax structure; Metzbower said Ohio has one of the most cumbersome tax structures in the US; we need to find comfortable balance and local control; all neighboring states are right to work states; would like to hear both sides of this issue before we take position; would like to have all points addressed on both sides of the issue; Bury said have been looking at testimony; they have not had much from businesses; most are against and not for this provision; can find additional testimony; Schnetzer asked for that to be distributed; Metzbower offered to reach out to resources as well; Schnetzer asked about data from RITA showing whether or not we are gaining the number of filers; Bury said they do not count W2's; was able to gather 2 reports to compare '14 and '15; looking at those two years and the residents work report, there was a 2% increase in residential income; not the number of filers, that actually went down; could be the timing of when the report was filed; on the business side, are we growing; that one is more difficult; looked at current year collections vs. 2014 to see whether or not they were a new business; showed a decline for those from 2014 to now; may show a growth in jobs versus businesses;

Angelou said has sent a MORPC update recently, page 3, second paragraph, discusses the legislation we have talked about tonight.

## **ADJOURNMENT**

7:52 p.m.