

# INCOME TAX BOARD

City of Findlay  
August 7, 2024

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## MINUTES

### **ATTENDANCE**

Members Present: Mayor Christina Muryn, Don Rasmussen, Susan Hite, Jim Staschiak II, Jeff Wobser.

Staff Present: Mary Price and Kathy Launder.

### **APPROVAL OF MINUTES**

Auditor Staschiak stated that the following needs added to the minutes from May 1, 2024: Auditor Staschiak stated that we need to be monitoring unrequested W2, where they don't request a refund, track whether or not the City has people who don't have documentation, allowing them to collect that income tax to come back to them. If we see an uptick in uncollected or unfiled W2 income that could be an indicator of more illegals in the community.

Motion to approve minutes of the May 1, 2024, meeting as amended, by Auditor Staschiak, second by Councilman Wobser. Motion passed 5-0.

### **OLD BUSINESS**

Village Service Fees: Mayor Muryn stated Price put together a couple different scenarios for village service fees. Mayor Muryn stated what she would recommend is cost plus 1% administrative fee. That addresses costs being covered plus a percentage of their collections. That achieves what we are wanting to achieve without one party being significantly different than the rest. If we go with this scenario for one year then we can evaluate for future years. Auditor Staschiak asked if it is business based, do we care if it is skewed. It's reasonable and equitable across, but it shouldn't bother us because it is based on real collections so if businesses have recessionary years, it's going to drop significantly. He likes the approach of base plus, but not sure if 1% is enough. Auditor Staschiak further stated that 2% is probably more reasonable, but it is the first year. Treasurer Hite stated that since this is an election year and the market being so volatile that the 1% for the 2024 tax year is reasonable and reevaluate for future years. Councilman Wobser asked if we should look at starting at 1% and then have an escalator. Mayor Muryn stated that these are annual contracts. Councilman Wobser asked if we could offer a three year contract, with every year going up a marginal amount. Councilman Wobser stated that the villages may appreciate that so that they know their costs are going to be approximately X each year for three years vs. a one year contract. Auditor Staschiak stated that in theory the minute we do cost plus it looks like we are above a straight 3% they should be looking at a RITA, whether they go or not is up to them. That makes us competitive in a different way and we can assure our taxpayers that we are covering our costs and any increases in costs. Auditor Staschiak stated he can see doing a two year contract, cost plus 1% for 2024 tax year and cost plus 2% in 2025 tax year and reevaluate at the end of 2025. Mayor Muryn stated that because of the timeline it makes more sense to give a one year contract that says it's cost plus 1% since they are going to be paying it next year with not a lot of lead time, and then right away next year let them know that we are going to a cost plus 1.5% and then increase to cost plus 2% and go to a two year contract, that gives the flexibility to plan out. Councilman Wobser is fine either way. Do we give the option of a one year or two year contract starting with the 2025 tax year, or just give the option of a two year? Mayor Muryn stated that it's a two year contract structure, but are able to get out of the contract after one year if they so choose. Auditor Staschiak stated that we should base the cost of the contract on current year costs, but no less than prior year costs. Price stated that that is how we currently bill villages. It's an annual billing. In March of 2024, they are billed for the 2023 tax year service. Auditor Staschiak stated that if we use no less than the prior year costs as the floor if the current year is less we won't make less than the prior

year. Mayor Muryn stated that for ease of contract language and calculation, we should have an actual dollar amount in each of the villages' contracts for the what the no less than cost will be for each village rather than no less than prior year costs language.

Motion to establish the 2025 tax year contract for village service fees, billed in March 2026, as administrative cost with floor plus 1% Administrative fee for one year, by Mayor Muryn, second by Councilman Wobser. Motion passed 5-0.

## **NEW BUSINESS**

Year-To-Date Collections: Price stated overall collections are down 1.159% from 2023 year to date mainly from business collections. Price stated that the state municipal net profit portal that opened if you open file through the state, they changed the way they distribute the funds. In prior years, if you had an instance where throughout a month you ended up with a negative balance due to entities requesting refunds, the state would refund it then we would have to refund the state. This year they changed it to where you just carry the negative balance over to the next month and that month would offset. That has affected our business collections because we had at least two to three months that we carried a negative balance from refund requests from businesses then we didn't have positive numbers for the first part of the year. Price further stated that along with estimate payments she thinks is the major difference this year. Mayor Muryn asked that those refund requests you most likely only see the first half of the year then the second half of the year we wouldn't see those refund requests so we should see steady collections. Price stated the only other time we would see refund requests is if someone filed an extension which doesn't happen too often.

Collections, Estimates, Delinquencies/ Legal Actions in Process and Contemplated: Price stated past due collections for July 2024 are down a little bit from 2023. Looking at July 2023, we had an outlier month with past due collections. We found an entity with two to three years past due and they had a lot of penalties, so July 2023 was a big month for past due collections. Also with past due collections it also relates to court cases and wage garnishments filed, the postage service is not great. It is affecting our court cases to be followed through with because service isn't being made. Another option is to not file small claims cases with Municipal Court and go straight to the Ohio Attorney General for collection. Price stated we have to serve court cases by certified mail. Mayor Muryn stated that we have been playing catch up because there wasn't a consistent follow up on these cases. One thing that will be beneficial is we are doing these mailings and getting the system where we can easily mark them good so that will dwindle down the amount of mailings we have to do in the future. We will reevaluate in a couple months. We are making good progress on the amount of past due and estimates and they have really decreased over the last four years.

## **OTHER BUSINESS**

Next Meeting: Meeting schedule for 2024: November 6. All meetings will be held at 2:30pm in the third floor conference room of the Municipal Building.

Being no further business, the meeting adjourned.

Respectfully submitted,

Kathy K. Launder  
City Clerk