INCOME TAX BOARD

City of Findlay May 8, 2019

MINUTES

ATTENDANCE

Members Present: Mayor Christina Muryn, Don Rasmussen, Susan Hite, Jim Staschiak II, Grant

Russel.

<u>Staff Present</u>: Andrew Thomas and Kathy Launder. <u>Guests Present</u>: Colin Cox, Holly Frische, Denise Grant.

APPROVAL OF MINUTES

Motion to approve minutes of the February 6, 3019, meeting as presented, by Councilman Russel, second by Director Rasmussen. Motion passed 4-0. (Jim Staschiak not present for approval of minutes.)

OLD BUSINESS

Estimate Payment Policy: Motion to reconsider Estimated Tax Waiver Policy and Procedures, by Councilman Russel, second by Mayor Muryn. Roll Call: Mayor Muryn, aye; Law Director Rasmussen, aye; Councilman Russel, aye; Auditor Staschiak, nay; Treasurer Hite, nay. Motion passed 3-2. Councilman Russel stated that he voted against the policy last meeting because he received the policy that day and did not have a chance to read it. Councilman Russel would like to see this program continue and thinks it is important to have the policy and procedures in writing. Councilman Russel's comments regarding the policy as written: The "business" term unnecessary, should be for all taxpayers. On item #4, would like to see a formula and a description of substantial; #5 and #7 leaves a lot to interpretation; #7 the example should not be in the policy; #9 need a better description of why; would like to see continued work on the second paragraph. It's a good start, but need better definition.

Staschiak stated that his position is not going to change. When program was put in place in 2011, the City's finances were having problems. He stated that while the city was laying off safety forces, we were refusing estimated payments. The program has evolved and his opinion is that it has become a way to politicize, to use for political purposes, to create benefits for political purposes, the income tax revenue of the city. In the most recent union negotiations, we have tied the salary that our employees are going to get to the income the income tax.

Motion to table discussion on Estimated Tax Waiver Policy and Procedures, by Councilman Russel, second by Mayor Muryn. Roll Call: Councilman Russel, aye; Mayor Muryn, aye; Auditor Staschiak, nay; Treasurer Hite, nay. Motion denied.

Motion to approve Estimated Tax Waiver Policy and Procedures as written, by Councilman Russel, second by Mayor Muryn. Roll Call: Councilman Russel, nay; Mayor Muryn, aye; Auditor Staschiak, nay; Treasurer Hite, nay. Motion denied 1-3.

HB 49 Legal Action: Thomas relayed that an Ohio municipality has reported that a business that opted in to the State's HB 49 business gateway municipal net profit income tax program erroneously paid \$400,000 to the municipality through the HB 49 reporting option. The State has told the municipality that they will not receive any more municipal income taxes from any other businesses until the

\$400,000 overpayment is covered by other net profit payments or the money is refunded to the State to then be refunded to the business. This means the municipality may not receive income taxes from the State for 2-3 years.

Councilman Russel asked if Thomas could report monies coming in from state business gateway filing in his monthly report to Council and how it affects Findlay.

NEW BUSINESS

<u>2019 Year-To-Date Collections</u>: Thomas reported that individual and business collections are strong year-to-date, but the employer withholding came in lower than expected. Overall collections are down 4.602%.

<u>Collections</u>, <u>Estimates</u>, <u>Delinquencies</u>: Thomas reported that past due collections received are up 20.9%.

<u>Legal Actions in Process and Contemplated</u>: Director Rasmussen stated that there is no real difference. Continue to file claims and go after delinquent accounts. Amount of cases do not change, just the individuals.

OTHER BUSINESS

<u>Colin Cox</u>: Mr. Cox expressed concern regarding an issue he is having with his income taxes. Mayor Muryn suggested that a meeting be scheduled between Andrew Thomas, Mr. Cox, and her to help resolve the issue rather than having a discussion on personal taxes in a public meeting.

<u>Next Meeting</u>: Meeting schedule for 2019: August 7, and November 6. All meetings will be held at 1pm in the third floor conference room of the Municipal Building.

Being no further business, the meeting adjourned.

Respectfully submitted,

Kathy K. Launder City Clerk