

City of Bay Village

Council Minutes, Committee Session
Conference Room
Paul Koomar, President of Council, Presiding

October 5, 2015
7:30 p.m.

Present: Clark, Henderson, Koomar, Lee, Lieske, Tadych, Vincent, Mayor Sutherland

Also Present: Finance Director Mahoney

AUDIENCE

The following members of the audience signed in this evening: Conda Boyd, Jerrie Barnett, Melissa Henderson, Lydia DeGeorge, Pam Cottam, Marty Mace.

President of Council Koomar called the meeting to order at 7:30 p.m.

ANNOUNCEMENT

COMMITTEE OF THE WHOLE

ENVIRONMENT, SAFETY AND COMMUNITY SERVICES COMMITTEE

Mr. Lee will move to remove two pending ordinances at the regular meeting of Council this evening at 8 p.m. He commented that the snow related ordinances will be removed from the agenda this evening. These ordinances were brought forth at the request of the administration. The most recent request is to withdraw the ordinances. It would be beneficial to learn from our neighboring communities to see if they have a program that is working in their communities that is equitable and not go forward with something that people are not comfortable with at this point.

FINANCE & CLAIMS COMMITTEE – Clark

Establishment of Chapter 182 of the Codified Ordinances of the City of Bay Village regarding Municipal Income Tax

Mr. Clark will introduce an ordinance to enact Chapter 182 this evening to accommodate the new Ohio Revised Code regulations concerning Municipal Income Tax, as a result of the passage of House Bill No. 5. The ordinance will be placed on first reading this evening with the plan to finalize this in November. Everything relating to Bay Village is very much the same. The City will plan to allocate 98% to the General Fund, and 2% to the Accrued Benefits Fund of Municipal Income Tax receipts in 2016.

Mrs. Lieske asked if most of this is a boiler plate ordinance with the possible exception of Section 182 that allows the allocation of Bay Village Municipal Income Tax collections 98% to the General Fund, and 2% to the Accrued Benefits Fund. Mayor Sutherland stated that the state

wanted to take over the collection of municipal income tax. They got involved very quickly to make sure that did not happen. Then they wanted to standardized it, and they had to work for two years to try to make sure it was neutral, although for some cities it is not. For example, the City of Columbus is impacted differently than the cities of Northeast Ohio. This was passed at state level and it is a boiler plate that has to be passed by November 15, 2015 to be sent to the Regional Income Tax Agency (RITA). Mrs. Lieske asked the Mayor if given her involvement she feels this is the best we can do. The Mayor replied that the best was cut as they could and they tried to keep it neutral. Mr. Clark noted that this is a standard template off which many others are working.

Mr. Lee asked if there is anything from our current Chapter 182 that is unique to Bay Village that will be lost. Finance Director Mahoney thanked the Mayor and committee for their work. She stated that it is beneficial to Bay Village. The City has always allowed carry forward losses. From 2018 to 2022, only 50% of the losses will be allowed. In essence, Bay will be the benefactors of that change.

Mr. Koomar noted that there is a change that gambling winnings are taxable. The City previously exempted gambling winnings. Mr. Henderson stated that he appreciates Mr. Ebert's email back regarding the taxation of gambling winnings after asking for information from RITA's Chief Legal Counsel. That is not something that can be changed. The State does mandate the taxation of gambling winnings. Mr. Ebert's statement is consistent with the statement of the Mayor, Renee Mahoney, and the Chief Legal Counsel of RITA. Mr. Henderson noted that even if he doesn't like it that is the way it is.

Mr. Lee asked if the new Chapter 182 changes the taxability for income from those under 18 years of age. Mrs. Mahoney stated that was one thing that had the choice of changing or keeping the same. Bay Village will not tax those under 18 years of age.

Under the new ordinance tax returns are due April 15 of each year. They were formerly due April 30 of each year.

Mrs. Mahoney will include information in the end-of-the-year sewer bill regarding the changes in the tax code.

Mr. Lee asked if there will be an increase in the cost that RITA charges to collect the tax. Mrs. Mahoney stated that there will be no change. Additionally, taxpayers do not have to file on a RITA tax form as long as their filing includes all the needed information. Any standardized form can be used.

Amended Appropriation Ordinance

Mr. Clark will introduce an amended appropriation ordinance this evening, which includes an appropriation in the amount of \$6,000 to allow for the testing for police patrol officers and police dispatchers. The cost of the test fees that are collected from the candidates should cover all the costs.

Committee Meeting of Council
October 5, 2015

In Fund 270, Street Maintenance and Repair, the County has reimbursed the City \$20,300 for materials in repairing roadways. In order to properly account for actual expenditures, the budget needs to be increased for Road Capital Improvements by the same amount.

In Fund 245, Private Property Maintenance, the Sidewalk Maintenance Program had an original budget which was under estimated in the event the Service Department employees could not complete all anticipated replacements. The budget will be increased by \$25,000 to cover costs. These costs are billed to homeowners and will be recovered as invoices are paid.

PLANNING, ZONING & PUBLIC GROUNDS & BUILDINGS COMMITTEE

Mrs. Lieske had no report this evening.

PUBLIC IMPROVEMENTS, STREETS/SEWERS/DRAINAGE COMMITTEE

Mr. Tadych will introduce two ordinances at the Regular Meeting of Council this evening. The first ordinance amends Codified Ordinance Section 913.08 regarding downspouts, roof and yard drains. The second is an ordinance amending Codified Ordinance Section 913.11 regarding Corrective Order and Expenses was discussed by the Public Improvements, Streets, Sewers and Drainage Committee on September 28, 2015.

SERVICES, UTILITIES & EQUIPMENT COMMITTEE-Vincent

Mr. Vincent had no report this evening.

RECREATION & PARK IMPROVEMENT COMMITTEE

Mr. Henderson had no report this evening.

MISCELLANEOUS

There being no further discussion, the meeting adjourned at 7:50 p.m.

Paul Koomar, President of Council

Joan Kemper, Clerk of Council