

Finance & Judiciary Committee Meeting

MINUTES

June 14th, 2011

6:00 p.m.

Members: Ben Kessler, Chair, Richard Sharp, Rick Weber

Roll Call: All present.

Others Present: Mayor Brennan, Lou Chodosh, Beecher Hale, Bill Harvey, Bruce Langner, Mike Price, Chief Rinehart and Gary Qualmann.

Review of Minutes: May 10, 2011- **Approved**

Presentation and/or Special Guests: None

Discussion of Charter Ballot Ordinances – Mr. Chodosh said he will have all exhibits prepared in advance to make sure we expedite are our language and ensure it is the language we want. He will ask Mr. Hollins to attend the Council meeting for the second reading. Mr. Kessler said the exhibits received with the Charter Review changes are not what will be presented on the ballot. President McClelland said he recalls in the past when the wording was listed on the ballot. President McClelland said he would like to have Ordinances presented with the actual language in order to start the process.

Discussion of Income Tax Ordinance –

Resolution 12-11 providing for the submission to the electors of the City of Bexley, at the general election to be held on November 8, 2011, an ordinance to enact Section 880.021 of the Codified Ordinances of the City of Bexley to increase the City income tax rate from the current rate of two percent (2%) to a rate of ___ percent (___%) to become effective on January 1, 2012 for the purposes of general municipal operations, maintenance, new equipment and capital improvements of the city, introduced by Mr. Kessler, (Introduced on June 14, 2011)

Mr. Kessler said this has been presented as a “fill in the blanks” ordinance so we need to finalize these numbers this evening. He said they had discussed at the prior meeting an 80% credit up to 2 or 80% up to 2.5 credits. He asked which one would be the better route. Mr. Qualmann said extending the credit is approximately the same with a slight difference. He recommended the 65% credit. His previous concern was the possibility of other communities increasing their rates which results in a decrease in our rate. He said that concern is not substantial enough to be considered with this issue.

Mr. Sharp asked if the first line is an equal impact to all residents. Mr. Qualmann said the same impact as far as dollars but it is a different impact in regards to percentages. Mr. Sharp said one of the suggestions from the residents was an equal across the board

change. Mr. Kessler said the lower box list 2% city workers who are under Columbus, will be paying more (approximately 10%). He said on average, the lower increase is more evenly distributed.

Mr. Morison said he is leaning toward the 2.5% with 65% credit. President McClelland agreed. Mayor Brennan agreed as well. Mr. Kessler said he would like to fill in the blanks today. Mr. Chodosh said this coordination makes sense for the next meeting. He would like to have definite numbers to provide to Mr. Hollins.

Council asked Mr. Qualmann the current status for the April distribution. Mr. Qualmann said the distribution was slightly increased. Overall, it is slightly lower with \$75,000 over budget.

Mr. Kessler said the 65% option brings in the funds a little quicker. As always, it is an advantage to have employees who reside in Bexley. Mr. Qualmann said it would be \$500 to everyone to overall the burden.

Mr. Sharp asked why it would be equal to the higher number? If other cities increase their taxes, there is no doubt that whatever money they take in will be spent. Mr. Kessler said explaining the cap with the higher amount makes it much more difficult to explain to the residents. Mr. Sharp said he would still like to see the same amount per wage owner.

Mr. Weber said he would be in favor of the 6.5 credit figure. Mr. Kessler said he is in favor of a 2.5 with 65% credit.

President McClelland said the language in the third "whereas" should be corrected to "decrease" not "increase". He said there is also no provision for the credit. Mr. Kessler said the increase will be .5% in Section 1 and Section 3 will be 6.5%.

Mr. Kessler made a motion to approve, voice vote 2-1 to recommend (No vote by Mr. Sharp).

Resolution 13-11 to clearly state Council's opposition to the elimination of the Estate Taxes by the State of Ohio, without providing additional alternatives. Mr. Morison said he thought it was an excellent idea. President McClelland said historically, Council has not passed a Resolution that is politically based, but given the circumstances, it might be appropriate. Mr. Morison said if we want to deliver this Resolution, it needs to be suspended and voted immediately; otherwise the decision will already be done.

Mayor Brennan said historically, the State has not made a decision that would affect our City financially before. He is in favor of the Resolution. Mr. Kessler said he will be meeting with Senator Bacon and it will be helpful to present to the representative.

Mr. Sharp said as representative's for our residents, we have the need to ask for resolutions from the State, in order to prevent us from having to ask our residents.

Motion made to recommend Resolution 13 by Mr. Kessler. Motion seconded by Mr. Morison. Suggested and changes were made to the Resolution.

Voice vote to recommend to City Council, passed. Vote 6-0.

Ordinances & Resolutions –

Third Readings.

Ordinance 17-11 to amend the Codified Ordinances of the City of Bexley, Ohio, by adding Chapter 223.06 to the Administrative Code, creating an Electronic Records Policy, introduced by Mr. Kessler, (Introduced on May 10, 2011)

Mr. Kessler made a motion to recommend this Ordinance to Council. Mr. Weber seconded the motion. Voice Vote – all in favor.

Second Readings.

Ordinance 19-11 to reduce the appropriation for construction of the police station by \$284,000 and to authorize a transfer from the General Fund to the Bond Retirement fund of \$284,000 to reimburse the Bond Retirement Fund for the interest to be paid in 2011 on these bonds, introduced by Mr. Kessler, (Introduced on May 24, 2011)

Mr. Hale said amount is already appropriated in the budget. It is strictly a paper trail only. The funds will be moved from the Police Station account and transferred to the Bond Retirement Fund.

Ordinance 20-11 An Ordinance to appropriate \$13,621.82 from the Tax Increment Financing Fund (36-170-51320) for the purpose of paying for expenses related to right-of-way improvements in the Main Street TIF District, introduced by Mr. Kessler, (Introduced on May 24, 2011) No Action.

First Readings.

Ordinance 21-11 An Ordinance to proceed with placing on the ballot certain proposed amendments to the Charter of the City of Bexley regarding removing sections relating to the Auditor and add sections relating to the Finance Director, introduced by Mr. Kessler, (Introduced on June 14, 2011) **No Action**

Ordinance 22-11 An Ordinance to proceed with placing on the ballot certain proposed amendments to the Charter of the City of Bexley

regarding permitting drive-through on certain property on Livingston Avenue, introduced by Mr. Kessler, (Introduced on June 14, 2011)

No Action

Ordinance 23-11 An Ordinance to proceed with placing on the ballot certain proposed amendments to the Charter of the City of Bexley regarding absence of Mayor, Qualifications of Mayor and Council, and Forfeiture, removal, suspension of elected officials, introduced by Mr. Kessler, (Introduced on June 14, 2011)

No Action

Ordinance 24-11 to proceed with placing on the ballot certain proposed amendments to the Charter of the City of Bexley regarding open meetings, introduced by Mr. Kessler, (Introduced on June 14, 2011)

No Action

Resolution 10-11 A Resolution adopting the recommendations of the Bexley Tax Incentive Review Council regarding tax-exempt properties in the Main Street Community Reinvestment Area and accepting the report on the Main Street Tax Increment Financing District, introduced by Mr. Kessler, (Introduced on June 14, 2011) **No Action**

Resolution 11-11 must be adopted on or before July 15, 2011 and submitted to the Franklin County Auditor on or before July 20, 2011, regarding assumptions made for major revenue line items for 2011 are as follows: the estimate for property tax revenue is held constant; the estimate for Estate Tax for 2012 is \$1,500,000; the estimate for Local Government Fund revenue has been reduced 25%; Income Tax revenue is projected to increase \$1,300,000 in anticipation of passage of an income tax increase in November, introduced by Mr. Kessler, (Introduced on June 14, 2011) **No Action**

New Business: None

Old Business: None

Adjourned 7:00 p.m.