

**SALARY COMMITTEE
MEETING MINUTES
MONDAY, JANUARY 22, 2018**

The Salary Committee met Monday, January 22, 2018 at 6:37 PM in the Council Chambers at the Knisely Centre. The purpose of the meeting was to discuss proposed Resolutions 2-2018 and 3-2018: The purpose of this legislation is for the appointments of Dr. Richard Varrati and Mr. Chris Bower to the Airport Commission. The Committee will also discuss proposed Resolution 6-2018, a commendation for Councilman Darrin Lautenschleger, and Ordinance 1-2018 and 2-2018

In attendance were Salary Committeepersons:

Mr. Kelly Ricklic
Mr. Dean Holland
Alternate: Aimee May
Committee Chairperson Mr. John Zucal.

Guests were:

Mayor Joel Day,
Safety Director Greg Popham
Law Director Marvin Fete
President of Council Sam Hitchcock,
Acting Clerk Patti McKay,
Councilpersons Mr. Rob Maurer, Mrs. Cheryl Ramos, Mr. Dan Lanzer
Income Tax Administrator Vicki Daniels

Salary Committee Chairperson, John Zucal called the meeting to order at 6:37 PM.

Mr. Zucal made the following statement:

I spoke with both Mr. Varrati and Mr. Bower and they both would like to be reappointed and are actually serving right now on the Airport Commission. If there's no objection to their appointment I would move that we add Resolutions 2-2018 and 3-2018 to the Agenda. There's no reason to have to worry about suspending rules and pass on 1st Reading.

MR. RICKLIC MOTIONED TO ADD RESOLUTION 2-2018 AND RESOLUTION 3-2018 TO TONIGHT'S AGENDA FOR 1st Reading

MR. HOLLAND SECONDED THE MOTION

3 YEAS

RESOLUTION 2-2018 AND RESOLUTION 3-2018 WILL BE ADDED TO TONIGHT'S AGENDA FOR 1st Reading

Mr. Zucal made the following statement:

The next item up for discussion is Proposed Resolution 6-2018, a commendation for Councilman Darrin Lautenschleger. In speaking with Councilman Lautenschleger he would have no objection to this going for three readings. I think we all know Darrin very well, we lauded his efforts previously. If there's no objection I would hope that we're able to add that to tonight's Agenda as well and allow for three readings.

MR. RICKLIC MOTIONED TO ADD RESOLUTION 6-2018 TO TONIGHT'S AGENDA

MR. HOLLAND SECONDED THE MOTION

3 YEAS

RESOLUTION 6-2018 WILL BE ADDED TO TONIGHT'S AGENDA FOR 1st Reading

Mr. Zucal had the following comment:

We now have up for discussion Ordinance 1-2018 and Ordinance 2-2018, which are more time bound and more important since we have to comply with the State directive on that. I did provide copies of those to you. Ms. Daniels, is there anything you would like to share about those two pieces of legislation?

Income Tax Administrator for the City Vicki Daniels made the following statement:

Ordinance 2-2018 refers to the Ohio Department of Taxation and the opt in program for businesses. I know enough about that, but we can't administer it, so it's just language that we have to put in an Ordinance by

February 24, 2018 or it can inhibit us from collecting income tax.

Mr. Zucal made the following statement:

One of the things I think is important, if you look at Ordinance 1-2018, because 1-2018 and 2-2018 are companion pieces of legislation, 1-2018 is just adding those sections to it and Ordinance 2-2018 is the amendment of our current section that we operate under. The very first Whereas tells you that this is included as part of the biennial budget so it's one of those pieces again that was imbedded. If you look at House Bill 49 in the whole budget, I think it's over 3000 pages, this is imbedded as part of that. The last Whereas I think is that the City of New Philadelphia by enacting this Ordinance does not concede the legality of HB 49's municipal income tax provisions as we know many municipalities are fighting that home rule piece of it. It does state that anything that happens takes place in the suit, it reverts back to what we would see typically in Section 1 of our codified ordinances in regard to our Municipal Income Tax. So basically it's what we have to do to be compliant. We're not saying we agree with it, but failure to do so could create penalties and hardships for the taxpayers of New Philadelphia.

Law Director Fete had the following comment:

I would recommend that this legislation gets passed tonight. Here's why: We're involved in litigation. The attorneys in litigation sent an email saying that they had signed and reordered but can delay it until February. House Bill 49 says it has to be passed by January 31st. I still don't get how that can apply State wide, because there's multiple lawsuits going on in different parts of the State. Remember how things work, we start out at the Common Please level, Court of Appeals, Supreme Court. That's where it's going to end up. They're going to consolidate all these cases and decide at the Supreme Court as to whether or not it's a violation. I think it's a very good argument on our part. My concern is though that this is filed in Franklin County. They're telling me that it has statewide implications and applies statewide and I know the Attorney General signed off on it. I'd feel more comfortable if we passed it tonight.

Mr. Zucal had the following reply:

I would agree with you because regardless even though we signed off on it we're compliant with the original legislation that was drafted and approved by the House and the Senate. Delaying it does nothing because ultimately we have to approve them anyhow. I don't think it's going to get settled between the 31st of January and the 24th of February.

Mayor Day made the following statement:

This preliminary injunction they're trying to get for the 24th of February, the judge could say the law is enacted until it's decided ultimately by the Supreme Court.

Law Director Fete made the following statement:

The judge could make that ruling but then a judge in Lorain County could rule differently, which would actually speed it to the Supreme Court.

Mr. Zucal made the following statement:

You have to remember, just like anything even at the federal level, when all these pieces are embedded the other option was to lengthen that period, and for some of those legislators, by voting "no" you're voting down the State operating budget, which creates another problem by itself, so there are obviously twists and turns that were within that and the biggest piece that we have is to be able to remove that portion of it, which is where I think the litigation is going, not to remove all House Bill 49 but the specific opponent of it that eliminates the home rule component of that.

Law Director Fete made the following statement:

What it allows us to do is attack the entire tax system. Otherwise we're forfeiting our ability to write our own ordinances.

MR. RICKLIC MOTIONED THAT ORDINANCE 1-2018 AND ORDINANCE 2-2018 BE ADDED TO TONIGHT'S AGENDA WITH RECOMMENDATION OR SUSPENSION OF RULES AND PASSAGE ON 1st Reading
MR. HOLLAND SECONDED THE MOTION

3 YEAS

ORDINANCE 1-2018 AND ORDINANCE 2-2018 WILL BE ADDED TO TONIGHT'S AGENDA FOR PASSAGE UPON 1st Reading

With no other business to discuss Mr. Ricklic motioned to adjourn.

The Meeting of the Salary Committee adjourned at 6:48 pm.