

**DUBLIN CITY COUNCIL
FINANCE COMMITTEE
Tuesday, September 9, 2025 - 4:30 p.m.
5555 Perimeter Drive
Council Chamber**

Meeting Minutes

Mr. Keeler called the Finance Committee meeting of September 9, 2025 to order at 4:30 p.m.

Committee members present: Mr. Keeler (Chair) and Vice Mayor Alutto. Mr. Reiner arrived at 4:48 p.m.

Staff members present: Ms. O'Callaghan, Mr. Rubino, Ms. Hoffman, Mr. Urbancsik, Ms. Murray, Ms. Rauch, Mr. Fagrell, Mr. Stevens, Ms. Hunter, Ms. Blake

APPROVAL OF MINUTES

Mr. Keeler moved to approve the minutes of the August 12, 2025 Finance Committee meeting.

Vice Mayor Alutto seconded the motion.

Vote on the motion: Vice Mayor Alutto, yes; Mr. Keeler, yes.

Hotel/Motel Tax Fund Discussion

Mr. Rubino presented a comprehensive overview of the City's hotel motel tax fund. The presentation covered revenue trends, budget and policy perspectives, and current allocations.

The hotel motel tax generated just under \$4 million in 2024, representing 2.6% of the City's \$114 million operating revenue. Mr. Rubino explained that revenue is tracked in fund 432 and allocated to various organizations and City events.

Current allocations include non-discretionary distributions of 25% to Visit Dublin Ohio (per Ohio Revised Code) and 25% to Dublin Arts Council (per lease agreement through 2026). Discretionary allocations include 27.5% for community events, an additional 10% to Visit Dublin Ohio, and 6.5% for the community grant program. Various development agreements also receive allocations per the Bridge Park development agreement.

Mr. Rubino provided historical context, noting steady fund balance growth from 2005-2015, stability from 2016-2019 with increased payments to Visit Dublin Ohio and Dublin Arts Council, and the significant decline during the pandemic years of 2020-2021 when the Dublin Irish Festival was canceled and general fund subsidies were required. Since 2022, the City has focused on fiscal sustainability, implementing a cost recovery goal for community events and phasing out general fund subsidies.

The revenue has shown notable growth over the past three years, with 2025 projected at just over \$4.2 million, a 6% increase year-over-year. However, projections show a concerning trend with the fund balance potentially declining from over \$1 million next

year to under \$200,000 by 2030 if no changes are made. These projections assume 5% growth in hotel motel tax revenue and 3% growth in expenditures.

Benchmarking data revealed Dublin collects significantly more bed tax revenue (\$3.6 million) compared to many larger cities. For example, Akron, despite being three times Dublin's size, collects only \$484,000. Visit Dublin Ohio receives \$1,263,000 (35% of total collections), which committee members noted is substantially more in actual dollars than many other convention and visitors bureaus receive, even if other cities allocate higher percentages.

City Manager Megan O'Callaghan noted this discussion was timely following completion of the events roadmap and with a new Chief Finance Officer in place. She emphasized that establishing a fund balance policy has been consistently supported by Council in previous discussions but has not been implemented due to staff changes, the pandemic, and other priorities.

Committee members expressed strong support for establishing a fund balance policy and maintaining percentage-based allocations rather than flat amounts. Vice Mayor Alutto emphasized that when the City has good years, partners should benefit proportionally, noting the recent change from a flat \$200,000 to \$225,000 minimum or 6.5% of prior year revenue for grants was the right approach.

Council Member Keeler highlighted Dublin's fortunate position in having such substantial bed tax revenue but expressed concern about the increasing number of organizations seeking support. He suggested considering a 1-2% allocation (\$36,000-\$72,000) for the Historical Society, noting they bring visitors from around the world. He also called for more accountability from Visit Dublin Ohio similar to what the Dublin Arts Council provides, while emphasizing he was not seeking to reduce their funding.

Council Member Reiner stressed that support for Visit Dublin Ohio and the Dublin Arts Council should remain "sacrosanct" given their community contributions but questioned whether some grant recipients should become self-sustaining after initial support periods. He emphasized examining corporate contributions, particularly for events like the Farmers Market.

Discussion of the holiday market revealed concerning developments. The selected vendor has withdrawn their revenue-sharing proposal originally included in their response, citing tariff concerns. Committee members expressed strong frustration, with Mr. Keeler calling it unfair and Vice Mayor Alutto characterizing it as a "bait and switch." She suggested potentially delaying the market for a year and conducting a new request for proposals rather than accepting terms so different from the original proposal. Ms. O'Callaghan confirmed that negotiations are ongoing.

Staff indicated they would return with draft policy recommendations based on the Committee's feedback, with plans to check in before presenting a formal draft. Vice Mayor Alutto suggested eventually bringing the policy discussion to the full Council in a work session format.

Cost Study

Mr. Urbancsik presented the 2025 cost study and proposed fee changes. The presentation followed the City's established structure of alternating between inflationary adjustments in odd years and comprehensive cost studies in even years, with this year applying a 2.6% inflationary adjustment.

No changes beyond inflation were proposed for Engineering, Parks, Police, or Public Service departments. All departments will undergo full evaluation in next year's comprehensive cost study.

New fees were proposed for Court Services, including \$50 for non-reporting probation and \$150 for reporting probation (currently free). Additionally, credit card fees totaling over \$12,000 annually would be passed on to payees, primarily non-Dublin residents, to reduce general fund subsidies.

Park rental fees, unchanged since 2019, would see increases across the board with larger increases for pavilions due to enhanced amenity maintenance costs. The DORA cup program would transition from branded cups to a sticker-based system at \$10 for 45 stickers, addressing retailer feedback, reducing storage needs, and allowing flexibility for different beverage types. QR codes on stickers would enable real-time rule updates and improve compliance.

Recreation fees would see the 2.6% inflationary increase, with lap lane rentals for Dublin residents increasing from \$9 to \$20 per hour, moving closer to the full cost recovery rate of \$56 per hour. School district pricing adjustments approved earlier in the year would take effect October 1st.

Building Standards achieved 105% cost recovery in 2024. Council's goal is 100% full cost recovery including direct and indirect costs (approximately 130% cost recovery). Despite Dublin being one of the more expensive cities for development, the City's rankings have improved since 2020. Staff emphasized that fees reflect actual service costs ensuring sustainability, with developers consistently praising Dublin's responsiveness and efficiency despite higher costs.

Committee members expressed support for the proposed changes. Vice Mayor Alutto, noting her 10 years on the Committee, praised the comprehensiveness and consistency of the fee study process. She supported the DORA sticker transition and emphasized the balance between transparency and quality, comparing it to vendor feedback at the Irish Festival where higher standards and costs are offset by superior service and predictability.

Mr. Reiner shared an anecdote about a developer who initially protested Dublin's requirements but later acknowledged that forcing quality into projects through requirements for traffic lights, bicycle trails, turn lanes, and park dedications resulted in higher returns. The developer admitted making more money in Dublin than elsewhere despite the additional requirements.

Mr. Keeler supported the fee structure, noting the City cannot afford to subsidize development costs anymore while acknowledging the lap lane rental increase as an acceptable resident perk worth subsidizing partially. He confirmed that the 2025 cost study would set 2026 fees.

Staff acknowledged that they had received the feedback needed and would bring the Ordinance for first reading on October 6th, with adoption on October 20th and implementation on January 1st.

There being no further business to come before the Committee, the meeting adjourned at 5:29 p.m.



Chair, Finance Committee



Clerk of Council