

Finance Committee Minutes

Honorable Council
 City of Newark, Ohio
 February 16, 2021
 5:45pm

The Finance Committee met via Zoom on Tuesday February 16, 2021 with these members in attendance:

Doug Marmie – Chair
 Ryan Bubb
 Jeff Harris
 Jonathan Lang
 Sean Fennell – sitting in for Jeremy Blake

We wish to report

1. Consider **Resolution No. 21-11 Expedite** A RESOLUTION APPROPRIATING MONIES FOR CURRENT EXPENSES OF THE MUNICIPAL CORPORATION
 Section 1. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$1,260,704.15

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|-----------------|------------------------------|------------|
| 100.111.5901152 | OPT Budget Stabilization | 250,000.00 |
| 100.111.5901422 | OPT Debt Service | 220,317.15 |
| 100.111.5901335 | OPT CI | 400,000.00 |
| 100.109.5127 | Workers Comp | 3,100.00 |
| 100.127.5230 | Temporary Services | 26,000.00 |
| 100.106.5223 | Subscriptions | 2,000.00 |
| 100.112.5211 | Lease | 1,300.00 |
| 100.112.5274 | Maint of Vehicles | 1,000.00 |
| 100.112.5290 | Postage | 5,000.00 |
| 100.114.5125 | Unemployment | 15,000.00 |
| 100.121.5237 | License/Maint of Software | 24,000.00 |
| 100.121.5238 | Services General | 10,000.00 |
| 100.121.5238 | Services General | 50,000.00 |
| 100.205.5111 | Salaries | 133,336.00 |
| 100.205.5121 | Pension | 29,091.00 |
| 100.205.5124 | Health Insurance | 49,287.00 |
| 100.205.5124110 | Dental | 1,044.00 |
| 100.205.5124400 | Life | 249.00 |
| 100.205.5126 | Medicare | 1,758.00 |

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|--------------|-------------|-----------|
| 100.205.5127 | WC | 3,222.00 |
| 100.106.5632 | Settlements | 35,000.00 |

Mayor Jeff Hall – When we did the budget for this year because of COVID we did not have our general meeting with all of our departments face to face, so we took the previous year budget and made some adjustments that we knew needed to be made. That being said there are some things that needed adjustment which is what you'll see here. Some through our collections through the year, bringing on 3 firefighters after the budget was passed and some was just plain adjustments. Section one has better than expected collections to the end of year, we have some unappropriated. We'd like to put \$250k into budget stabilization, which is good to try to save some for rainy days. We've got some debt service which is a loan, some capital improvements of \$400, that's \$200k additional for paving and \$200k additional for pedestrian pathways, workers comp we were unaware of in service department, temporary services, last year's budget didn't include the part time property maintenance inspector so it didn't get carried forward into the 2021 budget, we have some subscriptions for the Law Director, anything with 112 in the middle is going to be judicial that the courts reached out to us about, postage stands out because they are not having the turnout for juries because of COVID so they're having to send more registered letters, so postage has gone up on that account, unemployment is something we can never predict, but someone who worked for us previously is coming back and we have unemployment payments, the licensing and maintenance of software is our neo gov software that we're using in HR, services general is a lot of the renovations being done in Council Chambers, the 205 number is Fire and there are several things mentioned under that and all of those have to do with the 3 positions we hired after the budget was approved, it is Grant funded but obviously not 100 percent and finally the \$35k is a loss settlement that to get into more detail would need a private session, but all things directed through the Law Director.

Mr. Marmie – I have one question. I just want to make sure that we have it correct. On the spreadsheet I was provided all of the ones that are 205 were 204, I just want to clarify that the legislation is correct.

Mayor Hall – Steve, uniform is 205 isn't that right?

Auditor Mr. Steve Johnson – That is right.

Mayor Hall –Yes, so they would be 205, 204 is non uniform cost.

Mr. Marmie – I just wanted to clarify because it was different than what I was provided.

Mr. Lang – I just wanted to make a comment to the Mayor and everyone working on the budget. I really appreciate setting aside the funds for sidewalk improvements, I know it's been a topic of discussion and we've been putting pressure on to get that done, so I really appreciate you setting aside that money. I know when we talked to our engineer, Brian Morehead, last year he needed somewhere in the ballpark of that \$200k to put together a paving project for sidewalks and this will enable us to do that and I am really excited that we're able to set that aside so, thank you for the effort on that.

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5-0

Section 2. There is hereby an appropriation of the unappropriated balance of the 422 Debt Service Fund, in the amount of \$220,317.15

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|-----------------|----------------|------------|
| 422.923.5416210 | Principal Pymt | 138,609.07 |
| 422.923.5426210 | Interest Pymt | 81,708.08 |

Mayor Hall – That is a loan that we owe a payment on, that's the principle on the payment and it wasn't detailed in the budget, it's for infrastructure improvements.

Mr. Brian Morehead, City Engineer – It's for State Route 13 , the new bridge over Route 16 on State Route 13 and the associated work with that.

Mayor Hall – We got a favorable interest rate through the state, hence the loan.

Motion to send to full council by Mr. Bubb, second by Mr. Harris, motion passed 5-0

Section 3. There is hereby an appropriation of the unappropriated balance of the 621 Water Fund, in the amount of \$36,462.41

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|-----------------|----------------|-----------|
| 621.706.5416210 | Principal Pymt | 22,910.31 |
| 621.706.5426210 | Interest Pymt | 13,552.10 |

Mr. Roger Loomis, Water Administrator – This is out of water Funds, section 4 and 5 are the Sewer and Storm Funds, the same loan. It was submitted for payment but didn't get put in in 2020, so, we're having to do some extra payment in 2021.

Mr. Marmie – As he indicated, sections 3,4 and 5 are for the same thing, but coming from water sewer and storm funds.

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5-0

Section 4. There is hereby an appropriation of the unappropriated balance of the 661 Sewer Fund, in the amount of \$36,462.41

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|-----------------|----------------|-----------|
| 661.712.5416210 | Principal Pymt | 22,910.31 |
| 661.712.5426210 | Interest Pymt | 13,552.10 |

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5-0

Section 5. There is hereby an appropriation of the unappropriated balance of the 669 Storm Water Fund, in the amount of \$45,460.33

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|-----------------|----------------|-----------|
| 669.169.5416210 | Principal Pymt | 28,684.45 |
| 669.169.5426210 | Interest Pymt | 16,775.88 |

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5-0

Section 6. There is hereby an appropriation of the unappropriated balance of the 335 CI Fund, in the amount of \$400,000.00

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|-----------------|--|------------|
| 335.122.5276210 | Maint of Street projects Pedestrian Improvements | 200,000.00 |
| 335.302.5276100 | Maint of Street Projects | 200,000.00 |

Mr. Mamrie – This is just moving the street money and pedestrian money into Capital Improvements, the 335 Fund.

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5-0

Section 7. There is hereby an appropriation of the unappropriated balance of the 231 Probation Grant Fund, in the amount of \$9,140.00

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|--------------|----|----------|
| 231.236.5118 | OT | 4,450.00 |
| 231.113.5118 | OT | 4,600.00 |

Mayor Hall – That’s for the Justice Probation Grant, they need some money in overtime so, it’s out of their 231 Grant Fund.

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5-0

Section 8. There is hereby an appropriation of the unappropriated balance of the 235 Judicial Spec Projects Fund, in the amount of \$123,250.00

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|-----------------|--------------------------|-----------|
| 235.112.5204 | Cell Phones | 1,350.00 |
| 235.112.5204100 | Cell Phone Stipends | 300.00 |
| 235.112.5220 | Travel & Training | 1,000.00 |
| 235.112.5230 | Temp Services | 30,000.00 |
| 235.112.5238 | Services General | 15,800.00 |
| 235.112.5299 | Contingency | 50,000.00 |
| 235.112.5304 | Communications Equipment | 10,000.00 |
| 235.112.5312 | Law Enforcement Supplies | 4,000.00 |

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|-----------------|-------------------------------|----------|
| 235.112.5319 | Misc | 5,000.00 |
| 235.112.5319310 | Misc Clothing/Uniform | 1,800.00 |
| 235.112.5536 | Computer Software/Hardware | 4,000.00 |

Mayor Hall – These are all Judicial as signified by the 112 in the center, but the 235 is their Special Projects Fund, that’s their money they collect and put into that fund for Special Services.

Motion to send to full council by Mr. Bubb, second by Mr. Lang

Mr. Marmie – I was wondering what the \$30k for temp services is, is that for filling in for bailiffs when they take vacation?

Mayor Hall – Yes I believe so, but I will make a note and follow up on it.

Mr. Marmie – And the Services General for \$15,800?

Mayor Hall – I assume that’s for things being done around COVID, but I’ll check both of those and bring answers to you.

Motion passed 5-0

Section 9. There is hereby a disappropriation of the appropriated balance of the 219 COVID-19 Fund, in the amount of \$317,786.53 (Pymts and Estimated Future Expenses)

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|--------------|-------------------|------------|
| 219.100.5531 | Furniture & Fixes | 207,460.50 |
| 219.100.5532 | Vehicles | 110,326.03 |

Mayor Hall – This is our COVID dollars, section 9 is going to un-appropriate and section 10 is appropriating, we’re re-balancing those accounts as we see how the spending is going.

Mr. Marmie – So this section is a disappropriation.

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5-0

Section 10. There is hereby an appropriation of the unappropriated balance of the 219 COVID-19 Fund, in the amount of \$317,786.53 (Pymts and Estimated Future Expenses)

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|--------------|-------------------------------|------------|
| 219.100.5536 | Computer Software/Hardware | 150,000.00 |
| 219.100.5319 | Misc. | 92,786.53 |
| 219.100.5621 | Reimbursements | 75,000.00 |

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5-0

Section 11. There is hereby an appropriation of the unappropriated balance of the 665 CSO Sewer Project and 673 Buckeye Corridor Storm Sewer Project Funds, in the amount of \$490,000.00 (Raccoon Creek Sheet Pile Dam Construction)

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|--------------|-------------|------------|
| 665.712.5522 | Sewer Lines | 300,000.00 |
| 673.168.5527 | Storm Lines | 190,000.00 |

Mr. Loomis – This will be some Bond Money that the Auditor is going to talk about later on for a project on Raccoon Creek. There’s a sheet pile dam on Raccoon Creek near Church Street exit and that dam is failing. It protects a water line and sewer line and State Route 16. If it’s not there basically Raccoon Creek will scour and cause the bank to slide. We’re working in conjunction with ODOT and the Army Corp of Engineers on this project, it’s a Section 14 project from Army Corp of Engineers, they are paying the bulk of this, we are paying about \$800k, the total project is \$24 million. This is just our portion, we have to pay them up front similar to ODOT projects , then hopefully we’ll get some money back and not have to pay more. That project is designed and they’re ready for our funds, I believe by first or middle of May we have to have them there. The Auditor will talk about a note that funds this. The water money is coming out of our revenue bonds that we issued about a year ago due to savings on our 4th Street project. That’s how we’re paying for the water portion of that.

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5-0

Section 12. There is hereby an appropriation of the unappropriated balance of the 153 Comp Abs Fund, in the amount of \$5,600.00 (Term Pay for resigning firefighter Jarrad Tracy)

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| 153.205.5144 | Term Pay | 5,600.00 |
|--------------|----------|----------|

Mayor Hall – We have a firefighter that resigned and this is his payout.

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5 -0

2. Consider **Ordinance No. 21-03** TO PROVIDE FOR THE ISSUANCE OF \$500,000 OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF PAYING A PORTION OF THE CITY’S COST FOR HORNS HILL ROAD SANITARY SEWER PROJECT IMPROVEMENTS, AND DECLARING AN EMERGENCY
Mr. Roger Loomis – This is the five year note for the Horns Hill project to pay off the Sewer Fund portion of that..

Mr. Bubb – I will abstain from this Ordinance No. 21-03

Motion to send to full council by Mr. Lang, second by Mr. Harris, motion passed 4-0 with one abstention

3. Consider **Ordinance No. 21-04** TO PROVIDE FOR THE ISSUANCE OF NOT TO EXCEED \$1,125,000 OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF PAYING THE COST OF CHURCH STREET AREA IMPROVEMENTS AND REPAIR, INCLUDING ELECTRICAL, SIDEWALK, STREET AND STREETScape, AND ALL NECESSARY APPURTENANCES THERETO, AND DECLARING AN EMERGENCY

Mr. Stephen Johnson, City Auditor – This is for a note we issued a couple of years ago for work being done

Motion to send to full council by Mr. Bubb, second by Mr. Lang

Mr. Lang – Your audio cut out, can you describe that again please?

Mr. Johnson – This was originally issued a couple years ago when work was being done on the square and dealt with Church Street, there is still work to be done and we would like to renew it for a year.

Motion passed 5- 0

4. Consider **Ordinance No. 21-05** TO PROVIDE FOR THE ISSUANCE OF \$500,000 OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF PAYING THE COST OF CONSTRUCTION OF THE STEAMBANK PROTECTION PROJECT, INCLUDING REPLACEMENT OF THE SHEET PILE DAM ON RACCOON CREEK, SITE PREPARATION AND ALL NECESSARY APPURTENANCES, AND DECLARING AN EMERGENCY

Mr. Johnson – Roger discussed this previously, this will fund the project for one year and we will see what needs to be done after a years time.

Mr. Loomis – Just as a note that should be Streambank not Steambank.

Mr. Marmie – We will need to change that in the Ordinance, Janine.

Motion to send to full council by Mr. Bubb, second by Mr. Lang, motion passed 5 -0

5. Consider **Ordinance No. 21-06** AN ORDINANCE CONSOLIDATING THREE BOND ANTICIPATION NOTE ISSUES OF THE CITY OF NEWARK, OHIO AND DECLARING AN EMERGENCY

Mr. Johnson – This is something we have done in the past when we have small notes, we would like to combine the three because it makes it easier to sell on the Bond Market and we will also get a better rate of interest with a larger instrument, so this just consolidates the three we just addressed.

Mr. Bubb – I will abstain from this one as well.

Motion by Mr. Lang, second by Mr. Harris, motion passed 4 – 0 with one abstention

Finance Meeting stands adjourned.

Doug Marmie, Chair