

Finance Committee Minutes

Honorable Council
City of Newark, Ohio
January 22, 2020

The Finance Committee met in Council Chambers on Tuesday January 21, 2020 with these members in attendance:

Doug Marmie
Jeremy Blake
Ryan Bubb
Jeff Harris
Spencer Barker

We Wish to Report:

1. The current state of the 2020 budget was discussed.

Mr. Marmie- I put this item on here so that the committee would be aware of where the unappropriated balance is in light of what we voted on for the budget, what came as far as cash carryover because we already know that we legislated some additional things for pay raises. Mr. Johnson do we know what the exact unappropriated balance is?

Mr. Johnson- I can tell you the figures that I used, this is what I presented to the County Budget Commission. I have to certify our estimated resources and our planned expenditures and get approval from them before we can move forward on a budget and our cash carryover was 5,355,000.00. I think about 3,342,000.00 was used to shore up the budget to overcome the proposed deficit; that leaves an unappropriated balance of 1,993,000.00. The pay raises are estimated to be less than 600,000.00 so if that is the case our unappropriated balance for the beginning of the year would be 1,393,000.00. That is basically where we stand right now.

Mr. Blake- thanked the Auditor, you and I had some discussions related to some ongoing reviews of the budget and maybe we can have some quarterly budget review meetings related to some specific topics and I want to say publicly that I appreciate you having that conversation.

Mr. Marmie- this will be new to the Mayor I haven't had a chance to talk with him, I think that it would be good if around the end of February beginning of March if we could convene the budget review committee just so we can know where everything is at because of all of the pay raises and estimates. I didn't want to put that on to Jackie in the Auditor's office right at the beginning of the year because I know she is trying to roll the New Year over and get things

started. Do you think that would be do able end of February beginning of March Mr. Mayor?

Mayor Hall- yes, think about the end of the months we use those quite a bit. Jackie in the Auditor's office does a great job; they take a week into the next month. Maybe two months under the belt. We could do quarterly but if you want to do it before that is fine. If you did January, February, March that is quarter one and it would be done by about the first week of April. I will reach out to everybody and plug that in.

2. **Ordinance No. 20-03** 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 was considered.

Steve Johnson- this is related to the downtown project that has spilled over into some other streets. Church Street was addressed from Fourth to Third and this continues the project on from Third to Second Street. There are still a few things pending so we can't really close out this note so we are going to renew it for one year and then next year see whether to reduce it, issue bonds or what we want to do at that time.

Motion by Mr. Bubb to send to full Council, second by Mr. Barker

Motion passed by a vote of 5-0.

3. **Ordinance No. 20-04** to provide for the issuance of \$850,000 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of paying a portion of the city's cost, and a portion of the property owners' cost in anticipation of the levy and collection of special assessments for Horns Hill Road sanitary sewer project improvements, and declaring an emergency was considered.

Steve Johnson- when I initially sent the legislation to Autumn it was simply a renew of the \$850,000.00 from last year in the meantime Roger Loomis said that he needed an additional \$115,000.00 to complete the project so we are going to retire the \$850,000.00 note and replace it with a note of \$965,000.00. This is only going to be for a period of 6 months because this is a special assessment project at least a portion of it is so some additional time is needed to complete the work on the assessment and give people an opportunity to prepay the assessment before it would be placed on their taxes.

Motion by Mr. Harris to send to full Council, second by Mr. Barker

Motion passed by a vote of 4-0 (Mr. Bubb abstaining)

4. **Resolution No. 20-01** a resolution appropriating monies for the current expenses of the municipal corporation was considered.

Section 1. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$34,225.00 (Concrete upgrades to Veterans section)

Account	Description	Amount
100.432.5271	Building Maintenance	\$34,225.00

Director Rhodes- this is money for the Veterans section of Cedar Hill Cemetery, it is monies that have been donated to the city with a specific use in mind for the Veterans section.

Motion by Mr. Bubb to send to full Council, second by Mr. Barker

Motion passed by a vote of 5-0.

Section 2. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$300.00 (Medical Supplies)

Account	Description	Amount
100.204.5303.100	Medical Supplies	\$300.00

Director Baum- this is a refund for NARCAN purchases going back into the medical supplies account.

Motion by Mr. Bubb to send to full Council, second by Mr. Harris

Motion passed by a vote of 5-0.

5. **Resolution No. 20-02** a resolution appropriating monies for the current expenses of the municipal corporation was considered.- **Expedite**

Section 1. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$6,000.00 (Outside Counsel for pending lawsuit)

Account	Description	Amount
100.106.5238	Services General	\$6,000.00

Director Sassen- as you know with the Law Director's offices' budget we try to be fairly frugal and exact with our request of Council whether that is in the postage account or office supplies or professional services. We tend to budget what we reasonable might anticipate for those expenses which is a fairly low

number. We have had a circumstance arise where the city has been sued and an Assistant Law Director has been sued and we are in conversations if you will with our insurance provider as to whether or not that constitutes an insured event. In the meantime we have deadlines that have to be met in terms of filing responses. I can say with some degree of confidence we consider this to be a very frivolous lawsuit that was filed in Federal Court by a person who has been deemed to be a vexatious litigator in State Court but that designation doesn't translate over to Federal Court so he is free to file his frivolous lawsuits in Federal Court which he can't file in State Court. I am fairly comfortable with the outcome of that case but we do need to have additional funds appropriated to pay for outside counsel to represent us in that case until we resolve our discussions with our insurance provider.

Motion by Mr. Bubb to send to full Council, second by Mr. Harris
Motion passed by a vote of 5-0.

Section 2. There is hereby an appropriation of the unappropriated balance of the 334 Construction Fund, in the amount of \$2,900,000.00 (Fire Station)

Account	Description	Amount
334.204.5299	Contingency	\$2,900,000.00

Director Baum- this is the loan that you approved for the Fire Station. We have used up the \$300,000.00 that we had on hand. It hasn't really been a cold winter; it hasn't slowed down construction so we are finding ourselves in need of the principal amount of the loan. We are looking to move it into the 5299 contingency fund where it will be moved to where ever it needs to be from there by internal transfers whether that be plumbing, electrical etc.

Motion by Mr. Bubb to send to full Council, second by Mr. Barker
Motion passed by a vote of 5-0.

Section 3. There is hereby an appropriation of the unappropriated balance of the 338 Court Capital Improvement Fund, in the amount of \$59,982.12 (Trac filing system Municipal Court Clerk's Office)

Account	Description	Amount
338.107.5531	Furniture & Fixtures	\$59,982.12

Director Rhodes- I don't see anyone from the court system but I am aware of this, they want a Trac filing system. The Clerk's office is in need of additional storage. These Trac filing systems allow them to organize and condense things in

a better manner. The dollars aren't coming out of the city's capital improvement fund they are coming out of the Judicial fund that was set up many years ago so it is kind of their money.

Motion by Mr. Bubb to send to full Council, second by Mr. Barker

Mr. Marmie- for those of you who don't know the Judges have their own separate fund that they collect revenue from their own department. They still have to come through us but it is their money.

Motion passed by a vote of 5-0.

Section 4. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$2,355.12

Account	Description	Amount
100.116.5319	Misc Supplies	\$855.12
100.116.5111	Salaries/Wages	1500.00

Vanessa Stalnaker, APD- our department was given \$4,000.00 from the Mental Health and Recovery Board and we would like to appropriate 1500.00 for our Drug Court officer to recertify by the Sherriff of the Supreme Court of Ohio. It is going to cause her to work more hours to do this. The other \$855.00 is for other supplies we will be using throughout the year.

Motion by Mr. Bubb to send to full Council, second by Mr. Barker

Motion passed by a vote of 5-0.

Section 5. There is hereby an appropriation of the unappropriated balance of the 153 Comp Abs Fund, in the amount of \$25,500.00 (Payout Todd Baumgartner)

Account	Description	Amount
153.432.5143	Termination Sick	\$5500.00
153.432.5144	Termination Vacation	17,000.00
153.432.5145	Termination Comp	3000.00

Director Rhodes- I have an employee that is retiring out of the Park's Department. These are benefits that he has earned.

Motion by Mr. Bubb to send to full Council, second by Mr. Harris

Motion passed by a vote of 5-0.

Section 6. There is hereby an appropriation of the unappropriated balance of the 153 Comp Abs Fund, in the amount of \$100.00 (Payout Margaret Van Balen)

Account	Description	Amount
153.106.5143	Termination Sick	\$50.00
153.106.5144	Termination Vacation	50.00

**Motion by Mr. Bubb to send to full Council, second by Mr. Barker
Motion passed by a vote of 5-0.**

Doug Marmie, Chair