

## Finance Committee Minutes

Honorable Council  
City of Newark, Ohio  
March 6, 2018

The Finance Committee met in Council Chambers on Monday March 5, 2018 with these members in attendance:

Doug Marmie  
Jeremy Blake  
Ryan Bubb  
Bill Cost Jr.  
Mark Fraizer

We wish to report:

1. **Resolution No. 18-22** 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 231 Probation Grant Fund, in the amount of \$13,577.00 (Drug testing supplies)

Account	Description	Amount
231.113.5312	Law Enforcement Supplies	\$13,577.00

**Kevin Sadd, Adult Probation Director**- this is in reference to one of our grants from the Department of Corrections, they changed the grant cycles to two years instead of one so sometimes it is challenging to know when we are going to need to purchase certain things. The officer that is in charge of drug testing informed me that we are going to need some products. The breakdown of that figure would be \$8,520.00 to Redwood Labs that would be for drug tests, \$3,375.00 to Intrinsic which is another drug testing company then \$1682.00 for drug testing supplies from Redwood which would equal the \$13,577.00.

**Motion by Mr. Bubb to send to full Council, second by Mr. Fraizer**

**Mr. Fraizer**- the \$1682.00 is in house testing supplies

**Director Sadd**- all of this is actually for the Probation Departments use from drug tests and supplies like cups and gloves.

**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 \$39,510.18 (Prosecuting Serves for Pataskala)

Account	Description	Amount
100.106.5111	Salaries	\$33,333.34
100.106.5122	PERS	4,666.67
100.106.5126	Medicare	483.33
100.106.5127	Workers Comp	1,026.84

**Auditor Steve Johnson-** the Law Director’s office has contracted with the City of Pataskala for prosecution services. The City of Pataskala has already paid the city \$39,500.00. This appropriation will allow for compensation to the staff in the Law Director’s office that will be performing services for Pataskala.

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

Section 3. There is hereby an appropriation of the unappropriated balance of the 424 TIF Fund, in the amount of \$206,000.00 (East Main Street TIF Refunds)

Account	Description	Amount
424.922.5611	TIF Refunds	\$206,000.00

**Steve Johnson, City Auditor-** this represents payment to the Licking Valley School District from our TIF proceeds. The original TIF agreement in 1996 allowed that 25% of the proceeds we receive shall be paid to the Licking Valley School District because they gave up their right to tax the TIF district. We are getting a lump sum payment from the county because the Longaberger Corporation had been delinquent for about 6 years. When the real estate sold we received back payments. This is what our estimate is for Licking Valley schools.

**Motion by Mr. Bubb to send to full Council, second by Mr. Fraizer**

**Mr. Fraizer-** the TIF remains in effect for Longaberger basket correct? We will still get money coming in for future improvements?

**Steve Johnson-** I am not certain. That is a legal question.

**Law Director Sassen-** I think that it was a 30 year TIF; I’d have to check because I am not absolutely certain.

**Mr. Fraizer-** the sale doesn’t negate any of the TIF agreements right?

**Director Sassen-** no

**Motion passed by a vote of 5-0.**

2. **Resolution No. 18-23** authorizing and directing the Mayor of the City of Newark to apply for financial support from the state of Ohio 2018 Nature Works Grant was considered .

**Barbara Gilkes-** the city is going to throw its' hat in the ring again for a Nature Works Grant from ODNR. Jeff and I are talking about where we want to do this. We will be getting with Dave soon to go over some ideas. This is a 75/25 split for the grant.

**Motion by Mr. Cost** to send to full Council, second by Mr. Fraizer

**Mr. Fraizer-** the most recent grants we got for this what were they?

**Barbara Gilkes-** the most recent one was Wells Park. You want to mark your calendar because we were told today that on April 16<sup>th</sup> the playground equipment and site amenities will be installed.

**Motion passed by a vote of 5-0.**

3. **Resolution No. 18-24** 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 661 Sewer Dept Fund, in the amount of \$1,150,000.00

Account	Description	Amount
661.712.5522	Sewer lines	\$1,150,000.00

**Roger Loomis-** these next four items are going to be related to each other. This is for the work that we are doing on north 2<sup>nd</sup> Street at the intersection of N 2<sup>nd</sup> and Church and on Church Street from 3<sup>rd</sup> to 4<sup>th</sup> St then from 2<sup>nd</sup> to 3<sup>rd</sup>. Most of this money will be for repairing the intersection. When we did the work up to that intersection the sewer collapsed on us. We have it temporarily fixed but we have to put a new one in.

**Motion by Mr. Fraizer to send to full Council, second by Mr. Bubb**

**Mr. Fraizer-** when is this scheduled for and what is a completion date?

**Roger Loomis-** this work should all be done late summer early fall.

**Motion passes 5-0.**

Section 2. There is hereby an appropriation of the unappropriated balance of the 669 Storm Water Utility Fund, in the amount of \$300,000.00

Account	Description	Amount
669.169.5527	Storm Lines	\$300,000.00

**Motion by Mr. Fraizer to send to full Council, second by Mr. Cost**

**Motion passed by a vote of 5-0.**

Section 3. There is hereby an appropriation of the unappropriated balance of the 623 Water Project Fund, in the amount of \$45,000.00

Account	Description	Amount
623.706.5521	Water Lines	\$45,000.00

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

Section 4. There is hereby an appropriation of the unappropriated balance of the 333 Infrastructure Fund, in the amount of \$1,250,000.00

Account	Description	Amount
333.706.5276100	Infrastructure- Street Maint	\$1,250,000.00

**Roger Loomis-** this is for sidewalks and street paving, electrical work and street scaping work.

**Motion by Mr. Cost to send to full Council, second by Mr. Fraizer**

**Mr. Blake-** could you remind me where are the funds for the 661

**Roger Loomis-** 661 is waste water. 661,623 and 669 are all out of our unappropriated balance.

Section 5. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$2,387.00

Account	Description	Amount
100.203.5312000	LE Supplies	\$2,387.00

**Director Rhodes-** I am standing in for Mr. Baum tonight he and the Mayor are at a school board meeting with Mr. Ute. This was donated money for the sole purpose of supporting the NARI Program.

**Motion by Mr. Fraizer to send to full Council, second by Mr. Cost**

**Motion passed by a vote of 5-0.**

Section 6. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$6,451.61 (Cont. Pro. Training)

Account	Description	Amount
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100.203.5222200	CPT	\$6,451.61
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**Director Rhodes-** this is an appropriation that needs to be carried over from year to year for the professional training for the officers and there was an error we didn't carry this money forward.

**Motion by Mr. Bubb to send to full Council, second by Mr. Fraizer**

**Motion passed by a vote of 5-0.**

Section 7. There is hereby an unappropriation of the appropriated balance of the 100 General Fund, in the amount of \$5,500.00 (Salary/Wages)

Account	Description	Amount
100.122.5111	Salaries/Wages	\$5,500.00

**Brian Morehead-** section 7 and 8 go together, basically this is to move money to the Salary and Wages account from the Professional Services account to allow us to keep the current person that is doing our secretarial work on until the end of June.

**Motion by Mr. Fraizer to send to full Council, second by Mr. Bubb**

**Mr. Fraizer-** what is the plan after June?

**Brian Morehead-** the plan is to hire someone before June and have them train with Kathy our current person there.

**Motion passed by a vote of 5-0.**

Section 8. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$5,500.00 (Secretary Wages)

Account	Description	Amount
100.122.5231	Professional Services	\$5,500.00

**Motion by Mr. Fraizer to send to full Council, second by Mr. Cost**

**Motion passed by a vote of 5-0.**

- Ordinance No. 18-05** to provide for the issuance of not to exceed \$1,125,000.00 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 all necessary appurtenances thereto, and declaring an emergency was considered.

**Steve Johnson, City Auditor-** this will fund the Church Street project that Roger was just talking about.

**Motion by Mr. Bubb to send to full Council, second by Mr. Fraizer**

**Mr. Blake-** I thought that Roger just told me that the Church Street project was going to come out of the 661 fund.

**Steve Johnson-** that is only part of it. This is a 333 fund.

**Motion passed by a vote of 5-0.**

5. **Ordinance No. 18-06** to provide for the issuance of not to exceed \$2,000,000.00 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of paying the cost of Buckeye Corridor stormwater plan sewer improvements and all necessary appurtenances thereto, and declaring an emergency was considered.

**Steve Johnson-** the city borrowed 2 million dollars a few years back for the Buckeye Corridor storm sewer project this is a renewal of that note. There is another one coming up just after this that will be connected to this.

**Motion by Mr. Fraizer to send to full Council, second by Mr. Bubb**

**Mr. Fraizer-** was the previous agreement a short term bond that we did and this is the long term bond?

**Steve Johnson-** no it's a renewal of a short term. This is only going to be renewed for 9 months then in 9 months we should be able to issue revenue bonds which is something that we haven't done in a while that will help our borrowing quite a bit because a lot of our debt right now is general obligation that is tax based. With revenue bonds it would be paid out of proprietary or utility funds. We assume in 9 months we will be ready to go with that and that will be the end of this one.

**Mr. Blake-** this is a question probably more for Mr. Loomis or Mr. Morehead about the project. I received a map once of the Buckeye Corridor and it was color coated with the different projects, that was a few years ago, is there an updated map that shows the progress that has been made in the Buckeye storm water Corridor?

**Brian Morehead-** we started at the north end to correspond at the intersection improvement of 30<sup>th</sup> and West Church Street so the work on Church Street to 30<sup>th</sup> Street then south on 30<sup>th</sup> Street to Woodlawn is done.

**Mr. Blake-** is the map updated? Could it be emailed to members of Council?

**Brian Morehead-** the map is still valid it had many phases on it. I could tell you what has been done and what the next step is but we are still following that map basically.

**Motion passed by a vote of 5-0.**

6. **Ordinance No. 18-07** to provide for the issuance of not to exceed \$1,000,000.00 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of paying the cost of water system improvements and all necessary appurtenances thereto, and declaring an emergency was considered.

**Steve Johnson, City Auditor-** this one is somewhat related to the one that you just approved. We started out with a 2 million dollar bond anticipation note then a few years later we increased it by 1

million dollars for the water portion of this so this is a separate note. We actually have a note for 3 million dollars but it is broken down into the one for 2 million and the one for 1 million. Again this will be for 9 months.

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

7. **Ordinance No. 18-08** an ordinance consolidating two bond anticipation notes issues of the city of Newark, Ohio and declaring an emergency was considered.

**Steve Johnson, City Auditor-** this combines the 2 million dollar and the one million dollar note and allows us to renew a 3 million dollar note.

**Motion by Mr. Fraizer to send to full Council, second by Mr. Cost**

**Mr. Blake-** what two notes are we combining?

**Steve Johnson-** the last two, the 2 million Buckeye Corridor and then the 1 million water that is related. This combines them to make a 3 million dollar note. We will sell a 3 million dollar note.

**Mr. Blake-** what are the advantages there then?

**Steve Johnson-** we started off with a 2 million dollar note and we needed to increase it so we increased it by a million dollars giving us 3 million dollars. According to our bond council they have to be consolidated to one instrument for 3 million. It cleans it up and the advantage of it is it makes it more cost effective because we are just selling a note one time so we only have to have one legal opinion fee to pay.

**Motion passed by a vote of 5-0.**

Doug Marmie, Chair