

Finance Committee Minutes

Honorable Council
City of Newark, Ohio
November 13, 2018

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

Jeremy Blake, Vice Chair
Jonathan Lang for Doug Marmie
Ryan Bubb
Bill Cost Jr.
Jeff Rath for Mark Fraizer

We wish to report:

1. **Resolution No. 18-88** 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 621 Water Dept Fund, in the amount of \$24,937.50 (Note Interest)

Account	Description	Amount
621.706.5426	Interest	\$24,937.50

Roger Loomis- this is an interest payment on the note that we have for the downtown project. Since it is a note we are never sure what the interest rate is going to be until we renew it. The payment is due December 1st and we were short on the budget with this.

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

Motion passed by a vote of 5-0.

Section 2. There is hereby an appropriation of the unappropriated balance of the 153 Compensated Absences Fund, in the amount of \$30,500.00 (Payout Tom O'Reilly)

Account	Description	Amount
153.122.5143	Termination Sick	\$12,000.00
153.122.5144	Termination Vacation	18,000.00

153.122.5145	Termination Comp	500.00
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Brian Morehead- this is a retirement payout for Tom he retired last Wednesday October 31st.

**Motion by Mr. Bubb 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 100 General Fund, in the amount of \$6,272.00 (City Match- Asst. to Firefighters Grant)

Account Description Amount

100.111.5991.297	City Match	\$6,272.00
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Barbara Gilkes- this is our AFG local match

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

Section 4. There is hereby an appropriation of the unappropriated balance of the 297 Fire Safety Grant Fund, in the amount of \$69,000.00 (Asst. to Firefighters Grant)

Account Description Amount

297.398.5304	Communication Equipment	\$55,954.47
297.398.5531	Furniture & Fixtures	13,045.53

Barbara Gilkes- this is the other part of the equation, the bulk of it will be going for radios and affiliated equipment for those radios and the \$13,045.53 is for a washer and dryer extractor for the PPE uniforms for station 2.

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

Section 5. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$16,000.00 (Equipment for Detective Vehicle)

Account Description Amount

100.203.5351000	Vehicle Parts/Supplies	\$16,000.00
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Director Baum- this is lights and siren for an unmarked vehicle taken from the seizures and forfeitures that the Police Department has accrued over the course of the year.

Mr. Bubb- it's not for a detective vehicle?

Director Baum- no, it is for a car it is for accessories for a car. It is money from the seizures and forfeitures account that they have been given by judgements and they want to turn that money back around and put lights and sirens on unmarked vehicles.

Motion by Mr. Bubb 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 621 Water Fund, in the amount of \$5,000.00 (Over payments online)

Account	Description	Amount
621.706.5641	Reimbursements	\$5,000.00

Roger Loomis- this is refunds that we have to make back to customers. What happens is that people go on line to make payments and say they owe \$50.37 and they pay us \$503.60 so we end having to refund them that money and they also pay the City of Newark New Jersey and we get the money so we have to refund that. This is the second time I have been back for this; it depends from year to year on how people pay things. This particular one we had some one pay us \$3,000.00 that owed \$30.00.

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

Mr. Fraizer joined the meeting.

- 2. **Resolution No. 18-90** appropriating monies for the 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 \$75,000.00 (Pending Refunds)

Account	Description	Amount
100.131.5623	Tax Returns	\$75,000.00

Barb Jobs- our refunds this year have gone through the roof and we have run out of money. This time last year we had issued \$365,000.00 in refunds and this year we have issued \$448,000.00 and my budget was only \$445,000.00. In order to get this money I have asked Jackie in the Auditor's Office to recertify my collections this year by increasing it by \$100,000.00 which makes it available for us to encumber for the refunds.

Motion by Mr. Fraizer to send to full Council, second by Mr. Lang

Mr. Fraizer- since refunds are up is collections also up?

Barb Jobs- they are declining, what is happening is that we are feeling the effects of House Bill 5. There are three basic reasons why we are having problems keeping the money for refunds; first people who carried credits on their accounts for years know that they can start using them at a net operating loss next year so they are asking for their money back. We have 167 companies that have opted to file through the State of Ohio rather than through our office. Their paid in 3rd quarter through last year was \$489,000.00. Through 3rd quarter of this year those companies only paid us a little under \$120,000.00. So the income was also being impacted. The companies that have opted to pay through the State are asking for their credits back but also if they can't pay the State back on time they are sending their payments to us which means we are refunding 2018 money this year rather than next year. The State is also refunding money and just telling us when they give a distribution. Right now we have \$65,000.00 of approved refunds waiting for funding and today on the State's distribution the State has already issued \$2,000.00 more dollars of refunds.

Mr. Fraizer- is there a potential of the State collecting the tax and we are responsible for the refund? Is that what is happening?

Barb Jobs- what happens is that the State automatically refund the money to the taxpayer and then we have to refund it to the State but of course they keep their fee on top of it we don't get any of that back.

Mr. Fraizer- you can't charge them a fee either?

Barb Jobs- no

Motion passed by a vote of 5-0.

Jeremy Blake, Vice Chair