

Finance Committee Minutes

Honorable Council
City of Newark, Ohio
December 12, 2017

The Finance Committee met in Council Chambers on Monday December 11, 2017 with these members in attendance:

Doug Marmie
Carol Floyd
Ryan Bubb
Bill Cost Jr.
Mark Fraizer

We wish to report:

1. **Resolution No. 17-99** 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 \$ 455.00 (SCRAM Unit repayments from defendants)

Account	Description	Amount
100.116.5312	Law Enforcement Supplies	\$455.00

Kevin Saad, Adult Probation Director- this is two things, we had two offenders pay back money to us and when we have to send drug tests out for confirmation we send it out to a lab we require defendants to pay that. All of that equaled \$455.00.

Motion by Mr. Bubb to send to full Council, second Mrs. Floyd

Motion passed by a vote of 5-0.

Section 2. There is hereby an appropriation of the unappropriated balance of the 231, Adult Probation Grant Fund, in the amount of \$34,829.00 (PIIG grant money)

Account	Description	Amount
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231.232.5118	Overtime	\$1,773.00
231.232.5111	Salaries/Wages	28,526.40
231.232.5238	Services General	1,029.60
231.232.5319	Misc Supplies	3,500.00

Kevin Saad, Adult Probation Director- this is in relation to our Probation Improvement Incentive Grant, it was only supposed to be for three months the first quarter and there was another grant opportunity that was supposed to replace it but the State was a little slow on processing things so they had us do a two month addendum to that grant which would cover October 1st thru November 30th. This is to basically cover salaries and benefits for employees and miscellaneous supplies that they sent out to us.

Motion by Mrs. Floyd to send to full Council, second by Mr. Fraizer

Motion passed by a vote of 5-0.

Mr. Marmie- at the discretion of the Chair since Kevin is already up here I would like to talk about his late item. We will not be able to vote on this tonight but it does need to be done prior to the end of the year so we are going to evoke Rule 11 next Monday. It didn't get on the agenda in time for us to take action during committee.

Resolution No. 17-103 appropriating monies for the current expenses of the municipal corporation

Section 1. There is hereby an appropriation of the unappropriated balance of the 231, Probation Grant Fund, in the amount of \$4,000.00 (Workers Comp)

Account	Description	Amount
231.236.5127	Workers Comp	\$4000.00

Kevin Saad, Adult Probation Director- the State is rolling out a new grant opportunity that is called the Justice Reinvention and Incentive Grant which replaces the Probation Improvement Incentive grant so that actually officially started December 1st but we didn't get notification of that until December 6th and then Jackie in the Auditor's Office informed me late Friday that Workers Compensation payment was due for the entire year January 2nd. So I didn't know about it until after Autumn's due date on Thursday at noon.

Mr. Marmie- since it is so late in the year and Kevin is so tight with his money it isn't like he can find the money somewhere else. We would like to expedite this when it comes to full Council next week.

Section 3. There is hereby an appropriation of the unappropriated balance of the 954, Law Library Fund, in the amount of \$ 6,500.00 (Over collection)

Account	Description	Amount
954.126.5266	Indigent Driver	\$6,500.00

Auditor Steve Johnson- this is one of two housekeeping items that we have tonight. A portion of court fines are due because of statue. Our whole budget is based on estimates. We collected more money than we anticipated so we need the appropriation for the over collection of funds to send on to the Law Library.

Motion by Mr. Bubb to send to full Council, second Mrs. Floyd

Motion passed by a vote of 5-0.

Section 4. There is hereby an appropriation of the unappropriated balance of the 255, State Highway Fund, in the amount of \$ 7,450.00

Account	Description	Amount
255.307.5901	Operating Transfer Gas Tax	\$4,900.00
255.307.5901100	Operating Transfer Motor Vehicle Tax	2,550.00

City Auditor, Steve Johnson- this is an over collection of gasoline tax and license plate fees. This is money is split between the State Highway Improvement fund and the street fund. Since it was an over collection we need to move some of the money from State Highway Improvement to the street fund.

Motion to send to full Council by Mrs. Floyd, second by Mr. Fraizer

Motion passed by a vote of 5-0.

2. **Resolution No. 17-100** authorizing and directing the Mayor of the City of Newark to prepare and submit to the United States Department of Housing and Urban Development (HUD) a one year use of funds/action plan along with an application for FY 2018 Federal Community Development Block Grant funds (CDBG), as required by 24 CFR part 91.220, for various programs related to housing and community development was considered.

Barbara Gilkes- this is our annual request for legislation for the CDBG fund

Motion by Mrs. Floyd to send to full Council, second Mr. Fraizer

Mr. Fraizer- what does this do?

Barbara Gilkes- we don't have the due date yet, we are under a continuing resolution until December 22nd. We will have to wait until the announcements are issued then we submit ours immediately, we will have it ready.

Motion passed by a vote of 5-0.

3. **Ordinance No. 17-61** an ordinance to make an appropriation for the expenditures of the City of Newark, Ohio during the year ending December 31, 2018 was considered. Gf

Mayor Hall- we have put together all three budgets that is the next three pieces of legislation starting with the General Fund, then the All Other which are the specific funds and the third one is the grant. The Auditors and the Directors are here for any questions you may have tonight. I know we have answered some questions last week because some people have reached out. We are very pleased to present it this year without any need for the Budget Stabilization. I think that is through hard work, due diligence, efficiencies in the city and stabilized revenue collection through potentially increased business in the community.

Mr. Fraizer- was there updates made from the version that we received last week and do we know what those corrections are?

Mayor- yes, I will have Lori speak to that. We got a grant for \$500.00 to help pay for some street/traffic devices like cones and that wasn't included. I would like everyone to remember that this is a spending pattern but you are also appropriating dollars. In government we have to appropriate dollars and we have to encumber dollars before we can spend dollars so it is a legal procedure not only a rubber stamp stating we are able to meet these potential obligations but it is also a procedure to appropriate those dollars which is the first level before we could even think about spending them.

Lori Resta, Deputy Auditor- another change was the Council's salaries and there was another grant that we didn't think we would be using but we will next year.

Mayor- if we have grant dollars this year we don't always spend them within a calendar year or a budget cycle so if they are not spent all those go back to zero as far as our spending plan so we need to appropriate those next year, it doesn't mean we have new additional dollars. It happens in our grant budgets a lot of the time.

Mr. Marmie- I was able to meet with Lori and the Mayor prior to tonight and go over the budgets and I had a couple of questions which they answered already. One was about Adult Probation budget and an increase there. I thought that it was interesting that workers compensation went up significantly, 40% in most cases. That is the ballpark across the city, some were a little higher, some a little lower but this whole workers compensation where they collect up front a ton of money then have to refund it back is in my opinion asking for you to give them your money so they can invest it for a little while so you can't.

Mayor- we used to pay in the rears at the end of the year then the State change it to pay in advance. In the rears you know what your cost is but advanced you don't always. I just want to thank everyone in the city for coming in and being conservative when they entered their budgets to say what they really would need to operate next year. Thank

you also to the Auditor's office. It is a budget it is not an exact road map things do change.

Mr. Marmie- I want to echo that, just looking over the budget every department really tried to cut things thin. The efficiencies that have taken place over the last two years we are seeing some of those which have come back better than what we had anticipated. Hopefully we can continue this pattern plus I know all the grants that Barb works on for us definitely help us as far as budget because without those we would be spending it in other locations. There are things that we want to improve on, making sure our safety forces salaries are competitive with the surrounding communities, doing whatever we can to make sure that we reduce turnover in our Fire and Police Department. We are going to be looking at that diligently. We have the best and we want to make sure that we can keep the best. I am encouraged by this budget. I think that we have some room to improve as far as the city and I like what I am seeing here. I appreciate what the Mayor and the Auditors office has done as far as presenting this to us.

Motion to send to full Council by Mrs. Floyd, second by Mr. Bubb

Mr. Fraizer- what is our employee level? Is it 340 for this budget?

Mr. Marmie- are you wanting to know how many employees are currently employed by the city or do you want to know how many are being budgeted for?

Mr. Fraizer- how many are being budgeted for. I have a meeting on Friday we can talk about it then.

Mayor- why don't we do that. In a crunch we don't look at it in an entirety. We surely do in each department. This budget starts clear back in about August. It is a lot of hard work to put together expected revenues which you need to know. Then we introduce the departments in and the first chunk is we give them what we think they will need for personnel based on what is existing and maybe any potential changes in the upcoming year. Then we work on operating expenses after that.

Mr. Marmie- there were no positions that we determined not to fund this year that were funded last year unless they were the ones that we discussed doing changes to for instance in the Service Department. All positions that were funded in 2017 are budgeted for in 2018.

Motion passed by a vote of 5-0.

4. **Ordinance No. 17-62** an ordinance to make an appropriation for the expenditures of the City of Newark, Ohio during the year ending December 31, 2018 was considered. All Other.

Mayor- this budget is going to flex a little bit depending on what type of infrastructure projects we anticipate for the coming year. These are a fund that starts with a number other than 100 which is the General Fund.

Mr. Fraizer- is there carryover from the Budget Stabilization is it \$250,000.00?

Mayor- yes I believe that was as of the end of November.

Auditor Stephen Johnson- whatever is in Budget Stabilization stays in Budget Stabilization.

Motion by Mr. Bubb to send to full Council, second by Mrs. Floyd

Motion passed by a vote of 5-0.

5. **Ordinance No. 17-63** an ordinance to make an appropriation for the expenditures of the City of Newark, Ohio during the year ending December 31, 2018 was considered. Grants

Mayor- I think everything in this budget is self-explanatory by the line item.

Mr. Fraizer- the \$500.00 addition where does that fall into here.

Lori Resta- it was in the All Other.

Motion by Mrs. Floyd to send to full Council, second by Mr. Cost

Motion passed by a vote of 5-0.

Mr. Marmie- for the record and planning purposes we will not be having a Finance Committee meeting on the 26th.

Doug Marmie, Chair