

## Finance Committee Minutes

Honorable Council  
City of Newark, Ohio  
January 12, 2016

The Finance Committee met in Council Chambers on Monday January 11, 2016 with these members in attendance:

Doug Marmie  
Bill Cost Jr.  
Mark Fraizer

Carol Floyd  
Ryan Bubb

We wish to report:

1. **Resolution No. 16-05** appropriating & disappropriating monies for the current expenses of the municipal corporation was considered.

**Section1.** A request of appropriation of the unappropriated balance of the 295, JAG Fund, in the amount of \$11,820.00

Account	Description	Amount
295.197.5536	Computer Hardware/Software	\$11,820.00

**Barbara Gilkes-** this request is for the Division of Police JAG grant, it is a reimbursement grant.

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

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

**Section2.** A request of appropriation of the unappropriated balance of the 235, Judicial SR Fund, in the amount of \$70,000.00

Account	Description	Amount
235.112.5231	Professional Services	\$15,000.00
235.112.5299	Contingency	50,000.00
235.112.5319	Misc Supplies	5,000.00

**Mr. Marmie-** this was an error in the budget that was not intended, these accounts were left out entirely so it just needs to be corrected.

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

**Mr. Fraizer-** does this change the overall budget, dollar amount?

**Mr. Marmie-** yes a number of things do. I should have mentioned with the year-end there ended up with \$562,000.00 that came over for an unappropriated balance. This is in addition to that so that will add to the expenditures but this is judicial and it has to be in there.

**City Auditor, Steve Johnson-** this is judicial special fund so it won't affect the General Fund at all.

**Mr. Marmie-** but it does impact the budget.

**Steve Johnson-**yes and their budget.

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

**Section 3.** A request for a disappropriation of the appropriated balance of the 232, Transit Fund, in the amount of \$1,499.90

Account	Description	Amount
232.311.5238	Services General	\$1,499.90

**Director Mauter-** this is to close out the last \$1500.00 for the old Newark Processing site grant.

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

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

**Section 4.** A request for an appropriation of the unappropriated balance of the 272, License Permissive Tax Fund, in the amount of \$800,000.00

Account	Description	Amount
272.122.5276000	LPPT Maintenance of Streets	\$770,000.00
272.122.5419300	OPWC Principal Pymt- Church St Bridge	30,000.00

**City Engineer, Brian Morehead-** this is our License Plate Permissive Tax Fund, we anticipate \$800,000.00 in revenue this year. This was a miscommunication between Lori and I we usually get this on the regular budget legislation but we didn't this year.

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

**Mr. Fraizer-** is this same amount as last year?

**Brian Morehead-** it is  
**Motion passed by a vote of 5-0.**

2. **Resolution No. 16-06** appropriating monies for the current expenses of the municipal corporation was considered.

**Section 1.** A request for an appropriation of the unappropriated balance of the 100, General Fund, in the amount of \$500,000.00

Account	Description	Amount
100.111.5901152	OPT	\$500,000.00

**Mayor Hall-** through the hard work of our Income Tax Department they collected 3 ½ % over budget this last December. A lot of it was delinquency so it is necessarily anticipated each year. Auditor Johnson and I have talked and think that a good place to put it is to replenish our Budget Stabilization that we have surely used to balance the budget the last couple of years. It is early in the year, it may not be the final destination, and we want to see how income collections are into the first 4, 5, 6 months of this year. Knowing also 2017 budget is also going to be another challenging year as this year was this time.

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

**Mr. Marmie-** you mentioned that it may not be the final resting place, I guess with taking so much money out of our Capital Improvements and not having a whole lot of money going towards street paving why wouldn't we just leave it in the unappropriated balance if our intent is to utilize it elsewhere?

**Mayor Hall-** this Council made note to replenish that fund if there was extra money in the past. That is what the discussion focused on somewhat. It has been a challenge to balance the budget and we took money out and this is unfound money so that is what we thought we would put it back to.

**Steve Johnson-** I think Budget Stabilization is a good place to put it for safe keeping; it can always be transferred later. The unappropriated balance is money that is not on the books although we did keep track of it. I think that it would be prudent to put it back into Budget Stabilization.

**Mr. Marmie-** it just seems that Budget Stabilization has become our new unappropriated balance and I guess if that is where the intent of it is to be in order for the future then put money only in there that is going to stay there. If we are thinking about utilizing it for something other than that we could set it anywhere.

**Steve Johnson-** I think the best thing to do is to make it a little more difficult to spend it because we really are facing a crisis in 2017. We were about 2 million dollars short for 2016 and there has been a lot of attention paid to the 27<sup>th</sup> pay but that only amounted to about \$600,000.00 of that. All things as they are we

would still face around a million and a half dollar deficit for next year. So I think we need to at some point start addressing our problems that we will be facing next year. If Council would want to use the money for Capital Improvements or Street Paving or whatever that is up to you but I think that the best thing for right now is to put it someplace where it is on the books.

**Mr. Fraizer-** so is this the amount that is in the Budget Stabilization Fund \$500,000.00 or is there already a balance in there?

**Steve Johnson-** there is a balance of about \$240,000.00 roughly that is to be transferred into the General Fund to be used to balance the budget so this \$500,000.00 is separate and I think there may be another \$100,000.00 coming into the Budget Stabilization from EMS billing. So if nothing happened we would have \$600,000.00 so one thing that you might want to do is consider is maybe using a portion of it for Capital Improvements or paving or whatever else but I do think some it should be set aside to address our situation next year. If we do not have cash reserves it really impacts our bonding in a negative fashion. I really wish we could somehow start building up Budget Stabilization again.

**Mr. Marmie-** I agree

**Steve Johnson-** one of the questions asked when we sell bonds is “what do you have in reserve”? If you don’t have anything that is not good.

**Mayor Hall-** it wouldn’t be the intent of this administration to use it for anything it be honest with you short of emergencies I guess. Police and Fire are a type of emergency things that we can’t anticipate.

**Steve Johnson-** whether this remains in the unappropriated balance of the General Fund or is put in Budget Stabilization it requires Council action to do something with it anyway. Somebody would have to come before this body with a request.

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

**Section 2.** A request for an appropriation of the unappropriated balance of the 100, General Fund, in the amount of \$680.99 (Summer Youth Program-Park’s share)

Account	Description	Amount
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100.432.5230	Temp Services	\$680.99
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**Barbara Gilkes-** this request has to do with funds that were reimbursed by the County that should go back to the Division of Parks.

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

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

- Resolution No. 16-07** authorizing and directing the Mayor of the City of Newark to enter into a Housing Revolving Loan Fund Administration Agreement with the Ohio Development Services Agency was considered.

**Barbara Gilkes-** every three years we enter into an agreement with the State to manage our Home Revolving Loan Funds. This pertains to the City's acceptance of that agreement.

**Mr. Marmie-** you indicated that this needed to be expedited correct?

**Barbara Gilkes-** yes waive the second reading

**Mr. Marmie-** to meet a deadline correct?

**Barbara Gilkes-** yes

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

**Mr. Marmie-** Barbara did give me some additional information I believe that

**Barbara Gilkes-** 30 families since 2006 have benefited from Home Revolving Loan Program.

**Mr. Marmie-** right so it is a pretty good program that isn't really much of a cost for us as far as administrative costs it is something that we can help those that are worthy and are eligible to take advantage of it and have up to this point.

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

**Doug Marmie, Chair**