

Finance Committee Minutes

Honorable Council
City of Newark, Ohio
November 1, 2016

The Finance Committee met in Council Chambers on Monday October 31, 2016 with these members in attendance:

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

1. **Resolution No. 16-90** 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 \$1,079.98 (Donation for software licensing)

Account	Description	Amount
100.203.5536	Computer Hardware/Software	\$1,079.98

Director Rhodes- this is a donation that was received and it will go to reimburse the department for software purchased.

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

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 \$2,250.00 (Hygiene Kits)

Account	Description	Amount
100.116.5319	Miscellaneous Supplies	\$2,250.00

Director Sadd- this was a donation from Licking Memorial Health Systems. We have partnered with them to start a hygiene kit giveaway program for indigent

probation offenders. They have agreed to fund the program for this year and she said that we could petition her in future years to do the same.

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

Mr. Fraizer- how many kits will this provide?

Director Sadd- it should get 150 but if we are good at purchasing the items I think we could get 190.

Mr. Fraizer- do you have a demand for 190 or is it more than that?

Director Sadd- we have never had a program like this and it is basically going to have 10 starter items in them like toothpaste, toothbrush, and deodorant. Some of our indigent offenders are typically homeless they don't have products like this so this will be a good start for them. We have partnered with Licking Memorial because we can show that folks that don't use products like this can have health problems down the road.

Motion passed by a vote of 5-0.

Section 3. There is hereby an appropriation of the unappropriated balance of the 231, Probation Improvement Grant Fund, in the amount of \$1,565.00 (Insurance 1st half of 2017)

Account	Description	Amount
231.232.5124	Health Insurance	\$1,565.00

Director Sadd- we could see that we were going to be short in our health insurance account so we did a budget revision and the State has approved our budget revision so we are now trying to get the money in the appropriate accounts.

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

Motion passed 5-0.

Section 4. There is hereby an appropriation of the unappropriated balance of the 632, Wastewater Replacement Fund, in the amount of \$2,700.00

Account	Description	Amount
632.706.5536	Computer Hardware/Software	\$2,700.00

Roger Loomis- this is for software replacement out at the Water Plant out of equipment replacement funds.

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

Motion passed by a vote of 5-0.

Section 5. There is hereby an appropriation of the unappropriated balance of the 153, Compensated Absences Fund, in the amount of \$17,600.00

Account	Description	Amount
153.131.5143	Termination Sick	\$17,600.00

Barb Jobs- this is an appropriation of termination sick leave for our Assistant Tax Administrator that is retiring as of November 30th.

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 100, General Fund, in the amount of \$20,000.00 (Remodel of 3rd floor)

Account	Description	Amount
100.107.5271	Maintenance Bldg Grounds	\$20,000.00

Marcia Phelps- we transferred these funds from the Clerk’s accounts into the General fund and now we want to get them appropriated so we can begin remodeling an office on the third floor.

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

Mr. Fraizer- how long is the remodel going to take?

Marcia Phelps- I don’t know because I haven’t gotten into it that far because I wanted to make sure that the funds were in place. I am hoping it will be less than three months.

Mr. Marmie- we have already transferred the funds in the General Fund?

Steve Johnson- they have been deposited into the General Fund

Mr. Marmie- so they were deposited like a donation.

Motion passed by a vote of 5-0.

Section 7. There is hereby an appropriation of the unappropriated balance of the 100, General Fund, in the amount of \$284.91 (Vehicle Maintenance)

Account	Description	Amount
100.204.5274	Vehicle Maintenance	\$284.91

Chief Connor- we sold some items on Gov Deals and this is an appropriation of that money and we would like to put it into our vehicle maintenance fund.

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

Motion passed by a vote of 5-0.

Section 8. There is hereby an appropriation of the unappropriated balance of the 153, Compensated Absences Fund, in the amount of \$34,400.00 (Payout Steve Baum)

Account	Description	Amount
153.202.5143	Termination Sick	\$8,100.00
153.202.5144	Termination Vacation	9,300.00
153.202.5145	Termination Comp	17,000.00

Director Rhodes- we had a retirement in the Police Department and these are all contractual items.

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

Motion passed by a vote of 5-0.

Section 9. There is hereby an appropriation of the unappropriated balance of the 100, General Fund, in the amount of \$300,000.00 (OPT Health Ins Fund)

Account	Description	Amount
100.111.5901756	OPT- Health Ins	\$300,000.00

Director Buskirk- this is money to put over into our insurance investment account. Right now we have \$179,000.00 in that account and next week when we get a bill that won't cover it.

Mr. Marmie- where is this money coming from?

Steve Johnson- it I going to be part of the unappropriated balance as soon as we certify it. It is part of the income tax over collection. \$300,000.00 has been requested for the health insurance account and a little later on you will be seeing something in the amount of \$400,000.00 for workers comp payment.

Mr. Marmie- so we have already recertified \$50,000.00 now we're recertifying \$300,000.00 and there is \$400,000.00 to come?

Steve Johnson- right and some of these other items that you have discussed tonight like Gov Deals will also be recertified. This is all things that we didn't know about when we initially did the budget. It is over collections or donations that have come in. We recertify quite often because things come through during the year that just weren't anticipated.

Mr. Marmie- when you say that we recertify numerous times throughout the year are you talking about redoing our budget with these appropriations or?

Steve Johnson- when the budget is done we certify to the County Budget Commission the amount of revenue that we will receive. So during the course of the year if someone

donates money or if for some reason money has come into the treasury that was not anticipated in order of it to be appropriated we have to recertify.

Mr. Marmie- from his point on is there any way that I could get notification if we recertify due to the over collection of taxes.

Steve Johnson- sure

Mr. Marmie- because that leaved an unappropriated balance which tells me that I don't know what the unappropriated balance is at any given time.

Steve Johnson- it is a moving target really but I think this will be discussed at the Budget Review meeting.

Mr. Marmie- donations we know are just a flow through but I'm talking about recertifying \$750,000.00 of over collections into our general fund and I knew about \$50,000.00 of it.

Steve Johnson- we only recertify when the money is to be appropriated. If Mr. Buskirk wasn't asking to do this appropriation we would not be recertifying.

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

Mr. Fraizer- will this take us through the end of the year?

Director Buskirk- through the end of next year actually. The bureau has changed the way they do things; you used to be in the rears, now you pay in advance. There will probably be some adjustments to this, we will probably get some sort of a refund but that is how they do it now.

Mr. Marmie- so this additional \$300,000.00 is not due to the fact that we had

Director Buskirk- I'm sorry I was talking about the workers comp. \$300,000.00 should do us until the end of the year

Mr. Marmie- this is due to claims experience and we kind of knew with last year's holidays that were provided that we were going to be short anyways is that correct?

Director Buskirk- I'm not sure how holidays entered into it for sure but yes

Mr. Marmie- based on the report that we were given at the beginning of the year probably around April time frame that we were in jeopardy with our health insurance and we had to make an adjustment at that point because of the premium holidays that we gave last year so this is just an extension of that.

Mr. Greene- who does the insurance cover and what does it cover and who is it paid to?

Director Buskirk- it is medical insurance for city employees who choose to sign up and pay for it.

Mr. Greene- who is the insurer?

Director Buskirk- we work through MedBen, they are our third party vendor and then there is Health Reach, there are two companies that actually provide services.

Mr. Marmie- just to further explain the city's health insurance program is a self-insured health program so basically we pay for claims ourselves up to a certain dollar amount and then anything over a certain cap is where MedBen comes in and they pay anything additional but we pay some premiums for that but it's not near as much if we would pay for premiums for first dollar. We self-insure for a certain dollar limit within the city. Part of this is due to claims not really due to premiums.

Motion passed by a vote of 5-0.

Resolution No. 16-91 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 \$317,361.78 (2017 Workers Compensation bill due 12/16)

Account	Description	Amount
100.101.5127	WC	\$1,870.22
100.102.5127	WC	1,035.02
100.103.5127	WC	2,661.00
100.104.5127	WC	5,533.47
100.106.5127	WC	14,314.08
100.107.5127	WC	15,065.14
100.109.5127	WC	183.00
100.112.5127	WC	15,230.73
100.114.5127	WC	2,577.32
100.115.5127	WC	2,266.29
100.116.5127	WC	6,937.25
100.121.5127	WC	3,244.14
100.122.5127	WC	6,646.20
100.124.5127	WC	2,492.32
100.127.5127	WC	2,078.13
100.131.5127	WC	10,429.48
100.155.5127	WC	196.36
100.202.5127	WC	102,326.83

100.203.5127	WC	9,322.57
100.204.5127	WC	886.12
100.205.5127	WC	105,246.36
100.432.5127	WC	5,787.50
100.602.5127	WC	1,032.25

Director Buskirk- this is for workers comp and we will pay it at the end of December.

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

Mr. Fraizer- does the different account numbers have significance?

Director Buskirk- each department has to pay their share and if we get a discount then each of the departments get a portion of the discount back.

Mr. Marmie- the way that our budget is structured payroll is an item on our budget and then other expenses are another item. We total them but when we cross lines we have to do a separate one for each one.

Motion passed by a vote of 5-0.

Section 2. There is hereby an appropriation of the unappropriated balance of the 221, Street/Traffic Fund, in the amount of \$317,361.78 (2017 Workers Compensation bill due 12/16)

Account	Description	Amount
221.302.5127	WC	\$21,657.81

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

Motion passed by a vote of 5-0.

Section 3. There is hereby an appropriation of the unappropriated balance of the 621, Water Administration Fund, in the amount of \$46,419.13 (2017 Workers Compensation bill due 12/16)

Account	Description	Amount
621.706.5127	WC	\$14,385.69
621.707.5127	WC	2,690.00
621.708.5127	WC	13,420.45
621.709.5127	WC	15,922.99

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

Section 4. There is hereby an appropriation of the unappropriated balance of the 661, Sewer Administration Fund, in the amount of \$21,484.34 (2017 Workers Compensation bill due 12/16)

Account	Description	Amount
661.713.5127	WC	\$13,890.58
661.714.5127	WC	3,340.95
661.715.5127	WC	4,252.81

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

Section 5. There is hereby an appropriation of the unappropriated balance of the 669, Storm Water Fund, in the amount of \$2,885.97 (2017 Workers Compensation bill due 12/16)

Account	Description	Amount
669.169.5127	WC	\$2,885.97

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

Section 6. There is hereby an appropriation of the unappropriated balance of the 231, Adult Probation Fund, in the amount of \$2,885.97 (2017 Workers Compensation bill due 12/16)

Account	Description	Amount
231.113.5127	WC	\$1,877.68
231.232.5127	WC	2,711.53

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

Chair, Doug Marmie