

Finance Committee Minutes

Honorable Council
City of Newark, Ohio
February 22, 2023
5:45pm

The Finance Committee met in Council Chambers February 21, 2023 following Personnel Committee with these members in attendance:

Doug Marmie – Chair
Spencer Barker
Cheri Hottinger
Jonathan Lang
Michael Houser

We wish to report :

Mr. Marmie - First item, the unappropriated balance of the General Fund is \$2,576,320 and the cash balance of the Budget Stabilization is \$1,207,730.

1. **Ordinance No. 23-03** TO PROVIDE FOR THE ISSUANCE OF NOT TO EXCEED \$1,150,000 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, AND ALL NECESSARY APPURTENANCES THERETO, AND DECLARING AN EMERGENCY

Ryan Bubb, City Auditor - Mr. Chair, would you like for me to speak to all three of these Ordinances?

Mr. Marmie - That's fine.

Mr. Bubb - 23-03, 23-4 and 23-5 are all note renewals, 23-06 just consolidates these notes. The first one is \$1,150,000, the second one is \$460,000 the Horns Hill Road sanitary sewer project and the 23-05 Streambank Protection which is \$510,000. These are note renewals, if you were to price today you're looking at about 4%. The only difference on these note renewals is 23-04, Roger Loomis and the Water Department they are paying that note down \$100,000, so the rest of them are all the same and will be consolidated into one again at 4% priced today. The reason for the emergency clause is these projects need to continue for the health and safety of the City of Newark.

Motion by Mr. Lang, second by Mr. Barker to send to full council, motion passed 5-0

2. **Ordinance No. 23-04** TO PROVIDE FOR THE ISSUANCE OF \$460,000 OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF PAYING A PORTION OF THE CITY'S COST FOR HORNS HILL ROAD SANITARY SEWER PROJECT IMPROVEMENTS, AND DECLARING AN EMERGENCY

Motion by Mr. Lang, second by Mr. Barker to send to full council

Mr. Barker - I just wanted to confirm, so the Water Department is paying this down \$100,000, so does the \$460,000 reflect that already?

Mr. Bubb - Yes.

Motion passed 5-0

3. **Ordinance No. 23-05** TO PROVIDE FOR THE ISSUANCE OF \$510,000 OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF BONDS FOR THE PURPOSE OF PAYING THE COST OF CONSTRUCTION OF THE STREAMBANK PROTECTION PROJECT, INCLUDING REPLACEMENT OF THE SHEET PILE DAM ON RACCOON CREEK, SITE PREPARATION AND ALL NECESSARY APPURTENANCES, AND DECLARING AN EMERGENCY

Motion by Mr. Lang, second by Mr. Barker to send to full council, motion passed 5-0

Mr. Bubb - Just one more item, in speaking with our City Engineer the \$150,000 he hopes to cover that next year.

4. **Ordinance No. 23-06** AN ORDINANCE CONSOLIDATING THREE BOND ANTICIPATION NOTE ISSUES OF THE CITY OF NEWARK, OHIO AND DECLARING AN EMERGENCY

Motion by Mr. Barker, second by Mr. Lang to send to full council, motion passed 5-0

5. **Resolution No. 23-16 Exp** APPROPRIATING MONIES FOR THE CURRENT EXPENSES OF THE MUNICIPAL CORPORATION

Section 1. There is hereby a disappropriation of the appropriated balance of the 231 Probation Grant Fund, in the amount of \$10,000.00 (The Moral Recognition Therapy was discontinued. Paying probation Officer Instructors OT is no longer necessary)

231.113.5118	ISP Grant Overtime	10,000.00
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Kevin Saad, Director of Adult Probation - This first one is the ISP Grant money that was appropriated that is no longer needed.

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

Mr. Marmie - So, this is for the disappropriation that will be followed up with an appropriation.

Motion passed 5-0

Section 2. There is hereby an appropriation of the unappropriated balance of the 231 Probation Grant Fund, in the amount of \$10,000.00 (ODRC approved a budget revision on 2/1/23. It was determined there was an excess amount of money in the Overtime line item. All excess money will be forwarded to the Woodlands for the Batterer's Intervention Program)

231.113.5238	Services General	10,000.00
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Mr. Marmie - I'll entertain a motion for the appropriation now.

Motion by Mr. Lang, second by Mr. Barker to send to full Council, motion passed 5-0

Section 3. There is hereby an appropriation of the unappropriated balance of the 231 Probation Grant Fund, in the amount of \$27,974.00 (ODRC approved a budget revision in 2/1/23. It was determined there was an excess amount of money in the budget for Workers Comp., Overtime and Health Insurance. All excess money will be forwarded to the Woodlands for the Batterers Intervention Program)

231.113.5238	Services General	27,974.00
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Director Saad - So all three of these are for our ISP Grant, we have excess so we are trying to reallocate that money and push over to the Woodlands Batterers Intervention Program, we've been working with that agency since 2018 and we would like to put this money there.

Motion by Mr. Lang, second by Mr. Barker to send to full council

Mr. Lang - Don't we need a disappropriation?

Mr. Marmie - This is just for the unappropriated balance.

Motion passed 5-0

Section 4. There is hereby an appropriation of the unappropriated balance of the 234 Brownfield Cleanup Fund, in the amount of \$277,401.00 (New Brownfield Remediation Program Grant)

234.149.5238	Services General	277,401.00
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Mayor Hall - Director Mauter is out of town so I will go ahead and fill in for him. That is a remediation grant that we got awarded. Obviously a very good email to get on that a couple of weeks back. That is to appropriate that so we can use it and I believe it's being used on 21st Street. That's about 10 years old, that's how long we've been on this, so they are going to go back in to see where it sits now, what the situation is and what's the best remediation.

Motion by Mr. Barker, second by Mr. Lang to send to full Council, motion passed 5-0

Section 5. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$90,761.41 (Conforming Boundaries Granville Township)

100.121.5289.3	Other Inter/Intra Gov't, Billings Granville	90,761.41
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Mayor Hall - The basic title of this is conforming boundaries, which we have worked with the Law Department over the past year. The County reached out to us from Granville Township reaching out to them and many years ago, prior to us taking office there was supposed to be a kind of weaning off period for terms. Ohio Revised Code section 709 says it will be a 12 year payout to the township that those properties are leaving, it starts at 80% anyway it's based on property values at the time and normally that should've been done right after the annexation, conforming, conforming takes care of the taxing. So, with the assistance of Director Rhodes we've met with Granville Township Trustees, we've got a pretty good rapport with them and we have agreed on a settlement that is favorable to us and favorable to them in many ways financially and we should be able to settle that with a one time payment of about \$270,000. If it was based on today's values 12 years out,, obviously those values are quite high and would go quite past that, but they weren't looking to gouge us and we have a good relationship with them, so this is to settle that.

Motion by Mr. Barker, second by Mr. Lang to send to full council. Motion passed 5-0

Section 6. There is hereby a disappropriation of the appropriated balance of the 665 CSO/Sewer Projects Fund, in the amount of \$111,000.00 (Additional money not needed for note as paying down from debt fund)

665.760.5411	Note	111,000.00
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Roger Loomis, Water Administrator - This was a reduction of a Bond Payout, just trying to clean up a couple of our project funds. I've been working with Jackie on this. So, it was \$100,000 paying the bond down, there is actually \$11,000 in there too which is actually interest, we're just trying to balance out our project funds here is what we're trying to do.

Motion by Mr. Lang, second by Mr. Barker to send to full council, motion passed 5-0

Section 7. There is hereby an appropriation of the unappropriated balance of the 665 CSO/Sewer Projects Fund, in the amount of \$19,824.63 (Completed projects - move remaining money to debt paying fund)

665.755.5901621	OPT	5811.00
665.760.5901661	OPT	8,745.53
665.761.5901623	OPT	5,268.10

Mr. Marmie - Now I'll entertain a motion for the appropriation of the \$19,824.63.

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

Mr. Loomis - Those are actually different funds than the \$110,000. 665 Fund is our project fund so we have various loans and bonds and everything else that go into that 665 fund for projects. So, this was cleaning up a couple of notes that we had in the past trying to zero them out, that's why the Operating Transfer. We're going to transfer that money into the 661, so just trying to clean up a few notes that we have so we aren't spending money on that we shouldn't be spending on other things.

Mr. Houser - The \$100,000 that was mentioned earlier for paying down the note, is this where we're getting that \$100,000 from to pay on that note?

Mr. Loomis - No, that money is coming out of the operating fund to pay that down. This was just appropriated to re-issue the note, so just to make it cleaner we're taking that money out of there so it doesn't appear like we have extra money.

Motion passed 5-0

Section 8. There is hereby an appropriation of the unappropriated balance of the 930 JEDD Fund, in the amount of \$30,000.00 (5289-Additional funds needed for JEDD distributions agreement)(5611-Additional funds needed for JEDD Income tax refunds)

930.134.5289	Other Inter/Intra Gov't. Billings	29,300.00
930.134.5611	Refunds	700.00

Mayor Hall - This is in relationship to our JEDD, everyone is probably more familiar with JEDZ, but JEDD is also an Ordinance adopted in its entirety, there's finally about 80 people out there in a facility the past couple years, again this is all encapsulated within itself. We collect from them, take a collection fee and then we go back and distribute. It doesn't affect any of our funds and with this we've just collected a little more than we anticipated, it's hard to predict sometimes.

Motion by Mr. Barker, second by Mr. Lang to send to full Council, motion passed 5-0

Section 9. There is hereby an appropriation of the unappropriated balance of the 231 Probation Grant Fund, in the amount of \$8,188.56 (Health Insurance Cost for Probation Officer Ashley Weaver)

231.236.5124	Health Insurance	8,188.56
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Kevin Saad, Director Adult Probation - This is in reference to an employee we have who it turned out chose insurance after the budget was already approves, so we got figures from Jackie what it will be to pay her insurance.

Motion by Mr. Barker, second by Mr. Lang to send to full Council, motion passed 5-0

6. **Resolution No. 23-17 APPROPRIATING MONIES FOR THE CURRENT EXPENSES OF THE MUNICIPAL CORPORATION**

Section 1. There is hereby an appropriation of the unappropriated balance of the 673 Buckeye Corridor Storm Sewer Fund, and the 623 Water Projects Fund in the amount of \$5,335,000.00 (Note Re-issue)

673.706.5411102	Principal	2,500,000. 00
623.706.5411102	Principal	2,835,000. 00

Roger Loomis, Water Administrator - This is money we use to pay off the note before we get the money back. Notes get paid off and get re-issued, we pay \$2.5 million and they send us \$2.5 million back. We just didn't get that in the budget this year and it's going to happen in September, so we want to get this cleared up here now. It's just something we missed in the budget. That's also appropriated on a purchase order somewhere else.

Motion by Mr. Barker, second by Mr. Lang to send to full Council, motion passed 5-0

Section 2. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$759.09 Appropriate Funds from reimbursement of Overtime from Licking County for Hazardous material response)

100.205.5118	Fire, Overtime	759.09
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Tim Hickman, Safety Director - Division of Fire received a reimbursement for overtime expenses that they would like to have put back into their overtime fund.

Motion by Mr. Barker, second by Mr. Lang to send to full Council, motion passed 5-0

Mr. Marmie - One other item at the discretion of the chair, I just wanted to ask, I know the Deputy Chief is here, are we applying for SAFR Grants this year, what's kind of happening with that it hasn't come across yet.

Tim Hickman, Safety Director - I can address that. The Chief asked about that last week and we are not applying for SAFR Funds this year.

Mr. Marmie - Okay, is there a reason we've got folks that we're hiring?

Director Hickman - Yes, the main reason is we don't think we would qualify for them. Also, we want to focus our energies on getting these positions filled, we have right now, we need to get them filled now, we can't wait for a SAFR Grant to come in that may be awarded months down the line.

Mr. Marmie - Okay, so I was under the assumption that if we apply for it if we get it and we don't use it, it can just be returned, but yet it's available if we do accept it.

Director Hickman - I can't speak with authority on how the Grant Cycle works. The Chief and I had a conversation about it and we came to the conclusion that it was in our best interest right now not to apply for it.

Mr. Marmie - Okay, very good.

Meeting stands adjourned

Doug Marmie, Chair