

Finance Committee Minutes

Honorable Council
City of Newark, Ohio
December 15, 2025
5:45 pm

The Finance Committee met in Council Chambers on December 15, 2025 with these members in attendance:

Doug Marmie – Chair
Spencer Barker – Vice Chair
Bill Cost Jr.
Michael Houser
Bradley Chute

We wish to report:

Mr. Marmie - The unappropriated balance of the General Fund is \$156,684.00 and the balance of the Budget Stabilization Fund is \$627,628.00.

Mr. Marmie – Before we get to discussing the different ordinances, the auditor has asked for us to go into executive session to discuss a couple items pertinent, so I would entertain a motion. Motion by Barker, second by Houser. Who we want in this is the mayor and his entire administration, Ms. Ingold also, Mr. Weisent, we want Brandon, we want you in here as well, and is Brian here, Morehead? He is not? Okay. So, I've got a motion and a second. We're going to do a voice call.

Motion to enter into executive session by Mr. Barker, Second by Mr. Houser, Motion passed 5-0

(Executive Session)

Motion to come out of executive session by Mr. Barker, Second by Mr. Houser, Motion passed 5-0

Mr. Marmie - We are out of executive session. We had to discuss some things pertinent to contract negotiations and the budget. Nothing was decided upon, just information shared. We have three things on the agenda this evening. We are not going to act on any of them because these are going to be invoked using Rule 11 this evening at the meeting, but we do want to discuss the three different ones as far as the budget. So, which order would you prefer to go?

Ryan Bubb, City Auditor - We can go general fund first. Thank you once again. First and foremost, I want to thank Jim Weisent for leading the charge on this. Did a wonderful job. We really work on this all year and just very detailed and great job. Thank you. Along with Jackie Williams from my office. I want to thank the fire chief, police chief. Very cooperative, very easy to work with. It's important to note, you know, we projected throughout the year that we were facing some tough times and a deficit. The chiefs were very cooperative in working. Most departments cut, you know, between 20 and 25 percent out of their budget that wasn't contractual so we could get there. Income tax revenues were up some, which was good, and we certainly hope that continues on for next year with new development out in the west end and so forth. With this budget, you see a reduction. We did, at this

time, where we're at, you know, as a city auditor, I'm not going to bond next year for something that we don't have an income source that funds it, a funding source. So, with that being said, we have some safety issues in the city that we've put... We have to fund it in the services general budget, you see that number's gone up. It's very important because we have to finish this Horns Hill project, which is a backup for 9-1-1, deals with MARCS radio to the schools. We have lights on 16 that need replaced with poles. We have traffic signals failing in the city. I appreciate Mr. Rhodes being on top of that, identifying those so we can get that done and paid for next year. It was a balancing act amongst everyone. Obviously, there's less services in this budget, but it's funded. With that being said, is there any questions from any members that I can answer or the administration can answer that we haven't talked about already?

Mr. Marmie - I have a few. So, in your budget, I guess I was a little confused. You have an increase in waived insurance, but also your health insurance went up. When I see an increase in waived insurance, I typically see a decrease in the health insurance. They both went up at the same time, 2,000 percent on the waived insurance and then, which you know, we didn't have much in there before, but someone's apparently waiving their insurance, but it doesn't look like it impacted the actual insurance, the health insurance.

Mr. Bubb – Are you referencing the auditor's office?

Mr. Marmie – The auditor's office.

Mr. Bubb – Jim, are you familiar with it?

Jim Weisent, Deputy Auditor – I don't know that particular situation. I can look into it for you. I don't know who it is.

Mr. Marmie – Okay, yeah. And then in the law director's office, I see a 723 percent increase in sick leave conversion.

Tricia Moore, Law Director – If employees choose to cash out, that must be what that is.

Mr. Marmie - So, we've had a request for additional over, it went from \$5,880 up to \$12,000.

Director Moore – I'm not sure about that. I will check with my assistant. My guess is that more people have decided to cash in their sick leave.

Mr. Bubb - They can, they have that ability. I'm sure Cindy's probably spoke to them about that. And I think you'll see on those, you know, one thing that we did in our office, we reached out to the chiefs and so forth for compensated absences, you know, with retirements coming up and trying to kind of forecast that, which you see, we do have some retirements coming up, but in terms of specific sick time in the law director's office...

Mr. Weisent – Most departments, the person I'm in contact with will do a survey with their people to determine how many will want to convert some time. It fluctuates.

Mr. Marmie - Well, the thing is, like in this situation, for 2025 we budgeted 5,800, and then we increased it when it was amended, 8,500, excuse me, but we've only done 1,456, but I know that's usually done here at the end of the year, correct? So that number, I don't know yet what it's going to be, but if it's going to be less than that, then that's just something to look at. So, I see that the budget stabilization, of course, the operating transfer for that, that in order to help balance the budget, correct? The half million.

Mr. Weisent – Yes.

Mr. Marmie - HR department increased postage by 90%. Is there a new process or something going on? The other thing is, I know that a lot of things can be done now. We don't have to use snail mail. The law has changed to allow, to authorize, especially in the judicial system, the usage of email and

other forms, electronic forms, where postage is not necessary. So, just, you know, I'm looking anywhere where there is a significant increase.

Mr. Barker - You're looking at postage?

Mr. Marmie - Yeah, postage under Human Resources.

Mr. Barker - Because I'm seeing a decrease.

Mr. Marmie - From \$40 to \$75?

Mr. Barker - I'm seeing from 700 to 400 on postage. 5290?

Mr. Marmie - Oh, it's Safety, it's not HR. Sorry about that, I was looking at the wrong classification. It was the total there, so it's under Safety. Safety is the 90%. Yeah, most of the other stuff, the waived insurance, either that or you had notes in there. I'm noticing a huge increase in memberships, correct?

Mr. Bub - Which department are you referencing?

Mr. Marmie - A number of them actually, but I think they noted them. LCATS, under memberships, I believe this is under Brian. No, it's under Service, but I think it's dealing with the LCATS membership.

Mr. Barker - Yes, it's increasing, \$65,000.

Mr. Marmie - \$65,000 increase for that?

David Rhodes, Service Director – Doug, I will get back with you on that tomorrow.

Mr. Marmie – Ok. Yeah, the memberships where I saw another, it's over 20% increase, is under Workers' Comp. So, our memberships under Workers' Comp, the 157 account. And then police and fire pension went up significantly compared to the actual amount of pay increase. It was not synonymous. So, is it a higher percentage? How are those calculated?

Mr. Bub – Do one of the chiefs want to speak to it, how the calculation works with those?

Brandon Metzger, Fire Chief - I wasn't quite sure exactly where we landed with it. We did notice a week or two ago there was a little bit of discrepancy between those numbers. Tina who handles (inaudible) is not here tonight. There was some discussion back and forth with the auditor's office, and where we intended to land with that, I wasn't sure. I believe that that was eventually righted in terms of initially there was a little bit of an overage. It was minor today, and now it's brought back down to the threshold of where it should be. So, given that it potentially is not in front of you, I'll check on that and follow back up with everybody tomorrow.

Mr. Marmie - Is that paid quarterly, or is that paid monthly?

Chief Metzger – (Inaudible)

Mr. Weisent - I don't know. Tina did call on that, and we looked at it. There is a – I want to call it an old bailout that went on years ago, and when they use that – when we make that payout and the timing that's involved with that, it causes those fluctuations. But it was – the numbers worked out.

Mr. Marmie - Yeah, because if it's monthly, we're trending towards lower than what the budget was. Then we went up an additional 35% based upon if it's monthly, if it's just going to trend the same in December as it did the other 11 months. Because we budgeted 933 last year. We're at 793. Then we budgeted for this year a million 76. The next area that I had was non-uniformed fire. Cell phones went up over 700%, the cell phones. We only spent \$2,000 this year and we're asking for 16,000 next year.

Chief Metzger - Yeah, we have conversion in terms of, these aren't specific cell phones, as you would normally see. There are a lot of wireless cards that operate the MDTs and computer screens that are in our truck. With that mechanism, there's actually a cost savings associated with that. However, the service provider is Verizon. So that was all put into that line item. So, there's one line item verses a multitude. So that's why you see a significant increase in that. Basically, we had a redundancy in wireless applications.

Mr. Marmie - So it came from the wireless applications. Okay, that makes sense. So yeah, then we're more, we're \$15,000, \$16,000, yeah.

Mr. Barker - Do we ever re-bid the wireless service?

Unknown speaker – We look at it, yes.

Mayor Hall - Different carriers have different types of coverage, though. It can be limiting, depending on certain places.

Mr. Marmie - That's pretty much my questions. A lot of times it's just a matter of just making sure we're checking over certain areas and make sure that we, if there's a legitimate answer, there's a legitimate answer. But those are things that just stood out when I was reviewing it. Anyone else have anything they want to ask? Yes, Mr. Houser.

Mr. Houser - Thanks, Mr. Chair. Thank you for all the work on the budget and everything. I'm sure this took a lot of hours for sure. Just thinking big picture here, obviously there were a lot of cuts this year in the different departments. Where do you think, from a projection standpoint, of course you don't have a crystal ball, but looking ahead to 27 and 28, how well does this budget position us looking ahead, do you think?

Mr. Bubb - We have to increase revenue in the city. I mean, we're not going to be able to get around it. We can't. I mean, we're contractually obligated on a lot of these with fire, police, AFSCME. Again, they all did a great job at reducing their budgets quite a bit. We can't continue to do it every year. It's not possible without, you know, just a major reduction in services or a reduction in workforce. We certainly, you know, don't want that.

Mr. Marmie - I'll share what I foresee, you know, right now. We had a little bit of a cash carryover this year to help us out. Based upon how tight our budget is this year, that cash carryover is not even projecting what we had this year, and it was significantly less this year than last. Plus, we have, contractually, we've got pay raises coming up. So, unless we increase revenue, we have zero paving going on. We have cut a lot of other services, small and large. And, you know, we can't continue not to pave, I mean, we can't, we should not. That's one of the reasons why the government's here. So, we have to find a way to increase revenue or restructure certain things. I'm going to say that we need to look at our safety forces structure just to make sure it's most efficient. I'm not saying a reduction or anything like that. I'm just saying we need to look at our models and make sure our models are the most efficient models. It probably won't save money initially, but it's looking at how can we reduce increases in expenses into the future. Usually those types of things don't save you money right out of the gate, but it would kind of stop the increases from being so high. Every area of our government, and I know the mayor and his administration is constantly looking at ways of being more efficient. We just got to continue to do that, 27 is not, and that's why Mr. Weisent, he does have a concern about next year and the year after. Because we know that increases are built in as far as pay raises in particular. We froze hiring. That's another thing we did. So, how long can we hold that and still maintain our level of service that the citizens expect?

Mr. Bubb - I think it is important to note that when you freeze hiring, I would just be somewhat cautious in saying that because the positions that are there can be filled. Just no additional new ones. I had a department head today ask me that. He thought everything was frozen.

Mr. Marmie – Legally, they can. We're trying to do things to make sure that, in particular, this last quarter, we looked at it to try to get that cash carry over a little bit so that we can balance the budget. We appreciate the mayor and the administration for doing that.

Mayor Hall – The General Fund is nearly 500 lines of accounting, and you have to think of the magnitude of that. Postage. The post office is going to increase posted every six months. We never had that. You can't believe how much mail gets sent out of this place, required sometimes, certified from the tax office and of course from the courts. Tax office didn't have to be certified, now it is. When you take little bits of raises and spread it across hundreds and hundreds of areas, it adds up. So, it's not unlike you experience at home on a small basis, I mean, it's just amazing. We're not immune to any of that. So yeah, we're collecting more taxes, but expenses are just unbelievable. I've said this a hundred times, every city makeup and income tax, income tax is usually 65% - 85% of revenue in the city, and it's a gross paycheck times a percent. That's really why we're sitting there with trying to raise income tax percentage because of the top 20 cities, there's only about two or three cities like us that have below even 2.5%. We were looking for 2.25. That times your gross paycheck, obviously your gross paychecks are pretty high in big cities, they're higher than smaller cities. Then our top five employers are nonprofits. Great employment at LMH, 2,600 people, but they don't pay a profits tax. So, you kind of have to understand the makeup of that. It makes every community a little bit different and sometimes hard to compare. So, it challenges us. But on the other side, with apartment building and people moving in from out of this town, will now be paying taxes in this town. That's another facet to raise revenue. It's multifaceted in a lot of different ways. Some of that just takes a little longer to work, but these apartments seem to be renting out pretty good. We're having people with some pretty good revenue going into this, and the demographics of that and everything. So, there're other balls rolling in that court and work that way. Government ought to be efficient. You know, I hate to put it on record, but I think a lot of communities out there waste a lot of money. They collect a lot of tax dollars and they waste a lot of tax dollars. So, we should be proud that we're very efficient. We have great departments that did a wonderful job this year. Kudos to all of them to make this budget balance. This is my 15th balanced budget general fund budget. 15 years in a row. All of our staff and all accounts ought to be very proud that we can get to that point and look at that and not have to postpone it three more months, which does nothing but a negative because you're putting off three months to make it mandated by March 31st doesn't help anything. We can start those efficiencies right away. Kudos for everybody working together. It was a challenge this year, but we've got a balanced budget to present to you. Thank you. Everybody worked wonderfully on this, I thought, and just did an outstanding job and the general consultantship with the author's office and it was all good but when everybody works together we get the best results.

Mr. Marmie - Any other questions about the General Fund? All right let's move along then to the next one which is our All Other Funds. Does anyone have any questions or comments on that one? This one was a little bit different in the fact that they're on their own.

Mayor Hall - Just kind of an added comment, this is a refresh because we just do this once a year, but it's every fund that doesn't start with a hundred, pretty much. There're not grant related. So, it's special, unique funds that generally need to be channeled in a certain direction of their expense, and it also can fluctuate over the years depending on the type of construction projects we're projecting. Don't forget, we can project so many, if we're doing a lot of sewer separation projects or the Red Dollar projects, if we don't expense that this year, part of it, it would be expensed next year, so it's almost a replication of an expense. If you think about that, so you can't kind of add all these up in a row and think over five years that's what we spent, necessarily. You know, certainly you're going to spend a lot in the beginning of the year, but you get weather like this, sometimes construction kind of shrinks up a little bit, and something that might have been expensed in December goes to next year's

budget in January, and they do a good job of looking at that. We roll over purchase orders that are open and things like that. But these are kind of all the unique things around the community. When we were doing downtown improvement projects and separation and everything, this was a large account. It's dollars that need to be spent in specific directions by ordinance or legislation or Ohio Revised Code.

Mr. Marmie - Anyone have any questions or comments? All right, we'll move along then to the Grants. Any questions or comments? These are basically ones where we get funding from a grant, and then we still have to budget for it and utilize it. That's why a lot of times during the year, if we don't use all of a grant, we have to give it back. If we get additional funds from a grant, we then put it in. The grants, some of them we know, some of them are unknown. We don't get them until halfway through the year. We put it in an application. We just do the best that we can to get the budget out there, and then we have to make adjustments as those adjust. And the other thing is, all three of these budgets are a snapshot in time. January 1, this goes into place. January 19 is the first time they'll be able to make any changes, because we will not have a finance committee meeting on January 5th. That's kind of one of my rules that I always put on there. We just passed the budget. Why would we ever need to make any changes the very first meeting? Unless it's something, dire emergency, I'm not planning on having a meeting on January 5th, a Finance Committee meeting. But we all know that that budget will change shortly thereafter.

Mayor Hall - I might just add, too, this was kind of, I guess, a budgeting education. The legislation you pass are the two items generally in each department, personnel, and everything else. And that is the legislation. That's what hits the books. Years ago, all the broke-down line items used to be passed, and any time somebody wanted to move, I don't care, \$100, because they didn't spend it on computers and wanted to use it for one other thing, they had to come to council. There were just so many changes, it was ridiculous. That's done through a transfer process with four signatures, myself, the auditor, the department head, et cetera. It doesn't raise their bottom line at all. It just, I'm not spending it here, but I need it over here, within that all-other or within that personnel. To go from personnel, which is a 5100 account, to a 5200 account, or vice versa, it has to come to council. So, again, you'll see some broke-down items and details, but the legislation is really (inaudible) us on what the ordinance is.

Mr. Marmie - Yeah, the finance committees used to be ridiculously long, because every single one of those. And the only thing is you can't cross over, like the mayor said now, so it does reduce the number of things. Pretty much the departments are in control of their own budget within those categories. Other questions and or comments?

Mr. Bubb - Just to thank you again, and again, I think Council can feel assured. Again, we have fire, police in place. We are funding what I call funding for depreciation sum, you know, for the rainy day. If something happens, whether it's heating, cooling somewhere, something happens in buildings, we're prepared for those. Safety on the expressways, we're going to get that 911 backup completed. So, I think overall, for what we're dealing with, it's a solid budget.

Mr. Marmie - The other thing I'm going to add, the auditor's office, I know this is not typical for us to get the budget and have as short of a window as we did, but they were on top of it well in advance. It was just a matter of, they had to wait and see some numbers come in to make sure, because it was that tight. If they would have put it out there earlier, it could have changed dramatically. So, they literally tried to wait until the last minute intentionally because the budget was so tight. So, I know they did the best they could, and they did what was best for us by waiting. That way we had a clear picture.

Mr. Bubb - Yeah, we wanted to see the income tax reports from November, which came in in December, and just some kind of final thoughts on, again, that funding for depreciation is what I like to call it.

Meeting stands adjourned.

Doug Marmie, Chair