

Finance Committee Minutes

Honorable Council
City of Newark, Ohio
November 20, 2018

The Finance Committee met in Council Chambers on Monday November 19, 2018 with these members in attendance:

Doug Marmie, Chair
Jeremy Blake
Ryan Bubb
Bill Cost Jr.
Mark Labutis for Mark Fraizer

We wish to report:

1. **Ordinance No. 18-39** to provide for the issuance of not to exceed \$2,000,000 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of paying the cost of Buckeye Corridor storm water plan sewer improvements, and all necessary appurtenances thereto, and declaring an emergency was considered.

Steve Johnson, Auditor- this bond anticipation note has been around awhile and this is the final time to renew it until April when we will be issuing a bond to pay this off over 20 years.

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

Mr. Blake- I'm curious not in particular to this piece of legislation but overall where we are with debt related to the city. I know you and I about a year ago had a discussion about the kinds of notes and bonds that we have. I don't know if you have that information available to Council so we have a clear understanding of how much debt we are procuring. I know this is just a renewal but just over all I like to get a better understand as to where we are with that.

Steve Johnson- I can provide that but I can't do it now. With our general obligation debt we are only allowed to issue so much during a certain period of time and we are moving on the upper threshold on that right now. That is one of the reasons that we are moving to revenue bonds because that eliminates the debt as general obligation so that would free up our ability to borrow more general obligation debt.

Motion passed by a vote of 5-0.

2. **Ordinance No. 18-43** to provide for the issuance of not to exceed \$1,000,000 of bond anticipation notes in anticipation of the issuance of bonds for the

purpose of paying the cost of water system improvements, and all necessary appurtenances thereto, and declaring an emergency was considered.

Steve Johnson- this is another million dollar anticipation note that has been tacked on to the Buckeye Corridor debt for a while. We are renewing it again for another 6 months then at that time it will be part of the 5 million note that we have been talking about recently. This will become a revenue bond along with the 5 million; you would be issuing 6 million in revenue bonds sometime in April.

Motion by Mr. Bubb to send to full Council, second by Mr. Cost
Motion passed by a vote of 5-0.

Mr. Fraizer is now a part of the meeting.

3. **Ordinance No. 18-44** an ordinance consolidating two bond anticipation note issues of the City of Newark, Ohio and declaring an emergency was considered.

Steve Johnson- this piece of legislation consolidates the two that we just discussed. We then have one instrument to sell.

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

4. **Resolution No. 18-92** authorizing and directing the Mayor of the City of Newark to prepare and submit applications to the Ohio Attorney General for the Ohio Law Enforcement Body Armor Program Funding during 2019 was considered.

Barbara Gilkes- this is a new grant program through the Ohio Attorney General's Office and we are going to submit an application for 20 vests. The split is 75% from the State's Workers Comp fund and then 25% from the city. The split is \$7,900.00 from the City and \$23,700 from the State for a grand total \$31,600.00.

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

Mr. Fraizer- do you know when this will be awarded?

Barbara Gilkes- it will probably be in the early summer of 2019. It is a reimbursement grant.

Motion passed by a vote of 5-0.

5. **Resolution No. 18-93** 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 \$8,300.00 (Impound Lot)

Account	Description	Amount
100.155.5111	Salaries	\$7,500.00
100.155.5124	Health Insurance	300.00
100.155.5127	Workers Comp	500.00

Director Rhodes- this will come out of the unappropriated balance, this is for the impound lot clerk. If you will remember about a year ago we moved that clerk from the Street/Traffic Department and we put her in the Police Station. She is also helping to do some other duties to cover at the Police Station where needed.

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

Section 2. There is hereby an appropriation of the unappropriated balance of the 621 Water Dept Fund, in the amount of \$30,000.00

Account	Description	Amount
621.709.5305	Chemicals	\$30,000.00

Roger Loomis- this is funds for the Water Treatment Plant, we have had an extremely wet year so we have had an extremely muddy year at the Water Plant so we have had to use a lot more chemicals to keep the water looking clean. This is about a less than 10% increase in our chemical cost but we need \$30,000.00 to finish out the year.

**Motion by Mr. Fraizer to send to full Council, second by Mr. Bubb
Motion passed 5-0.**

6. **Resolution No. 18-94** 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 209 Hotel/Motel Fund, in the amount of \$89,824.68

Account	Description	Amount
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209.100.5643	Bed Tax Distribution	\$89,824.68
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Director Rhodes- as you know because you and Mr. Cost were a part of the Bed Tax Meeting, this is an appropriation of the unappropriated balance of the hotel/motel bed tax fund.

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

Mr. Blake- for what purpose?

Director Rhodes- we have legislative commitments. Three quarters of this year's dollars have come in so we are asking for those dollars to be appropriated so we can meet our obligations per legislation. The other two recipients that we were talking about at the meeting was \$2500.00 for Newark High and 2500.00 for Newark Catholic.

Mr. Marmie- we don't have the final numbers but there is still going to be a \$40,000.00-45,000.00 carry over. That will allow if a need arises or something comes up. These are usually utilized towards things that generate additional bed night stays to keep these funds churning and stimulate economic growth in that capacity.

Mr. Blake- will we be having new legislation to update the distribution list?

Director Rhodes- yes, I think that it was a 5 year legislation so I think that it would be 2021 when we bring that forward.

Mr. Fraizer- are we on par for what we expected?

Director Rhodes- yes we are

Mr. Blake- I remember when we passed the initial legislation we had discussions with Cherry Valley Lodge have you had any updates?

Director Rhodes- yes I had lunch with John Rosin today and he brought me up to date on where the lodge is at. They are getting ready to start renovations; they are going to close down a certain number of rooms so they can do upgrades of furniture, fixtures and things of that nature. They will be closing down their food and beverage during a that time but they are going to keep a certain amount of rooms.

Mr. Marmie- they have a guaranteed of a certain amount of a payment that they will make even during down times they have agreed to a certain minimum payment.

Director Rhodes- to date they have paid us about \$34,000.00 and this is the year that they paid off bed stays the minimum amount that they will pay us is \$60,000.00.

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 \$2,488.80 (Reimbursement for EMS Coverage for NHS football games)

Account	Description	Amount
100.205.5118	Fire- Uniformed Overtime	\$2,488.80

Mayor Hall- this is for EMS coverage at football games at Newark City Schools. They have basically reimbursed us and they want to put it back into the overtime account.

Motion by Mr. Bubb to send it on to full Council, second by Mr. Fraizer

Motion passed by a vote of 5-0.

Doug Marmie, Chair