

## Finance Committee Minutes

Honorable Council  
City of Newark, Ohio  
December 20, 2022  
5:45pm

The Finance Committee met in Council Chambers December 19, 2022 with these members in attendance:

Doug Marmie – Chair  
Spencer Barker  
Cheri Hottinger  
Mark Labutis sitting in for Jonathan Lang  
Michael Houser

### We wish to report :

**Mr. Marmie** - The unappropriated balance of the General Fund stands at and the Budget Stabilization Fund stands at

#### 1. **Resolution No. 22-112** APPROPRIATING MONIES FOR THE CURRENT EXPENSES OF THE MUNICIPAL CORPORATION

Section 1. There is hereby an appropriation of the unappropriated balance of the 100 General Fund, in the amount of \$1,900.00 (Appropriate funds back into the vehicle maint. fund. Rec's check from State Farm for insurance claim and payment should have went to the vendor repairing vehicle. The repair was paid for out of the vehicle maint. fund)

100.204.5274	Vehicle Maint.	1,900.00
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**Tim Hickman, Safety Director** - The Fire Division had a vehicle repaired they paid out of pocket and got reimbursed from insurance and would like to appropriate that money into vehicle maintenance.

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

**Mr. Marmie** - The next three items on the agenda we won't actually be voting on, but we will be discussing the budgets and we want to talk about them one at a time and we'll start with the General Fund Budget.

**Ryan Bubb, City Auditor** - In front of you is a balanced budget for calendar year 2023,, I'll highlight just a few items, if there are individual questions, the Police Chief is here and Tina from the Fire Department is here as well if there are any specific questions. Always the big item in Capital Improvements there is of course, street maintenance \$900,000 we tacked that on with Brian's estimated gas tax it should be about \$1.7 million available for paving. I know there has been some talk about maybe allocating some alley paving money, doesn't matter to me, not my decision, but I will tell you procedurally to come back and do a disappropriation and appropriation, we don't even need you to do anything tonight if you do want to add it we can create an object code and do that once the budget is passed come back and if you want to take a certain amount of money for alley paving. I know that's been an interest of Mr. Houser. So, does that make sense?

**Mr. Marmie** - Yes it does.

**Auditor Bubb** - We don't need to do it tonight as a part of the budget, we need to pass this as is.

**Mr. Marmie** - The thing that I explained is that the way the budget's setup we have specific categories in our budget. We don't pass them by line item necessarily and as far as Capital Improvements and street maintenance I've also talked with the Auditor and the Mayor, we did find an additional \$100k that I'm going to make an amendment tonight to add that will be moved into the street maintenance, but if you listen to the amendment that I'm making, I'm making it into a general category and then it will just be put into that street maintenance budget by the Auditors Office. We do that so then the Auditors Office doesn't have to follow legislation every single week in and week out in moving things to a certain line item. Of course, anyone on Council can monitor all the different accounts individually and making sure that plus annually I can tell you that I monitor that, what's been spent in the previous year based on what was budgeted last year and also was budgeted this year. I do that comparison. I know there's a couple of others on Council that do that, so that's the direction, if we were to make it specific for that then a separate line item would have to be developed, we'd have to have the Auditors Office literally create a separate account. Even then, without specific legislation mandating that it can only be spent on pavement of alleyways, it's still an administrative decision on what they would spend that on and they could move those funds. So, that's what it would take in order to mandate it, would be specific legislation.

**Auditor Bubb** - In the General Fund after we cover the debt service and TIF projects, leases and street maintenance, it's going to leave you about \$165,000 in the unappropriated amount of the Capital Improvements. SO that's pretty strong and I haven't seen that in any recent years this much money toward paving I think that's very positive. I will point out I talked to members, within the Safety you'll notice that services is up about another \$100k, just keep in mind that is for the Humane Agent that was passed by Council earlier this year, so you do see a larger number compared to last year. Judicial needed a little bit more money for the interpreter that comes in for the Court System. \$250k as last year that went into the rainy day fund in addition to our monthly payments, so I think overall it's a very strong budget. Are there any questions for me, I'll do my best to answer them for you.

**Mr. Marmie** - I'll also point out a couple other things, the Law Director's budget went up pretty significantly, but they picked up another municipality so that income has to be put into their budget so they can move it where they need to. So, it isn't like they are just increasing their budget, they're increasing their revenue and that revenue has to be spent in their line items, so you'll see a difference there. There was another area that we identified in the Fire Department, there was an item that the Chief budgeted for, we're going to move that, it's really more of a Capital Improvement, so I'm going to have another amendment tonight to move that out of the General Fund Budget and it will end up as a Capital Improvement because it's more of a Capital Improvement expense.

**Auditor Bubb** - To that point Mr. Marmie, I feel very confident with David running the show on that, the problem specifically was some of the floor at the station was coming up, but I'm pretty confident and I've talked to a few folks, that \$80k will be quite a bit less to go into Capital Improvements, I think that's a very large number that's going to work out more money in the Capital Improvements budget. That being said again I feel it's a very strong budget and appreciate your support.

**Mr. Marmie** - Any other questions from anyone about the General Fund Budget?

**Mr. Houser** - I just have one question, I know Ryan and I had talked about this earlier, the line item for overtime for firefighters is at \$150k, how was that number arrived at, I'm just curious.

**Auditor Bubb** - It was based on this year, keep in mind, I know we spoke about it Michael, there was \$250k from ARP funds last year for overtime, so it was based on last years numbers. I feel the mayor is pretty confident that the Chief is going to do his best to manage that overtime, so it's a snapshot that's going to give a pretty darn good start for overtime for the year.

**Mr. Marmie** - What was spent as of the beginning of the month was a little over \$500k in overtime for the firefighters, you tack on that \$250k, they are close to \$800k this year what they'll spend in overtime dollars, but it's only going to show up in the Auditor's Office as being \$500k close to \$600k possibly by the time it closes out at the end of the year, but it doesn't show that \$250k.

**Auditor Bubb** - So, I would state in conclusion, if this is passed tonight, it's going to leave the unappropriated balance in the General Fund around \$1.6 million, we took it a little bit higher, there's going to be raises, so it could be \$400-\$500k so that would leave you \$1.2 million to operate.

**Mr. Marmie** - Any other questions with the budget? I want to thank you, I'll tell you what there were more notes and comments this year, I really appreciated that as far as going through the budget, Jackie of course always does a great job, but I think that the departments also responded to her very well this year and got her all the information and I really appreciate that because it was pretty clean as far as being able to explain every little difference that I identified and your office did a great job and so did all of the departments in getting the information into the Auditor.

**Auditor Bubb** - I appreciate that and I want to thank Jim Weisent as well, he always does a wonderful job. Great notes from the departments do we could better answer your questions.

2. **Ordinance No. 22-52** AN ORDINANCE TO MAKE AN APPROPRIATION FOR THE EXPENDITURES OF THE CITY OF NEWARK, OHIO DURING THE YEAR ENDING, DECEMBER 31, 2023. (General Fund Budget) **RULE 11**

3. **Ordinance No. 22-53** AN ORDINANCE TO MAKE AN APPROPRIATION FOR THE EXPENDITURES OF THE CITY OF NEWARK, OHIO DURING THE YEAR ENDING, DECEMBER 31, 2023. (All Other Fund Budget) **RULE 11**

**Mr. Marmie** - So again, we don't vote on that in committee it's going to be voted on tonight utilizing Rule 11. Next we'll go to the Other Fund Budget. Were there any questions on any of those? This is the All Others.

**Kevin Garwick, President IAFF Local 109** - I just had one question about the Capital Improvements Budget.

**Mr. Marmie** - We're on the All Others Budget.

**Mr. Garwick** - Yes, it's on page 4, Fund 335 Capital Improvements, this may be me just not understanding how to read this report, but it shows Capital Fund \$21.5 million give or take, the top line shows \$20.7 million for the Engineering Department, I was wondering if there were any more specifics about what that is going to be spent on.

**Mr. Marmie** - Which line item?

**Mr. Garwick** - Page 4 of the All Others Legislation, Fund 335 Capital Improvements, Department 122 Engineering, it shows \$20,760,000.

**Mr. Marmie** - It's just the various projects in the Engineers Office. That's where the paving, all the bridges. Anything that goes to the Engineer's Office as far as the City with all that it all goes through his department in the Capital Improvements Budget.

**Mr. Garwick** - Thank you.

**Ms. Hottinger** - Mr. Chair I do have a question about the budget we're talking about. The SID, maybe Mr. Rhodes could answer that question for me, the \$115k, is that towards the employees that take care of the SID?

**Director Rhodes** - Yes.

**Ms. Hottinger** - Thank you.

**Mr. Marmie** - Any other questions on the All Others? Alright , then we'll move on to the Grants Budget, does anyone have any questions about that particular budget?

4. **Ordinance No. 22-54 AN ORDINANCE TO MAKE AN APPROPRIATION FOR THE EXPENDITURES OF THE CITY OF NEWARK, OHIO DURING THE YEAR ENDING, DECEMBER 31, 2023. (Grants Budget) RULE 11**

**Rochelle Volen-Smith, 237 Violet Ct.** - In terms of the **Grants** Budget and the Engineering budget, since we haven't started on some of these projects, do they count toward this years budget or next?

**Mr. Marmie** - Which projects?

**Ms. Smith** - Like the bridge and that sort of thing.

**Mr. Marmie** - This is Grants for like Economic Development, all of those, most of the grants for like the bridge came in as a one time and that's usually not budgeted for, like on that particular one, it came as a one time thing was voted on by Council and then moved into an account. These are mainly salaries and positions and programs within the City that are funded through Grants and that's what our Grant Budget is based upon, but it will be based upon 2023 year and those expenditures for that year.

**Ms. Smith** - And is that out of the COVID Fund?

**Mr. Marmie** - No, that's not a Grant, that's separate from our Grants.

**Ms. Smith** - Okay, thank you

**Mr. Marmie** - The Grants Budget I can also just kind of share, that budget, even if we try to question it or scrutinize it, the State where we're getting the Grant Funds really dictate it even more than what we're capable of doing as a legislative body, we pretty much just have to follow the rules with the Grants Budget. There isn't a whole lot we can do outside of that. The different departments that utilize grants on an annual basis for funding, they have specific guidelines and if they don't abide by them then the grant money that was provided, they have to pay back, so they definitely abide by the rules or else they won't get the money and they can't utilize it so that's probably the easiest budget we have to deal with. If there are no other questions, again we will be invoking Rule 11 and as I indicated there are a couple amendments and it's basically the additional \$100k that's going to be put into street maintenance and then the Fire we're moving the \$80k out of the General Fund and it will end up moving into Capital Improvements and as the Auditor stated, hopefully it won't cost the \$80k to do those repairs to Station One and we might even have more funds available in Capital Improvements

**Mr. Marmie** - The unappropriated balance of the General Fund is \$61,912.00 and the Budget Stabilization Fund stands at \$1,129,836.00

Meeting stands adjourned

Doug Marmie, Chair