



Finance Committee Meeting
Tuesday, March 18, 2025 - 5:00 PM
AGENDA

1. Call to Order/Roll Call
2. City Planner position/salary discussion
3. Action on Minutes
 - a. November 6, 2024
 - b. November 14, 2024
 - c. November 18, 2024
 - d. November 19, 2024
4. Other Business
5. Adjourn



Finance Committee
Wednesday, November 6, 2024 - 5:00 PM
MINUTES

1. Call to Order/Roll Call

Committee Chair Donald Barnard called the Finance Committee meeting for November 6, 2024 to order at 5:01 pm

Members Present - Don Barnard, Bob Orsini, Jeff Barr
Absent - None

Staff present - Sean Staneart, Dave Delande, Jack Liggett, Rusty Smart, Dave Selan, Tiffany Hollis, Ryan Green, Teresa Monroe.

Public present - Nick Hubbell, Marvin Block

2. Action on Minutes

ACTION: Bob Orsini moved to approve en block; Donald Barnard seconded and all were in favor.

AYES: Donald Barnard, Bob Orsini, Jeff Barr

NOES: None

ABSTAIN: None

Passed 3 - 0

a. August 6, 2024

b. August 20, 2024

c. September 17, 2024

3. Refuse Contract

Previously, the committee asked if Local Waste would renew for five years at the rate quoted. Local Waste countered with a proposal as follows:

Current rate: \$17.07

Proposed rate (1/1/25 - 12/31/27): \$18.78

Proposed rate: (1/1/28 - 12/31/29): \$19.72

After discussion, committee recommendation to council is to proceed with the five year renewal at the rates proposed.

4. Budget 2025

Finance Director provided budget worksheets to council members and staff, reviewed funds and line items by department, directors answered council member questions.

Discussion on vehicles and rotation. Committee requested that departments provide a list of vehicles with years and mileage.

Discussion on the objective to put some of the General Fund reserve into the Budget Stabilization Fund, working to improve the city's bond rating.

Jack Liggett said the service departments always rotated trucks every ten years, in the street department they have not replaced a truck in three years. They have one 2014 truck that has a bent frame, it is dangerous to drive, they won't put a plow on it. The other 550 dump truck is a 2011, it still runs but is rusting through. The reason he brings this up is because he called Coughlin Ford and asked for an estimate for the budget, which was \$129,000. Ford says they have one now to sell, that can be made ready to plow this season for \$126,000. They do have the newer big Mac truck they use to plow US62 and 37, Edwards Road, Concord Road and Jersey, but that truck is larger and harder to get in and out of developments. Some discussion on how the existing trucks are being used. Mr. Barr asked if a truck was budgeted for replacement in 2025, Mr. Delande said they budgeted \$43,000 for 2024 for vehicles, they have \$34,000 in the street budget right now, \$25,000 in sewer and \$21,000 in water so as far as financing this 550, it would be in budget for 2024 and 2025. Mr. Barr discussed a thought on selling the big Mac truck and then just renting one for the months needed. Sean Staneart said money for the 550 is in budget, the \$21,000 payment should be easily covered, Jack has direction to purchase.

Special Finance Committee meetings were scheduled for November 14th at 3:00 pm and November 18th at 3:30 pm to continue budget review.

5. Other Business

No further business.

6. Adjourn

ACTION: Donald Barnard moved to adjourn; Bob Orsini seconded and the vote was as follows:

AYES: Donald Barnard, Bob Orsini, Jeff Barr

NOES: None

ABSTAIN: None

Passed 3 - 0

The meeting ended at 6:15 pm.



Special Finance Committee
Thursday, November 14, 2024 - 3:00 PM
MINUTES

1. Call to Order/Roll Call

Committee Chair Donald Barnard called the Finance Committee meeting for November 14, 2024 to order at 3:08 pm

Members Present - Don Barnard, Bob Orsini, Jeff Barr
Absent - None

Staff present - Sean Staneart, Dave Delande, Jack Liggett, Rusty Smart, Ryan Green, Tiffany Hollis, Teresa Monroe.

Public present - None

2. Budget 2025 workshop

Finance Director Dave Delande provided a handout and recapped Moody's credit rating considerations and the major areas of economy; financial performance, institutional framework and debt ratio/fixed cost ratio. Big areas of financial performance are available fund balance ratio, liquid ratio (reserve/rainy day fund), investment in the city for infrastructure and capital.

Mayor Barnard noted changes to this budget version, an increase to revenue and an increase to expenses. Mr. Delande said they did transfer \$200,000 out of CIP and put it into the Budget Stabilization/Reserve Fund. Sean Staneart said that the Port Authority land sold, at last meeting there was a desire to increase the Budget Stabilization Fund in order to increase our credit rating. There is still a substantial carryover in the General Fund, if that is a concern, and we want to earmark that and put it more appropriately into the Budget Stabilization Fund, we can take some of that balance that continues to sit there and move it over, which could further improve the credit rating. Bob Orsini said he was in favor of increasing the Stabilization Fund, it doesn't really change the availability of the money, to leave money in the General Fund is like leaving money in your checking account, if it is in your savings, it is still your money, but it will get a deeper look before taking it out. It should be used to stabilize the budget and to take advantage of opportunities should they arise, in the meantime, potentially increasing our ability to borrow money and decrease liability. Dave Delande said that is an advantage for our bond rating. Decision to move \$500,000 from the General Fund to the Budget Stabilization Fund.

Finance committee picked up where they left off with budget 2025 review of funds and line items by department. Discussions on department positions, needed positions and salaries. Don Barnard said he would like to have money in some line item to power wash the sidewalk bricks in the downtown as well as have the street light posts painted, they are starting to look bad. Jack Liggett said there was a volunteer church group that power

washed this year. Discussion on painting the posts, concern for brush painting, they should have a light sandblast and be sprayed, Jack said he is not sure we have the skill level for that. Sean Stanearth said it may just be oxidation, there may be a chemical or wash that could bring the color back, they could contact the company. Don Barnard said what do we do to put a plan in place, a plan to take care of them so they stay nice. Jack said contact the company to see what the proper procedure would be. Jeff Barr said to call Martin Painting, that is who he has used on similar poles, they are quite experienced, we could get a quote. It was noted that the poles in the park yard are the townships. Discussion on the up to four percent raise for employees, continued review of line items. Jeff Barr inquired on a \$150,000 item for park improvements, Donny said this was discussed in executive session, Sean said this was land acquisition for potential real estate, it may or may not be necessary. Jeff asked if they could go into executive session tonight.

ACTION: Bob Orsini moved to enter Executive Session to consider the purchase of property with members of finance committee and the city manager; Donald Barnard seconded and the vote was as follows:

AYES: Donald Barnard, Bob Orsini, Jeff Barr

NOES: None

ABSTAIN: None

Passed 3 - 0

Committee entered Executive Session at 4:00 pm and returned to Regular Session at 4:14 pm. Decision to move the \$150,000 from parks to CIP.

Discussion on money set aside for our portion of the OPWC projects and what to do with it if projects are not awarded. Sean said his recommendation would be that there are some roadways that could desperately use some slurry and crack seal to preserve them. These are projects that don't require engineering.

Continued review of line items. Finance Director to get committee an updated budget to review over the weekend.

3. Other Business
None.

4. Adjourn

ACTION: Bob Orsini moved to adjourn; Donald Barnard seconded and all were in favor.

AYES: Donald Barnard, Bob Orsini, Jeff Barr

NOES: None

ABSTAIN: None

Passed 3 - 0

The meeting adjourned at 5:02 pm.



Finance Committee
Monday, November 18, 2024 - 3:30 PM
MINUTES

1. Call to Order/Roll Call

Committee Chair Donald Barnard called the Finance Committee meeting for November 18, 2024 to order at 3:33 pm

Members Present - Don Barnard, Bob Orsini, Jeff Barr

Absent - None

Staff present - Sean Stanearth, Dave Delande, Jack Liggett, Rusty Smart, Teresa Monroe.

Public present - None

2. Budget 2025 workshop

Don Barnard asked if the city cut the money for fireworks out of the budget, he has heard that "on the street". The Finance Director said no, the money for fireworks is still budgeted. Discussion on funding the fireworks through the recreation board (Greater Park & Rec District), decision to take \$10,000 out of the legislative line item and put it into parks and rec (GJPRD) tagged for fireworks. Discussion on Tree City USA, \$2,000 is still in the budget, decision to leave it. Don Barnard asked how much money was going to JAG in this year's budget. Sean Stanearth reviewed line items; \$45,000 in Water Operations fund/Accounting and Legal Fees, \$45,000 Sewer Operations Fund/Accounting and Legal Fees. Sean said this was the same amount budgeted for 2024, but there have been additional legal fees, Dave Delande said around \$30,000. Sean added that in that piece, City Council appropriated half the engineering fees for the study to be done through EMH&T, \$62,000, so of that money, not all is legal fees, there is also the lobbyist. Jeff Barr said that as a finance committee member, he wanted to be prepared to answer questions about what was spent in 2024 for JAG specifically. Sean said he would get with the Finance Director for a breakdown of JAG specific legal fees. He said lobbyist was \$12,000 (\$4,000 per month), he will get them a full breakdown by tomorrow's meeting.

Don Barnard said the goal is to hire an additional police officer, a street person, and a planner this year, so three new employees, these are not new positions, this is filling positions we have lost. He added that we are putting \$700,000 into savings (to establish a rainy day fund and rebuild our credit). Sean said that in his new flow chart, there will be a position for Development Director, that has not made it into the budget, it may be a conversation for next year, there will be some things that fall off. Sean said if a planner is hired, he would like MKSK to train them for an entire year. Discussion and decision to lower the amount going to the Budget Stabilization Fund to \$600,000 and budget for the Development Director position, in case the right person comes along. Sean said that director would be over the Planner and the Code Enforcement Officer. Don Barnard said budget highlights then are; four new employees, \$600,000 in savings/rainy day fund to reestablish credit, road projects for Douglas and paving of other streets, and four percent

increase in wages.

Committee working toward budget Ordinance introduction on December 3rd and vote on December 10th.

3. Other Business

Sean Stanearth said that he would like to give the committee some needed information in executive session tonight before the executive session tomorrow night with the rest of council.

ACTION: Jeff Barr moved to enter Executive Session to discuss confidential business information of an applicant for economic development; Bob Orsini seconded and the vote was as follows:

AYES: Jeff Barr, Bob Orsini, Donald Barnard

NOES: None

ABSTAIN: None

Passed 3 - 0

Finance Committee entered Executive Session at 4:06 pm and returned to Regular Session at 4:10 pm.

4. Adjourn

With no further business, a motion to adjourn carried 3-0. The meeting ended at 4:10 pm.



Finance Committee
Tuesday, November 19, 2024 - 5:00 PM
MINUTES

1. Call to Order/Roll Call

Committee Chair Donald Barnard called the Finance Committee meeting for November 19, 2024 to order at 5:03 pm

Members Present - Don Barnard, Bob Orsini, Jeff Barr
Absent - None

Staff present - Sean Staneart, Dave Delande, Jack Liggett, Rusty Smart, Dave Selan, Teresa Monroe.

Public present - Nick Hubbell, Nicole Shook

2. Legislation Update & Review

- a. **RESOLUTION 2024-46** A RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY FOR, ACCEPT, AND ENTER INTO A WATER POLLUTION CONTROL LOAN FUND (WPCLF) AGREEMENT ON BEHALF OF THE CITY OF JOHNSTOWN FOR PLANNING, DESIGN AND/OR CONSTRUCTION OF WASTEWATER FACILITIES; AND DESIGNATING A DEDICATED REPAYMENT SOURCE FOR THE LOAN

Sean Staneart said this is a loan for the engineering and design of the wastewater treatment plant. Jeff Barr asked what the loan amount and term were. Sean said the rough number is \$4,000,000 and this particular loan is amortized a little differently, he believes over ten years, could be five, however once you start to build the plant, the state allows you to take this initial loan and wrap it into the entire construction loan, the construction loan can then be thirty-year amortization. He said he would have to get back to them on interest rates, but they were pretty favorable, they are usually through a revolving state account for water and sewer projects. Jack Liggett said 3 1/2 % is what they have been running, Sean said he thinks now it could be 4 or 5, he could check with Jacobs Engineering. Sean Staneart said this is a submittal piece, to actually apply for the loan he has to sign this document stating they are going to apply for the loan. Bob Orsini asked if it were possible the EPA could challenge and prevent this from happening. Sean said as long as the numbers are in order and are realistic, generally they don't have any issues, he said they have already vetted their numbers with the engineers. Sean said the next piece they may scrutinize in more detail is the next phase, the \$40-50 million, that is a bigger lift. Bob Orsini asked if there were to be a challenge with the actual construction, is the \$4,000,000 value ever lost. Sean said this engineering plan can be shelved; this is an item that doesn't lose value. Jeff Barr asked if this \$4,000,000 would have any long-term effect on water and sewer rates. Sean said he would say no, how they have scheduled and structured it, he does not believe there will be a large impact, they are bringing new customers on board and as new customers are brought in, you increase receipts on debt service. Discussion on the five percent yearly increase that if all things remain static, should be sufficient.

ACTION: Donald Barnard moved to recommend to council; Jeff Barr seconded and the vote was as follows:

AYES: Donald Barnard, Bob Orsini, Jeff Barr

NOES: None

ABSTAIN: None

Passed 3 - 0

3. Budget 2025 Ordinance

Committee review of current budget draft. Don Barnard reviewed budget highlights; he said that one of the keys was that they take \$600,000 of carryover funds which are in the General Fund, and put it in the Budget Stabilization Fund. Putting those funds in there replenishes our "rainy day fund". Sean Staneart provided background on the creation of the Budget Stabilization Fund, the first funds came from Estate Tax, which is no longer an annual revenue source. Don Barnard said that at one point the fund dwindled down to \$300,000 and that this is basically our savings account that is going to help reestablish our credit and bond rating so the city gets better interest rates. The budget also calls for hiring four new employees, one Police Officer, one Street employee, a City Planner, and an Economic Development Director. Additionally, projects to redo Douglas Street and multiple mill and fill street paving projects as well as an up to four percent increase in wages for city employees. Mr. Barnard said with all of our expenditures and revenues, we are positive \$120,771 and will end the year with all fund balances at \$15,169,000 according to the budget.

Bob Orsini asked for a review of the income from the sale of the Port Authority property and how it was allocated. Finance Director Dave Delande said the city received a little over \$900,000; \$200,000 of it went into CIP and then was transferred out and into the Budget Stabilization Fund, the difference was split between the Water and Sewer Improvement Funds, approximately \$370,000 to each. Bob said the debt needs to be paid out of those funds, those funds are the ones that initially generated that debt so the funding went back into them, it is not money that has disappeared.

Mr. Barnard asked if there were any questions from the public on the budget. Nichole Shook asked if there was money appropriated to Parks and Rec, was it no more than the \$18,000 from the prior year? Mr. Barnard said there is \$38,000 total so it went from \$18,000 to \$38,000. There were no further questions.

4. Other Business

No further business

5. Adjourn

ACTION: Bob Orsini moved to adjourn; Donald Barnard seconded and all were in favor.

AYES: Donald Barnard, Bob Orsini, Jeff Barr

NOES: None

ABSTAIN: None

Passed 3 - 0

The meeting adjourned at 5:28 pm.