

**AGENDA FOR A FINANCE COMMITTEE MEETING  
FOR TUESDAY, SEPTEMBER 9, 2014, 6:00 PM,  
EXECUTIVE CONFERENCE ROOM,  
SECOND FLOOR, MUNICIPAL BUILDING**

**(Councilmen Rockhold, Wilcox, Coram, and Lynch)**

- I. CALL TO ORDER – Councilman Jim Reed, Chairman
- II. ROLL CALL
- III. MINUTES – meeting held June 24, 2014
- IV. NEW BUSINESS
  1. Budget revision for 2013/2014 cash carryover.
  2. Discussion and/or action on application to the WV Housing Development Fund for \$500,000.00.
- V. ADJOURNMENT

The Finance Committee of City Council met Tuesday, June 24, 2014, at 6:00 PM in the Executive Conference Room on the second floor of the Municipal Building at One Government Square, Parkersburg, WV 26101.

The meeting was called to order by Chairman Jim Reed, who presided over the meeting. The clerk noted that those attending included Councilmen John Rockhold, Nancy Wilcox, Kim Coram, Sharon Lynch, and Jim Reed.

Others included Mayor Robert Newell, Ashley Flowers, Eric Bennett, John Stump, Rick Lemley, Justin Smith, Rickie Yeager, John Kelly, JR Carpenter, Joe Santer, John Whitmore, Pam Salvage, and Roger Brown.

MINUTES – Ms. Wilcox moved, seconded by Ms. Lynch, to approve the minutes from the meeting held June 10, 2014, and the motion was adopted by unanimous vote.

Bond ordinance, \$1,000,000.00 (discussed later in the meeting)

Ordinance amending and re-enacting Section 779.42, Vacant Building Revitalization B & O tax credit program:

Mayor Newell and City Attorney, Joe Santer, told the committee that they have added 'residential' to an existing ordinance, and changed the time for being vacant from two years to one year.

Ms. Coram stated that a new state law passed this year, Senate Bill 579 effective this month concerns land banking. Mr. Santer stated that these are two different things.

Mayor Newell stated that we do not have very many big buildings. The building at 4<sup>th</sup> and Market Streets and others may be able to be saved, but they are rental spaces now. If we are not going to tear them down, we need to get them up to code, he said, but that would cost a lot of money. Taxes are double in the City, and people are reluctant to put money in those buildings.

On other vacant buildings, he said we wanted them to be single family dwellings, as opposed to rentals.

Concerning the ordinance creating and establishing a Multi-family dwelling construction and revitalization B & O tax credit program, Mayor Newell said that landlords are reluctant to put money in them. There is only a slight margin and no incentive to fix them. While people are living there, we would ask them to fix the properties, and when they pay B & O on rentals, they will get that back. Each person who comes in has to apply for the credit and we will determine what their plan is. Until it is done, they won't get anything back anyway, he said. The Union Trust building and the Uptowner building, and the bank on Division Street is taking advantage of it. Mayor Newell said he did not want to create more slum rentals with this program.

When Mr. Rockhold asked if this would be similar to giving businesses a tax exemption now, Mayor Newell said if someone puts \$600,000.00 in a building they will not get that much back, but in five years we will give them all of that. The building has to be up to code and look nice, and they won't get anything until after they meet code.

Ms. Coram stated that the residents in her district do not want more rentals. She has nothing against renovating existing housing, but does not want to encourage more rentals. She is concerned that the gas and oil industry will replace renters to get more for their properties. She also said that we describe vacant properties differently than the state law, and she does not understand the difference. She believes they need more time to understand it. She has a community group to work on a cohesive plan. The new law does not evict people, she said.

This is different, Mayor Newell stated. We can't do anything about the gas and oil people renting. What he wants with these two ordinances is to do something with their property. There will be market price rentals somewhere else, he said.

City Attorney, Joe Santer, stated that if he owns property and wants to rent it, we can't stop him. This proposal is just for industrial, commercial and multi-family properties. The focus is on vacant buildings and duplexes. If our zoning allows it, property owners can have rental property.

MOTION – Ms. Coram moved, seconded by Mr. Rockhold, to table both these ordinances until July 8<sup>th</sup>, and the motion failed with Ms. Wilcox, Ms. Lynch and Mr. Reed voting “no”; and Mr. Rockhold and Ms. Coram voting “yes”.

MOTION – Ms. Wilcox moved, seconded by Ms. Lynch, to accept these two ordinances, amending Section 779.42, and establishing a Multi-family dwelling B & O tax credit.

Mayor Newell stated that Section 779.42 does not create new rentals in the City – they already exist; and the other ordinance is just for new construction.

Ms. Coram said she would like to have a more incentive plan in the City. Mr. Santer said we have two different applications and purposes. One we are trying to make people do something with property that are doing nothing. The other is for people who want to do something, and give them an incentive to do that. The application and purpose is different, and they should not be the same for everything, he said.

It is in our master plan that the majority of homes in Parkersburg were built before the 1950's, Mayor Newell stated. Some were built between 1950 and 1976, then very little after that. We think there will be more people here, and we need better housing, he said, and he wants people to build market priced housing. People are living in Avery Court because of the drilling in Ritchie County. He wants people to take the old houses – he said he would give houses away to get it in the right hands.

People are losing their homes because of the oil and gas industry, Ms. Coram stated. She does not want people to be homeless because of it. Senate bill 579 helps implement it, she said. Mayor Newell said they were increasing rent on bad looking houses, and he just wants the houses to look better.

VOTE - the motion passed with all members voting "yes" with the exception of Ms. Coram, who voted "no".

BOND ORDINANCE – Attorney John Stump appeared before the committee to explain the \$1,000,000.00 bond ordinance. He said the idea is that the Utility Board has the need to purchase vehicles, and typically they do it on a lease/purchase. They can get a 2.2% interest rate, fixed, for ten years which is lower than the leasing plan. This is a money-saving mechanism, and the debt they would be taking on is the same.

Mr. Reed asked if they needed \$1,000,000.00 in equipment. Manage, Eric Bennett, explained every piece of equipment including age and condition. He said that no employee takes a vehicle home, and he has a 1999 Ford Explorer.

Mr. Kelly asked how the equipment compared with what the City has in the public works department, and Mr. Lemley said some of our equipment has age, and it is very expensive to make repairs to them. Mayor Newell added that we would be getting three dump trucks this year.

The interest rate may be lower, but there is a cost through the bond counsel, Mr. Kelly stated. Mr. Stump said there is a one year savings, or \$20,000.00.

Mr. Brown mentioned a rate increase from a few months ago and he thought there were no bonds to get to keep the rates down, but now it looks like the rate is 2.2%. Mr. Bennett said they did not have the money available, and in this case we have a lot of big equipment and he does not want to pay for them straight out. He said they could do lease/purchase, but they want to do this bond because there should be more savings this way. He would prefer five years.

When Ms. Wilcox asked how much the savings would be, Mr. Stump stated that the interest rate difference was 4% vs. 2%, and 2% of \$1,000,000.00 is \$20,000.00. That will go down as you pay it off, he said. Reality is, if the rate environment changes they won't have to issue the bonds, if it is not cost effective. He has not seen recent numbers on the five year rate. If you would do a lease/purchase, five years would be cheaper, also, he said.

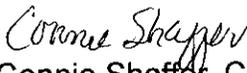
Mr. Brown asked what the rate was on the last fire truck or police cars, and the Mayor said the rate was 3.5% with United Bank for five years.

Ms. Wilcox asked if this would take away from any repairs to the lines, and Mr. Bennett said that we could pay for the equipment straight out, but it would be detrimental to those projects.

MOTION – Mr. Rockhold moved, seconded by Ms. Coram, to forward the bond issue on to Council, and the motion was adopted by unanimous vote.

The meeting adjourned at 6:50 PM.

Respectfully submitted,

  
Connie Shaffer, City Clerk

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**MEMORANDUM**

TO: Mayor Newell & Finance Committee  
FROM: Ashley Flowers, Finance Director  
DATE: 9/4/2014  
RE: Budget Revision

The City of Parkersburg has several budget revisions for FY 2014-15 due to the increase in the estimated Fund Balance; a revised certificate of assessment; and city-wide raises. After speaking to the Department Heads and the Mayor concerning their budgetary needs, I propose the following changes for budget revision.

**GENERAL FUND**

<u>Revenues</u>		<u>Credit</u>	<u>Debit</u>
		<b>Increase</b>	<b>Decrease</b>
299 000-000	FUND BALANCE	1,240,064	
301 001-000	PROPERTY TAX - CURRENT YEAR	41,214	
301 090-000	Excess Levy Tax	19,268	
365 000-000	Federal Grants		204,841
369 000-000	CONTRIB. FROM OTHER FUNDS		140,036
Revenues	Net increase (Decrease)	955,669	

	<u>Expenditures</u>	<u>Debit</u> Increase	<u>Credit</u> Decrease
409 103-000	SALARY - DEPT HEAD - <i>mayor</i>	16	
409 103-008	OVERTIME - UNSCHEDULED	605	
409 103-315	SALARIES - OTHER	9,645	
409 104-000	FICA	557	
409 105-000	HEALTH & LIFE INSURANCE	0	
409 106-000	RETIREMENT	1,009	
409 226-005	INS - WORKMAN'S COMP.	132	
409 230-000	CONTRACTUAL SERVICES	10,000	
409 230-001	CONTR. SERV-POINT PK	30,706	
409 230-002	CONTR. SERV-MISC	10,000	
409 459-000	CAPITAL - EQUIPMENT	55,000	
410 230-000	CONTRACTUAL SERVICES - <i>Council</i>	500	
410 341-000	SUPPLIES	5,500	
414 103-000	SALARY - DEPT HEAD - <i>Finance</i>	9,698	
414 103-315	SALARIES - OTHER	29,100	
414 104-000	FICA	3,423	
414 106-000	RETIREMENT	5,431	
414 226-005	INS - WORKMAN'S COMP.	710	
414 341-000	SUPPLIES	2,000	
414 459-000	CAPITAL - EQUIPMENT	130,000	
415 103-315	SALARIES - OTHER <i>CITY CLERK</i>	198	
415 104-000	FICA	16	
415 106-000	RETIREMENT	29	
415 230-000	CONTRACTUAL SERVICES	33,800	
415 341-000	SUPPLIES	610	
416 103-000	SALARY - DEPT HEAD <i>Munic Judge</i>	450	
416 103-315	SALARIES - OTHER	603	
416 104-000	FICA	14	
416 106-000	RETIREMENT	4	
416 226-005	INS - WORKMAN'S COMP.	15	
417 103-000	SALARY - DEPT HEAD <i>CITY ATTY</i>	5,686	
417 103-315	SALARIES - OTHER		2,764
417 104-000	FICA	147	

417 106-000	RETIREMENT		269
417 226-005	INS - WORKMAN'S COMP.		23
420 103-000	SALARY - DEPT HEAD	<i>Engineering</i>	11,587
420 103-315	SALARIES - OTHER		9,988
420 104-000	FICA		1,650
420 106-000	RETIREMENT		3,020
421 103-000	SALARY - DEPT HEAD	<i>Development</i>	6,469
421 103-315	SALARIES - OTHER		7,919
421 104-000	FICA		1,100
421 106-000	RETIREMENT		2,014
421 226-005	INS - WORKMAN'S COMP.		263
421 230-000	CONTRACTUAL SERVICES		106,000
421 458-000	Capital Improvement - Building		6,000
421 458-004	CAPITAL - LTL KANAWHA CONN TR		186,651
422 103-000	SALARY - DEPT HEAD	<i>Personnel</i>	10,207
422 103-315	SALARIES - OTHER		605
422 104-000	FICA		734
422 105-000	HEALTH & LIFE INSURANCE		667
422 106-000	RETIREMENT		1,344
422 226-005	INS - WORKMAN'S COMP.		176
436 103-000	SALARY - DEPT HEAD	<i>Code</i>	759
436 103-315	SALARIES - OTHER		10,481
436 104-000	FICA		935
436 106-000	RETIREMENT		1,711
436 226-005	INS - WORKMAN'S COMP.		224
440 103-000	SALARY - DEPT HEAD	<i>BlDG &amp; Grounds</i>	765
440 103-315	SALARIES - OTHER		10,260
440 104-000	FICA		785
440 106-000	RETIREMENT		1,434
440 215-000	MAINT. & REPAIR - BUILDINGS		8,000
440 226-005	INS - WORKMAN'S COMP.		188
440 230-003	SOUTHWOOD PARK MUSIC FEST		1,350
444 000-000	Capital Reserve Contribution		324,221
566 103-000	SALARY - DEPT HEAD	<i>Public Works</i>	6,475
566 103-315	SALARIES - OTHER		2,698
566 104-000	FICA		660
566 106-000	RETIREMENT		1,208
566 226-005	INS - WORKMAN'S COMP.		158
700 103-000	SALARY - DEPT HEAD	<i>Police</i>	9,961
700 103-008	OVERTIME - UNSCHEDULED		6,538
700 103-303	SALARIES - CAPTAINS		8,739
700 103-304	SALARIES - LIEUTENANTS		2,251
700 103-305	SALARIES - SERGEANTS		984
700 103-309	SALARIES - PATROLMEN		36,428
700 103-315	SALARIES - OTHER		684
700 104-000	FICA		7,463
700 106-000	RETIREMENT		101,549

700 226-005	INS - WORKMAN'S COMP.	810	
700 459-000	CAPITAL - EQUIPMENT	3,500	
706 103-000	SALARY - DEPT HEAD - FIRE	7,629	
706 103-109	SALARIES - HOLIDAY PAYOUT	1,650	
706 103-303	SALARIES - CAPTAINS	56,566	
706 103-304	SALARIES - LIEUTENANTS		10,479
706 103-310	SALARIES - FIREMEN	24,756	
706 103-315	SALARIES - OTHER	728	
706 104-000	FICA	1,224	
706 106-000	RETIREMENT	112,591	
706 226-005	INS - WORKMAN'S COMP.	1,488	
714 103-315	SALARIES - OTHER Floodwall	1,918	
714 104-000	FICA	147	
714 106-000	RETIREMENT	269	
714 226-005	INS - WORKMAN'S COMP.	35	
750 103-315	SALARIES - OTHER STREET	23,433	
750 104-000	FICA	1,430	
750 106-000	RETIREMENT	2,616	
750 226-005	INS - WORKMAN'S COMP.	342	
751 103-000	SALARY - DEPT HEAD ELECTRIC	761	
751 103-315	SALARIES - OTHER	5,743	
751 104-000	FICA	573	
751 106-000	RETIREMENT	1,049	
751 226-005	INS - WORKMAN'S COMP.	137	
754 103-000	SALARY - DEPT HEAD CENTRAL GARAGE	884	
754 103-008	OVERTIME - UNSCHEDULED	50	
754 103-315	SALARIES - OTHER	4,181	
754 104-000	FICA	391	
754 106-000	RETIREMENT	716	
754 226-005	INS - WORKMAN'S COMP.	94	
756 103-000	SALARY - DEPT HEAD STREET CLEANING	721	
756 103-008	OVERTIME - UNSCHEDULED	250	
756 103-315	SALARIES - OTHER	8,844	
756 104-000	FICA	1,896	
756 106-000	RETIREMENT	1,757	
756 226-005	INS - WORKMAN'S COMP.	178	
759 000-000	Mass Transit	19,268	
800 103-008	OVERTIME - UNSCHEDULED SANITATION	1,672	
800 103-315	SALARIES - OTHER	10,662	
800 104-000	FICA	2,097	
800 106-000	RETIREMENT	3,838	
916 000-000	Wood Co. Library	566	

Expenses	Net Increase (Decrease)	955,669
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Net Increase/Decrease in Budget

955,669

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Mayor Robert D. Newell



DOUGLAS E. LIFE  
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## MEMORANDUM

TO: Mayor Robert Newell & Finance Committee  
FROM: Ashley Flowers, Finance Director  
DATE: September 4, 2014  
RE: Budget Revision – Coal Severance Fund Balance

The unassigned Coal Severance Fund balance needs to be revised to the actual fund balance at 6/30/2014 as required by the State Auditor's Office. The unassigned fund balance was \$50,614 which leaves an excess to allocate to other expenses.

I propose the attached budget revision to record this activity.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PARKERSBURG that the Finance Director be authorized to revise the Adopted Budget for FY 2014-15 to reflect the actual Fund Balance for the City's Coal Severance Fund to allocate for other expenses.

**COAL SEVERANCE**

**REVENUES** **DEBIT** **CREDIT**

**Fund    Account    Description    Decrease    Increase**

001    298    000-000    Assigned Fund Balance    50,614

**Net Increase/(Decrease) Revenues    50,614**

**EXPENDITURES**

**Fund    Dept    Account    Description    Increase    Decrease**

001    440    City Hall    341-000    Buildings & Grounds    25,000

001    750    Street    341-000    Streets    25,614

**Net Increase/(Decrease) Expenditures    \$ 50,614**