

AGENDA FOR A FINANCE COMMITTEE FOR
TUESDAY, JULY 14, 2015, 6:30 PM,
EXECUTIVE CONFERENCE ROOM
SECOND FLOOR, MUNICIPAL BUILDING

(Councilmen Reed, Reynolds, Carpenter)

- I. CALL TO ORDER – Councilwoman Kim Coram, Chairman
- II. ROLL CALL
- III. MINUTES - meetings June 16th and 23rd, 2015
- IV. NEW BUSINESS
 1. Audit (from audit ending June 30, 2014, (Tetrick & Bartlett)
 - Noncompliance with Bond Debt Coverage in parking department
 - Maintaining schedule of Capital Assets
 - Detail Accounts Receivable Aging Reports
 - Update on audit hiring procedure, including scoring card method.
 2. Revenues and expenditures report
 3. Payroll Reconciliation Report
 4. Continued review of Charter and City ordinances
 - Plan to amend Charter as noted by State Auditor's Office, in particular sections 5.10, 5.105, and 5.108.
 5. Budget revisions, if necessary
 6. Capital Program guide.
- V. ADJOURNMENT

The Finance Committee of City Council met Tuesday, June 16, 2015, at 7:30 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 its Chairman, Councilwoman Kim Coram, who presided over the meeting. The clerk noted those members attending as Councilmen Jim Reed, Mike Reynolds, JR Carpenter, and Kim Coram. Councilman Aaron Read was absent on military duty.

MINUTES – Mr. Reed moved, seconded by Mr. Reynolds, to approve the minutes from the meeting held June 9, 2015, and the motion was adopted by unanimous vote.

BUSINESS COACH – Acting Mayor, Joe Santer, recommended that the committee and City Council approve a resolution renewing an intergovernmental agreement between the City of Parkersburg and WV Small Business Development Center for the purpose of retaining a small business coach, Ms. Lisha Conny.

Mayor Santer stated that Ms. Conny was a dynamic person and looks at business from all sides. She seems to be very good at this and is out talking with businesses within the five or six county area, but still concentrating on Parkersburg. She works out of the fifth floor of our building with the Development Department. The only change we have in her budget is an increase in travel because of what the state imposes on her. This is a required minor expense compared to the value to us, he said.

The salary for the coach is \$55,000.00, and the City will be reimbursed \$40,000.00 from the Development Center on a monthly basis. We will also allocate \$7,500.00 for travel-related expenditures for fiscal year 2015/2016.

This is a contract employee, paid out of contractual services in the Development Department.

Mr. Reed asked if Ms. Conny could come to the Council meeting and speak briefly, as she did during a finance committee meeting, and Mr. Yeager said she would.

MOTION – Mr. Reed moved, seconded by Mr. Reynolds, to refer the agreement to City Council, and the motion was adopted by unanimous vote.

HOME RULE – Acting Mayor Santer distributed copies of a letter he wrote to Attorney General Patrick Morrissey concerning the City's plan to reduce B & O taxes. The Home Rule Board submitted a request to Mr. Morrissey's office whereby the Board had expressed concerns about the timing of the implementation. (see document attached) Mr. Santer said he believed we would get a favorable response.

When we get a full-time Mayor, Mr. Santer will suggest that we escrow the B & O money we collect from those companies making reduced payments, and we will hold it until such time as we may have to give it back. The Board is not saying our plan is bad, but they want their decision to follow the legislation.

The State Tax Department is sending out reminders to businesses on how to change their taxing amount from 6% to 7%, and the City is sending out something today. Everyone knew this was coming, Mayor Santer stated.

We will not receive the 1% from the State until October, Ms. Salvage stated, and we should have an answer from the Attorney General by that time.

Ms. Coram asked if we needed to revise the budget, and Mr. Santer said we did not. He suggests we leave everything as is because our plan may be just fine. He is comfortable that the State does not want us to be in a financial crisis. If they do, there will not be another city in the state that will reduce their taxes as much as we did. Other cities have reduced manufacturing, and that is nothing, he said.

This will not be an issue until October, and we will have a finance director by then, the Mayor said. We have taken steps to protect ourselves, some of the equipment and vehicles can wait until we know our answer for sure. We can still provide the services and hold back on the large portions of expenditures.

Councilman Reed asked about the \$500,000.00 loan for housing demolitions, and Mr. Yeager said we had not started it yet – it will be a draw-down. Mayor Santer said we would not begin to draw that money down until we were sure about Home Rule. Overall, we have taken steps to be conservative, he said.

Ms. Coram asked if we had money in contingency if we needed it, and Mr. Santer said we had to be very careful about touching those funds.

Mr. Reed asked about the possibility that we would get the 1% tax from companies that were not within our city limits. Mr. Santer said he thought that was very unlikely – that we had a very good accounting with our data base and unlikely that would occur. Companies can contact our engineering department, who will know if a business is in the city limits or not.

Mr. Santer said this is just information for the committee and does not require any action.

BUDGET REVISIONS – Ms. Salvage offered several clean-up budget revisions within the departments of Mayor, City Attorney, Public Works, Street Cleaning and Sanitation. She explained each line item.

MOTION – Mr. Reed moved, seconded by Mr. Reynolds, to refer the revisions to City Council, and the motion was adopted by unanimous vote.

The meeting adjourned at 8:10 PM.

Respectfully submitted,

The Finance Committee of City Council met Tuesday, June 23, 2015, at 6:30 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 its Chairman, Councilwoman Kim Coram, who presided over the meeting. The clerk noted members attending as Councilmen Jim Reed, JR Carpenter, and Kim Coram.

Others attending included Joe Santer, Chief Martin, Pam Salvage, Dan Huffman, Rickie Yeager, John Rockhold, Roger Brown, Sharon Lynch, and Nancy Wilcox, and several guests in the audience.

There were no minutes to consider this evening.

AUDIT – to continue with Council's oversight, Chairman Coram said they were just keeping track of notations from our last audit by Tetrick and Bartlett for the period ending June 30, 2014. Concerning the bond debt coverage in the parking department, Ms. Coram stated that she would like an email report on the parking revenue fund.

For debt recommendations, Ms. Salvage said that we have given some potential recommendations to PKB for their consideration, which would include a revenue increase.

On capital assets schedules, Ms. Salvage stated that we are currently doing an inventory on vehicles, furniture, IT, and anything over \$500.00.

On our receivable aging reports, Ms. Salvage stated that the finance department sent out letters a month ago for outstanding checks, and after one year they end up at the treasurer's department. On our accounts receivables, we are now archiving those every month.

REVENUE AND EXPENDITURES – Ms. Coram asked for a vendor list – not by number, and Ms. Salvage said we could provide that. Ms. Coram also questioned an expenditure on page 8 concerning drug testing and hepatitis shots. Another question was about \$75.62 on page 10 in building and grounds; page 21, 750-230 \$50.42 for internet; page 23, \$50.41, 751-230 for internet; page 27, 756-230, \$50.41 for internet. Ms. Salvage said she would check to see how the internet charges were being divided between departments.

Chief Martin said if we were charged for business, the cost is more expensive, and they may give us a residential rate at the parks with a business rate in the building.

On page 21, Ms. Coram asked about costs in 750-341 for supplies. Ms. Salvage explained that the City did free labor for sidewalks around the new Transit Authority Office, and the Authority was paying for the materials. These costs were as of June 18th, and there will be more, she said.

On page 32, Ms. Coram asked about \$1,935.00 for the community gardens in the Coal Severance Fund. Ms. Salvage said that that was part of a grant from High Mark.

The large part was being paid out of Coal Severance, so when we received the donation, that is how we did it. There was a \$10,000.00 for community gardens, she said. Ms. Salvage said we had the grant, but it was between the general fund, and we put it where is supposed to be.

Ms. Coram asked for a detailed listing of the coal severance fund.

On page 46, Ms. Coram asked about a \$145.00 expenditure in 421-221, development department. Mr. Yeager said it was for training on housing by the Federal Reserve.

MONTHLY PERSONNEL REPORT – HEAD COUNT, Ms. Coram asked that this be listed as the Payroll Reconciliation Report in the future. Ms. Salvage distributed a two page report and said the head count was what was approved in the budget. It shows the number of employees by department and position openings per department. There could be someone on a leave of absence or someone who did not get a check.

When Ms. Coram stated that we were going to put out how much was spent per department, Ms. Salvage they will see how many checks were cut.

CHARTER AND ORDINANCE REVIEW – There was no update on the administration being a plan to the committee on charter changes at this time.

Ms. Coram said she wanted them to address City Council hiring the auditing firm for the City's annual audit. She thinks it would be stronger if City Council handled the process if they hire and manage, rather than the administration doing their own audit.

That process does include City Council being on the audit committee, Ms. Salvage stated. Councilman Reed said that usually there are two people from City Council on the audit committee. They submit bids and the City receives them, then they go through a score card. They review the qualifications and the scope of what we want to do. All it is is going through the proposals to be sure they have done City audits previously and how many, and what class City. City Council has always been involved and others are welcome.

Ms. Coram said she did not know about that process.

Mr. Reed said he did not know who would want to volunteer being here to do it, since it takes a while to go through the bids. We could have as many people there as they want – but you just take the totals and whoever gets the best scores get the job. No one else on Council has taken an interest previously, he said.

Ms. Salvage said that the State of WV will be doing our audit for 14/15 – they try to be here every three years.

When Mr. Carpenter asked when the last meeting was held to select the audit, they did not know exactly, but Mr. Rockhold stated that the finance director announced in during a council meeting. Mr. Reed said that the Council President has appointed people to be on that committee and it involved the finance director. The development

director was part of it previously. Ms. Coram asked how it was regulated and Mr. Reed said that was where you ask the auditors about the areas we want them to review. If they find something, they will dig deeper, he said. The problem with outside firms is that sometimes they don't do enough municipalities, and our funding is different. Most of the audit firms are experienced, but you don't just pick the lowest bid, he said.

Ms. Coram said that some of Council were not aware of the process, and asked if the process was provided and defined by the State. That may be the finance committee's job, she said. Ms. Salvage said she will make sure everyone knows about the process. Ms. Coram said she has just never seen the people who are being audited as the same people who pick the auditor.

Ms. Lynch asked what role the new finance director would play in choosing the auditor. Ms. Salvage said that someone from the administration and as many council members that want to participate could be in the process. Ms. Lynch said she thinks the finance director should be in charge, and said the new director may want to do it another way. Ms. Reed said that was why the process works.

It is a good idea that the state is doing it this year, Mr. Rockhold added.

Because of the letter from the State Auditor's office, Ms. Coram said she thought we should discuss this now. When the new director is hired, we should find the criteria for the audit.

With the current salary for the new director, we should not get anything less than a CPA, and they should look at it first, Mr. Brown said. Mr. Reed said that when we increased the salary between \$65,000 and \$72,000, we set some standards. We were not given the information or qualifications of the last finance director.

In the job description, it says that we would prefer a CPA, but it is not required. Ms. Lynch said they would bring that up at the next personnel committee meeting.

Ms. Coram said they would like to get the score card or something they can review; and Mr. Carpenter asked the committee, and council, to get their wish lists for City Charter changes, such as language clean-up, and what people are looking at.

City Attorney, Joe Santer, said that members of this committee are the only people looking at changing the charter. Ms. Coram said they were looking at the changes suggested by the State Auditor's Office.

BUDGET REVISIONS – Ms. Salvage said the City Clerk was asking for money to travel to Wheeling for the annual Municipal League meeting in August. She was asking for herself and two councilmen who have indicated they would like to attend.

MOTION – Mr. Reed moved, seconded by Mr. Carpenter, to approve travel for two councilmen and the city clerk, or more if needed, out of the contingency fund into the training and travel line items. (\$250.00 for registration; rooms \$106.00 per night; \$50.00 for gas money if they drive; hotel tax)

MOTION TO AMEND – Mr. Carpenter moved, seconded by Mr. Reed, to amend the motion to allow for the mid-winter meeting in Charleston, also.

The amendment was adopted by unanimous vote.

The motion, as amended, was adopted by unanimous vote.

The meeting adjourned at 7:15 PM.

Respectfully submitted,

Connie Shaffer, City Clerk

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