

AGENDA FOR A FINANCE COMMITTEE MEETING
FOR TUESDAY, OCTOBER 28, 2014, 7:00 PM
EXECUTIVE CONFERENCE ROOM,
SECOND FLOOR, MUNICIPAL BUILDING

(Councilmen Rockhold, Wilcox, Coram, Lynch)

- I. CALL TO ORDER – Chairman, Councilman Jim Reed
- II. ROLL CALL
- III. MINUTES – September 9, 2014
- IV. NEW BUSINESS – request for a budget revision in the amount of \$5,000.00 for Marie's House to Home.
- V. ADJOURNMENT

The Finance Committee of City Council met Tuesday, September 9, 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 its Chairman, Councilman Jim Reed, who presided over the meeting. Those present included Councilmen John Rockhold, Nancy Wilcox, Kim Coram and Jim Reed. Councilwoman Sharon Lynch was absent.

Others included Mayor Robert Newell, Ashley Flowers, Rickie Yeager, JR Carpenter, Dan Huffman, Rick Lemley, Chief Taylor, Chief Martin, John Kelly, Pam Salvage and Mike Reynolds.

MINUTES – Mr. Rockhold moved, seconded by Ms. Wilcox, to approve the minutes from the meeting held June 24, 2014, and the motion was adopted by unanimous vote.

BUDGET REVISION – Ms. Flowers presented the revision for cash carryover and said the final figure which included an increase in revenue and savings in city departments, was \$1,240,064.00. Our grant amount decreased because we received them last fiscal year, and an original figure of \$210,000.00 to pay off capital outlay items was covered from the general fund. \$70,000.00 remains for our sidewalk project.

Expenditures for pensions for the police and fire departments were increased by 10% for police, in addition to the required 7%; and an additional 5% increase for the fire department besides the 7% required.

Councilman Rockhold asked if it would be a mistake for Parkersburg to be part of another state fund for these pensions, and Ms. Flowers said it would be a mistake. If we increase above what we need to, we will be able to pay the pensions. We have seen good gains with our investments, she said, and fifteen years from now if we were with the State, they would be getting that interest. This will put us ahead of the game, she said.

Mayor Newell stated that the police and fire pension boards want to avoid getting into the state fund. We are in a cash flow situation now where we can do this, and we should, he said.

Another \$10,000.00 line item, 409-230-002, was discretionary to promote the City, she said. Mr. Rockhold mentioned that the WVML board meeting would be held in Parkersburg in October, and perhaps some of those funds could be used for that purpose. Mayor Newell said there were also funds needed when the Viet Nam wall came to the City Park.

Ms. Wilcox asked about line item 414-459-000, capital equipment in the Finance Department. Ms. Flowers stated that they were looking for demonstrations from other cities for our finance operation, and she wants it to be

good for long term investment. Ms. Wilcox said she would like to have bills combined for one property owner who has several properties, instead of receiving multiple bills. Ms. Flowers said she is looking at improvements to the business license applications, different human resource plans and perhaps paying bills on-line. Our last system was purchased in 2008 and further updated in 2010. That program was not as good as it should have been, she said.

Another line item in 415-230 for \$33,800.00, contractual services in the city clerk's department, was discussed. Ms. Flowers said they had to revise that department different times, and she wanted money to be available there if needed. Civil Service invoices had been paid from that department last year.

MOTION – Mr. Rockhold moved, seconded by Ms. Coram, to refer the revision on to City Council, and the motion was adopted by unanimous vote.

APPLICATION TO WVHDF – Development Director, Rickie Yeager, told the committee that we were looking at the first 80 properties of the Mayor's demolition and housing plan. The estimated cost is \$843,750.00 and includes 45 houses to be demolished, 15 properties to be acquired and marketed for rehab, and 20 properties to acquire and demolish. This estimate does not include environmental issues, such as asbestos, lead-based paint or materials for making methamphetamines were found.

He said that the WV Housing Development Fund usually only loaned \$150,000.00, but that was for smaller cities. We will be asking for \$500,000.00 for three (3) years, total interest \$9,999.96 because of a \$200,000.00 balloon payment the first year. This would compare to 3.25% fixed rate at a bank for three (3) years, \$100,000.00 down, and interest at \$21,811.31.

After talking with the banks, Mr. Yeager said they have decided that the WVHDF is the most cost effective way to go. This will also allow for other programs for private parties. Year one is 0% interest. Ms. Flowers added that if revenues come in better than expected, we could pay this loan off earlier – we just need the money up front, she said.

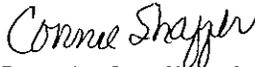
Mr. Rockhold asked how many houses we were ready to demolish tomorrow, since winter is fast approaching. Mr. Yeager said to take property through the B.E.A. takes from 30-90 days. If they think the property could be developed, it goes to URA and another six months. We do not have an exact list, but they want to know they have the resources to begin. The two houses we demolished last week on St. Mary's Avenue were \$28,000.00. Mr. Rockhold thought that because we will be aggressive, people will begin working on their houses.

We have observed some homes being renovated, Mr. Yeager said. There was one sold on Hillcrest Street and other activity in other areas. Our list will evolve, and the HDF knows that, Mr. Yeager said.

MOTION – Mr. Rockhold moved, seconded by Ms. Coram, to forward this plan on to City Council for approval, and the motion was adopted by unanimous vote.

The meeting adjourned at 6:35 PM.

Respectfully submitted,


Connie Shaffer, City Clerk

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