

AGENDA FOR THE MEETING OF THE  
REVENUE ENHANCEMENT COMMITTEE  
WEDNESDAY, SEPTEMBER 29, 2010, 5:00 PM  
SMALL CONFERENCE ROOM, SECOND FLOOR  
MUNICIPAL BUILDING

(Councilmen Lynch, Joyce, Reynolds, and Kimes.)

- I. CALL TO ORDER – Councilman Jim Reed, Chairman
- II. ROLL CALL
- III. MINUTES – Meeting held June 22, 2010
- IV. NEW BUSINESS – Consideration of alternative or additional revenues, as well as present revenues and expenditures.
- V. ADJOURNMENT

The Revenue Enhancement Committee of City Council met Tuesday, June 22, 2010, at 6:00 PM in the small conference room on the second floor of the Municipal Building at One Government Square, Parkersburg, WV 26101.

The meeting was called to order by Councilman Jim Reed, Chairman, who presided over the meeting. Those attending included Councilmen Sharon Lynch, Brad Kimes, and Jim Reed. Councilmen Tom Joyce and Mike Reynolds were absent.

Others included Mayor Robert Newell, John Sandy, Jerry Edman, Chief Chichester, Ann Conageski, Sharyn Tallman, Doug Life, and John Rockhold.

Chairman Reed asked the committee not to focus just on increasing revenues for the City, but also how we could save money. He believes it will be over a period of time that we look at the different ways to save, and increase revenues.

Finance Director, Doug Life, told the committee that given the economic climate, we thought our budget would be about \$500,000.00 short for fiscal year 2010/2011, and we took \$435,000.00 from the capital reserve fund. There are no provisions for capital outlay or equipment, nothing budgeted for anything breaking, or any lawsuits, or auto accidents. If any of these things happen, he said, there are no extra funds.

Mr. Life's predictions for the next year are a budget short by \$1,000,000.00 because products rise, and we will be hit in a number of areas.

There is no extra money for anything and we will need \$1,000,000.00 for a bare bones budget.

Mr. Reed asked about revenues, and Mr. Life said that our Business and Occupation taxes have gone down as the economy has slumped. Projections from the State have been fairly accurate, he said, and we intend to come in within budget plus or minus \$70,000.00.

Mr. Rockhold stated that as people ask us why we are not funding certain things, this is why, and he thinks it will be worse.

Mr. Life said our next year would be tighter than last, and the year after that tighter yet.

Mr. Sandy mentioned that we would be asked to give \$10,000.00 to the Kids First Program during our Council meeting, and Mr. Life stated that in all these cases the money would come from the capital reserve fund. There is about \$500,000.00 there, plus the \$435,000.00 we are using to balance the budget. He said he could see no place to take \$10,000.00 from the general fund. He said we

were coming to the Finance Committee more for budget revisions, and we can't predict things that will break.

Mr. Sandy asked how long it would be before we shuffle in the next budget and move funds, and Mr. Life said as we need it we will pull it from the \$435,000.00 that Council has approved.

We need to be proactive, Mr. Reed stated, and not wait until it is time to balance the budget for 2011/2012. We need to explore what opportunities we have, and not just look at revenue, but expenditures also. It is our mission to find what is available to us. We have compiled information from the Municipal League on what we might be able to explore, he said.

Mr. Reed asked for an explanation of the 2% utility tax, and Mr. Life explained it was a fee on all utility bills as a surcharge. The advantage is that it is not noticed a lot. The disadvantage is there would not be as much collected from the utility tax, and he estimates about \$1,000,000.00.

Mayor Newell stated the utility tax is on the utility companies, and they pass it on to their customers.

Councilman Rockhold asked if we should explore the utility tax, the Mayor said that when you look at the other cities, we should look at it. Parkersburg is the only major City that does not have the utility tax. But, he said, we would want to explore all ideas.

The service fee would generate \$2.00 for \$1.00 of utility tax, Mr. Life stated. If we charged \$2.00 per week for every worker in the City, we would generate about \$2,000,000.00, he said.

We need ideas of how we want to approach costs savings as well as revenues, Mr. Reed stated.

Ms. Lynch said we were given a lot of information and we need to review it in more detail.

Mayor Newell said he has said before that residents and businesses pay a lot now and he would like to see a way that they don't take the brunt of the increase.

Mr. Rockhold suggested we could modify the building permits and business licenses.

MOTION – Mr. Kimes moved, seconded by Ms. Lynch, that the suggestion goes to any department where they could look at where they are losing money, and the motion was adopted by unanimous vote.

Mr. Rockhold asked if we charge for re-inspection fees, and Mr. Edman said that has never been practiced in Parkersburg. Mr. Rockhold said we needed to look at what the Mayor has proposed for the user fee.

Mayor Newell said we should reduce the fees on the police and fire departments across the board.

The committee asked the Mayor and Mr. Life to give them more direction because they can't take anything off the board. Mayor Newell added that we did not know how accurate the Department of Labor figures were when we have to estimate fees from the user fees.

About the time line, Mr. Life stated that he does not know about the things we can't predict, but whatever we do want it in place before we need it. We should study our materials and do something before the budget is put together.

The meeting adjourned at 6:40 PM.

Respectfully submitted,

Connie Shaffer, City Clerk

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