

**AGENDA FOR A FINANCE COMMITTEE MEETING
TO BE HELD TUESDAY, February 9, 2016,
6:45 PM, SMALL CONFERENCE ROOM,
SECOND FLOOR, MUNICIPAL BUILDING**

(Councilmen Reed, Bigley, Brown, and Rockhold)

- I. CALL TO ORDER – Councilwoman Nancy Wilcox, Chairman**
- II. ROLL CALL**
- III. MINUTES – meeting held January 26, 2016**
- IV. NEW BUSINESS**
 - 1. Resolution creating Financial Stabilization Fund.**
 - 2. Requesting budget revision to fund salaries for new positions of Sanitation Supervisor, and Street Supervisor.**
- V. ADJOURNMENT**

The Finance Committee of City Council met Tuesday, January 26, 2016 at 6:30 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 its Chairman, Councilwoman Nancy Wilcox, who presided over the meeting. The Clerk noted the attendance and those present included Councilmen Jim Reed, Warren Bigley, Roger Brown, John Rockhold, and Nancy Wilcox.

Others attending included Mayor Jimmy Colombo, Eric Jiles, Pam Salvage, Joe Santer, Rick Lemley, Rickie Yeager, Sharon Lynch, Kim Coram, JR Carpenter, and other guests.

MINUTES – Mr. Reed moved, seconded by Mr. Bigley, to approve the minutes from the meetings held December 8, 2015 and December 15, 2015, and the motion was adopted by unanimous vote.

BUDGET REVISION \$2,030,925.00 – Finance Director, Eric Jiles, explained the revision in detail, line item by line item (see attached revisions). He said he mentioned in September 2015 that it would be necessary to revisit the revenue for fiscal year 15/16 but he was not prepared to make revisions at that time. We have six months of data now and he has found that we have a revenue revision of about \$3,000,000.00 that was not included in the budget. Of that amount, \$2.2 million is to be appropriated to cover expenditures that also were not in the budget.

B & O taxes are being increased because \$265,000.00 additional has been collected and we will be up to \$9,194,284 for B & O revenue. That is a conservative figure but we can absorb downward in the next six months.

On the 1% sales tax revenue it is currently estimated to be \$3,100,000 and he wants it to be \$4,600,000. We have five months in payments which is \$2,200,000 and puts us on pace for \$4,500,000 or \$5,000,000 for the year. This is a volatile number, he said. He expects there was an increase over the holidays and he is not sure how it will slow down in the winter and spring.

He explained line item 330-000-000 which is IRP truck fees we collect because of the trucks that drive through our City. He called the State about it and that was a make-up payment because the DMV was behind and that is why it is higher. This year it is at \$170,000.00, he said. That amount won't be \$200,000 next year and it will then be more consistent.

On the sanitation fees, fire fees, and police fees, he moved penalties and interest out of those line items and broke them away separately.

On the capital lease revenue, 377-000-000, he said we needed to budget the revenue and expenses for the packer trucks in sanitation. That was the same earlier for the fire truck and police cars, he explained.

Line item 381-000-002 for \$200,000.00 are for drawdowns that were not in the budget for the housing development fund.

Line item 399-436, grass and weeds, we estimated receiving \$856.00. There was a change in accounting and billing and we had only recognized what we had received and not what we had billed. The collection is low so there is a bad debt write-off. We also have a discount program, and we will begin proceedings through the court system.

Mr. Reed stated that the two main revenue drivers for our budget are B & O and the 1% sales tax, which are driven by the consumer spender. The oil industry is changing, also. He asked Mr. Jiles if he expected the revenue to go down. Mr. Jiles said he feels for the next six months, these are safe projections. Anything tied to oil will suffer, Mr. Reed said, and asked if Mr. Jiles could have been high on projections.

Mr. Jiles said he was not high on projections. If we collect the next three quarters like the first quarter, we will come in at \$9,400,000 for the year in B & O. He said he has looked back three years for the variance in quarters to see how much it fluctuates, and they do, but only by 2% plus or minus, he said.

Our fund balance is decreased to \$769,000.00, and we have an OPEB liability of \$455,000. The OPEB liability is the cost of health care provided to retirees compared to the amount we actually paid. In 2011 the State Legislature required us to show it on our financial statements.

All other line items were discussed in detail, including the proposal for a \$540,897.00 stabilization fund, parking bond payoff estimate, and storm water drainage projects.

MOTION – Mr. Rockhold moved, seconded by Mr. Reed, to approve the revision and forward to City Council, and the motion was adopted by unanimous vote.

Another budget revision for \$213,037.00 was for past bills that need to be paid (attached).

MOTION – Mr. Reed moved, seconded by Mr. Rockhold, to adopt the revision and forward to City Council, and the motion was adopted by unanimous vote.

The meeting adjourned at 7:25 PM.

Respectfully submitted,


Connie Shaffer, City Clerk

*FROM:
Jan. 26, 2015
minutes*

RESOLUTION

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PARKERSBURG that the Mayor, or his designee, be authorized to request approval from State Auditor's Office for the following budget revision within the General Fund for the Fiscal Years 2015-2016 prior to the expenditure or obligation of funds for which no appropriation or insufficient appropriation currently exists, and to make said budget revisions upon the State Auditor's approval:

GENERAL FUND

Fund	Account	Description	Revenue Increase/ (Decrease)	Expenditure Increase/ (Decrease)	Fund Source / Description
001	301-002-000	PROPERTY TAX - PRIOR YEAR	12,976.00		Estimate of FYE revenue
001	303-001-000	GAS & OIL TAX STATE OF WV	38,494.00		Estimate of FYE revenue
001	305-000-000	BUSINESS & OCCUATION TAXES	265,422.00		Estimate of FYE revenue
001	306-000-000	WINE & LIQUOR TAX	26,889.00		Estimate of FYE revenue
001	308-000-000	HOTEL OCCUPANCY TAX	37,000.00		Estimate of FYE revenue
001	314-000-000	MUNICIPAL SALES TAX	1,250,961.00		Estimate of FYE revenue
001	320-000-000	FINES, FEES & COURT COSTS	80,000.00		Estimate of FYE revenue
001	325-000-000	LICENSES	(30,000.00)		Estimate of FYE revenue
001	326-000-000	BUILDING PERMIT FEES	15,000.00		Estimate of FYE revenue
001	330-000-000	IRP TRUCK FEES	162,356.00		Estimate of FYE revenue
001	350-000-000	SANITATION FEES	37,000.00		Estimate of FYE revenue
001	351-000-000	POLICE PROTECTION FEES	(49,000.00)		Estimate of FYE revenue
001	352-000-000	FIRE PROTECTION FEES	110,532.00		Estimate of FYE revenue
001	361-000-010	FEE PENALTIES & INTEREST	115,200.00		Estimate of FYE revenue
001	366-000-000	STATE GRANTS	14,500.00		Estimate of FYE revenue
001	368-000-000	CONTRIBUTIONS FROM OTHER ENTITIES	(23,990.00)		Estimate of FYE revenue
001	377-000-000	CAPITAL LEASE REVENUE	273,926.00		Estimate of FYE revenue
001	380-000-000	INTEREST EARNED ON INVESTMENTS	2,024.00		Estimate of FYE revenue
001	381-000-001	REIMBURSEMENTS - WVSBDC	13,322.00		Estimate of FYE revenue
001	381-000-002	REIMBURSEMENTS - WVHDF	200,000.00		Estimate of FYE revenue
001	381-706-000	REIMBURSEMENTS - FIRE OFF-DUTY	1,000.00		Estimate of FYE revenue
001	383-000-000	SALE OF FIXED ASSETS	5,000.00		Estimate of FYE revenue
001	386-000-000	INSURANCE CLAIMS	1,000.00		Estimate of FYE revenue
001	399-409-001	MISC REVENUE - PT PARK MARKET	27,732.00		Estimate of FYE revenue
001	399-436-000	MISC REVENUE - DEMO COST	2,000.00		Estimate of FYE revenue
001	399-436-005	GRASS & WEEDS CLEAN UP	188,812.00		Estimate of FYE revenue
001	399-436-010	GRASS & WEEDS DISCOUNTS	(3,800.00)		Estimate of FYE revenue
001	399-706-000	FIRE CLEAN UP	5,658.00		Estimate of FYE revenue
001	399-750-001	SIDEWALK PROJECT REVENUE	20,000.00		Estimate of FYE revenue
001	299-00	FUND BALANCE	(769,089.00)		FY15 Actual Surplus Adjustment
001	409-568-010	CONTRIBUTIONS - BLENNERHASST ISLAND		2,500.00	Contribution - Antenna
001	410-212-000	OUTSIDE PRINTING		2.00	Estimate of FYE Expenditure
001	414-111-005	OPEB - GENERAL GOVERNMENT		92,552.00	Estimate of FYE Expenditure
001	414-111-010	OPEB - PUBLIC SAFETY		252,566.00	Estimate of FYE Expenditure
001	414-111-015	OPEB - STREETS & TRANSPORTATION		71,319.00	Estimate of FYE Expenditure
001	414-111-020	OPEB - SANITATION		38,563.00	Estimate of FYE Expenditure
001	414-229-000	COURT COSTS		7,000.00	Estimate of FYE Expenditure
001	414-676-000	BAD DEBT EXPENSE		200,000.00	G&W & A/R W/O Estimate
001	416-211-000	TELEPHONE EXPENSE		125.00	Estimate of FYE Expenditure
001	416-230-000	CONTRACTUAL SERVICES		1,899.00	Estimate of FYE Expenditure
001	417-229-000	COURT COSTS		750.00	Estimate of FYE Expenditure
001	420-211-000	TELEPHONE EXPENSE		350.00	Data Service Reclassification
001	420-216-000	MAINTENANCE & REPAIR		(2,100.00)	Rental Pmt Reclassification
001	420-219-000	BUILDING & EQUIPMENT RENTS		2,100.00	Rental Pmt Reclassification
001	420-230-000	CONTRACTUAL SERVICES		(350.00)	Data Service Reclassification
001	436-230-000	CONTRACTUAL SERVICES		200,000.00	Demolition Cost Estimate
001	436-345-000	UNIFORMS		700.00	Estimate of FYE Expenditure

FROM:
JANUARY 26,
2016
MINUTES

Fund	Account	Description	Revenue Increase/ (Decrease)	Expenditure Increase/ (Decrease)	Fund Source / Description
001	436-567-000	CONTRIBUTIONS - OTHER GOVT		100,000.00	WVHDF Repayments
001	440-230-003	CONTRACTUAL SERVICES - MUSIC FEST		2,500.00	Estimate of FYE Expenditure
001	440-458-000	CAPITAL OUTLAY - OTHER IMPROVEMENTS		8,000.00	Estimated Dog Park Expense
001	444-566-005	CONTRIBUTIONS - PARKING FUND		95,494.00	Parking Bond Payoff Transfer
001	444-566-000	CONTRIBUTIONS - CAPITAL RESERVE		11,600.00	Capital Reserve Repayment
001	444-566-010	CONTRIBUTIONS - STABILIZATION FUND		540,897.00	Stabilization Fund Transfer
001	700-103-304	SALARY - LIEUTENANT		(10,000.00)	Civilian Fleet Mgr Position
001	700-103-315	OTHER SALARIES		10,000.00	Civilian Fleet Mgr Position
001	700-214-000	TRAVEL		7,000.00	Estimate of FYE Expenditure
001	700-217-000	MAINTANENCE & REPAIR - AUTOS		5,000.00	Estimate of FYE Expenditure
001	700-221-000	TRAINING & EDUCATION		5,000.00	Estimate of FYE Expenditure
001	700-222-000	DUES & SUBSCRIPTIONS		500.00	Estimate of FYE Expenditure
001	700-228-000	FREIGHT		1,000.00	Estimate of FYE Expenditure
001	700-341-000	DEPARTMENTAL SUPPLIES		3,500.00	Estimate of FYE Expenditure
001	700-341-412	DEPT SUPPLIES - TACTICAL		5,000.00	Estimate of FYE Expenditure
001	700-341-416	DEPT SUPPLIES - K9		3,000.00	Estimate of FYE Expenditure
001	700-343-001	AUTO SUPPLIES - GASOLINE		(50,000.00)	Departmental Reallocation
001	700-459-000	CAPITAL OUTLAY - EQUIPMENT		20,000.00	Unmarked Cruiser Replacement
001	714-345-000	UNIFORMS		500.00	Estimate of FYE Expenditure
001	750-220-000	ADVERTISING & LEGAL PUBLICATIONS		400.00	Estimate of FYE Expenditure
001	750-341-003	DEPARTMENTAL SUPPLIES - SIDEWALK		20,000.00	Sidewalk Program Exp Estimate
001	750-458-001	CAPITAL OUTLAY - STORMWATER		75,000.00	Draining Project Estimate
001	751-220-000	ADVERTISING & LEGAL PUBLICATIONS		100.00	Estimate of FYE Expenditure
001	751-345-000	UNIFORMS		800.00	Estimate of FYE Expenditure
001	754-230-000	CONTRACTUAL SERVICES		2,800.00	Estimate of FYE Expenditure
001	754-345-000	UNIFORMS		1,800.00	Estimate of FYE Expenditure
001	756-216-000	REPAIR & MAINTENANCE - EQUIP		2,000.00	Estimate of FYE Expenditure
001	756-345-000	UNIFORMS		2,000.00	Estimate of FYE Expenditure
001	800-103-008	OVERTIME EXPENSE		25,000.00	Overtime & Supplies Revision
001	800-216-000	REPAIR & MAINTENANCE - EQUIP		2,000.00	Overtime & Supplies Revision
001	800-230-000	CONTRACTUAL SERVICES		(20,000.00)	Overtime & Supplies Revision
001	800-341-000	SUPPLIES & MATERIALS		14,632.00	Overtime & Supplies Revision
001	800-343-001	AUTO SUPPLIES - GASOLINE		(15,000.00)	Overtime & Supplies Revision
001	800-459-000	CAPITAL OUTLAY - EQUIPMENT		273,926.00	Packer Truck Lease/Purchase
001	901-568-000	CONTRIBUTIONS - WCCVB		18,500.00	Estimate of FYE Expenditure
			2,030,925.00	2,030,925.00	

FROM:
Jan. 26, 2016
minutes

RESOLUTION

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GENERAL FUND

<u>Fund</u>	<u>Account</u>	<u>Description</u>	<u>Revenue Increase/ (Decrease)</u>	<u>Expenditure Increase/ (Decrease)</u>	<u>Fund Source / Description</u>
001	314-000-000	MUNICIPAL SALES TAX	213,037.00		Estimate of FYE revenue
001	414-226-000	AUTO & LIABILITY INSURANCE		3,500.00	FYE Deductible Estimate
001	421-230-000	CONTRACTUAL SERVICES		7,500.00	Website Expenditure
001	421-568-000	OTHER CONTRIBUTIONS		15,884.00	Pass-thru Grant Expenditures
001	440-459-000	CAPITAL OUTLAY - EQUIPMENT		7,000.00	Council Chambers HVAC Unit
001	700-226-000	AUTO & LIABILITY INSURANCE		20,000.00	FYE Deductible Estimate
001	706-217-000	REPAIR & MAINTENANCE - AUTO		3,068.00	FY 15 Matheny Payment Due
001	750-459-000	CAPITAL OUTLAY - EQUIPMENT		108,960.00	PFY Dump Truck Payment Due
001	756-230-000	CONTRACTUAL SERVICES		47,125.00	FY 14 3M Payment Due
			<u>213,037.00</u>	<u>213,037.00</u>	

FOR: FEB 9, 2016
COMMITTEE
MEETING

RESOLUTION

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GENERAL FUND

Fund	Account	Description	Revenue Increase/ (Decrease)	Expenditure Increase/ (Decrease)	Fund Source / Description
001	750-103-000	DEPARTMENT HEAD SALARY		11,748.00	STREET SUPERVISOR
001	750-106-000	RETIREMENT		1,586.00	STREET SUPERVISOR
001	750-104-000	FICA		8,987.00	STREET SUPERVISOR
001	750-226-005	WORKERS COMP		215.00	STREET SUPERVISOR
001	750-105-000	HEALTH INSURANCE		2,667.00	STREET SUPERVISOR
001	800-103-000	DEPARTMENT HEAD SALARY		11,748.00	SANITATION SUPERVISOR
001	800-106-000	RETIREMENT		1,586.00	SANITATION SUPERVISOR
001	800-104-000	FICA		8,987.00	SANITATION SUPERVISOR
001	800-226-005	WORKERS COMP		215.00	SANITATION SUPERVISOR
001	800-105-000	HEALTH INSURANCE		2,667.00	SANITATION SUPERVISOR
001	800-219-000	BUILDING & EQUIP RENTS/LEASE		(50,406.00)	

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**Resolution Creating And
Establishing The City of Parkersburg
Financial Stabilization Fund**

Whereas the City has determined that it should maintain a prudent level of financial resources to try to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls, unpredicted one-time expenditures or emergency situations; and

Whereas the creation, maintenance and use of a financial stabilization fund will provide the City with assistance to meet these challenges, as well as enable It to improve Its financial management and practices.

Now Therefore Be It Resolved By The Council Of The City of Parkersburg that there be and it is hereby created and established the City of Parkersburg Financial Stabilization Fund in accord with West Virginia Code § 8-37-1 et seq.

Be It Further Resolved as follows:

- (a) City Council may appropriate a sum to the Fund from any surplus in the general fund at the end of each fiscal year or from any other appropriation, gifts, grants and any other funds made available;
- (b) The amount of money in the Fund may not exceed thirty (30) percent of the City's most recent general fund budget, as originally adopted. When the Fund exceeds the thirty (30) percent, Council shall transfer the excess to any fund it considers appropriate;
- (c) City Council may invest the money in the Fund as it considers appropriate, with the earnings retained by the Fund; and
- (d) City Council may appropriate money in the Financial Stabilization Fund upon a majority vote for the following purposes:
- (1) To cover a general fund shortfall; or
 - (2) Any other purpose City Council considers appropriate.

SPONSORED BY COUNCILMEN: