

AGENDA FOR A FINANCE COMMITTEE MEETING
FOR WEDNESDAY, OCTOBER 17, 2018
5:00 PM – MEEKS CONFERENCE ROOM
SECOND FLOOR, MUNICIPAL BUILDING

(Councilmen Reynolds, Kuhl, McCrady and Fox)

- I. CALL TO ORDER – Councilman Zach Stanley, Chairman
- II. ROLL CALL
- III. MINUTES – meeting held July 5, 2018
- IV. NEW BUSINESS
 1. Seven (7) budget revisions for fund balance purposes.
- V. ADJOURNMENT

The Finance Committee of City Council met Thursday, July 5, 2018 at 5:00 PM in the Meeks 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, Councilman Zach Stanley, who presided over the meeting. Members attending included Councilmen Mike Reynolds, Sharon Kuhl, Dave McCrady and Jeff Fox.

Others attending were Mayor Tom Joyce, Everett Shears, Adam Stout, Eric Jiles, Rickie Yeager, Chief Matthews, Joe Santer, Sonni Wallace, Eric Barber and John Reed.

MINUTES – Mr. Reynolds moved, seconded by Ms. Kuhl, to approve the minutes from the meeting held June 4, 2018 and the motion was adopted by unanimous vote.

CARRYOVER FOR PAVING AND SLABS, budget revision – Mayor Tom Joyce distributed information with paving comparison from 2017 and 2018 prices, prepared by City Engineer, Adam Stout. The installation price per ton in 2017 for asphalt was \$94.56 across the board; and for 2018 it was \$148.52 per ton. The only significant change was the adjustment of inlet, manhole and valve box, he said. The bottom line is, he said, if we want to proceed, the cost went up by 1/3. We received two bids and we usually only receive one.

Ms. Kuhl asked for more information so she could understand. The newspaper printed a statement from Finance Director, Eric Jiles, that we paid \$66.00 per ton last year and the unit price this year is \$101.50. She said she called Kelly paving and they told her the price varied between \$61.00 and \$68.00 per ton depending on what it was being used for. She said she would like to see the bids to see how the price was broken down, with the price and the labor separate, as she does not want the citizens to be confused. If we say the cost is \$101.50 a ton, we need to clarify if it includes labor. She thought the newspaper article was misleading.

Mr. Jiles stated that the price of \$101.50 per ton includes asphalt and labor, related to demand throughout the State. Mr. Stout said you have to lay the asphalt down and roll it out and make a finished job.

Anyone can call a contractor, Mayor Joyce stated, but the bigger concern is when we put the bid out it is on the DOH specs on the mix. The installation prices is all that matters, and this year it will include traffic control because they have to move the equipment. We got two bids and our concern should be on the inspection, as we have not inspected the mix for years, he said. After the Road Bond passed in WV last November, the State has done more paving this year than all of the last paving season. We talked about re-bidding, but the first 25 street projects this year did not make it last year, and he does not know how we can get a better price. The contractor will tell us to pave miles closer together because there is a cost associated with repositioning all their equipment.

Mr. Jiles told the committee that he is confident that we will have enough in surplus to increase the total paving amount by \$568,000.00 and do everything on the contract for paving as well as slab replacements.

Three months ago, City Council approved to move \$900,000.00 from the Memorial Bridge to help with the paving temporarily, Ms. Kuhl stated, and asked why we couldn't use that money now. She said she was not comfortable not knowing the exact amount we will have in the carryover.

That money is going back to the Memorial Bridge this year, Mr. Jiles stated. The \$2,170,000 as the total amount for paving and slab replacement includes the bridge money, capital reserve plus surplus of \$568,000.00, and he would not present the budget revision to them if he was not sure. The money will go back to the bridge and it will be a net wash, he said.

Mr. Reynolds asked if next year we could consider milling and repairing some side streets instead of having so many streets to be blacktopped every 15 years, and if there were any streets we could look at for that purpose. Mr. Stout said that he would not recommend that because asphalt on top of concrete seals the street. Mr. Reynolds asked about some major repairs and when the paving will begin, and Mr. Stout said he did not think it would be quick.

When Mr. Stanley asked if we could take the concrete project off the table, Mayor Joyce stated that we were always behind on slab replacements and concrete streets. Until \$1.8 billion is spent by the State of WV, this is what we should be doing, he said, and as much as we can.

But, Mr. Stanley said, to what extent – we are not paving as much as last year, and his thinking is that maybe we should cut back because we are wasting our money. Scale back for a few years until the price goes down on asphalt.

Mayor Joyce said that when he was on Council, they spent \$400,000.00 on streets, and doing this would be going in reverse. We are doing a lot of good work with these projects, and he does not want to go back. We based the estimate on last year, he said.

We have received criticism about the police and fire fee increases, Mr. Reed stated, but last year we started to get caught up. Our legacy will be that we accomplished a lot – don't stick another Council by kicking the can down the road. We would just complicate it, and we should stick with our plan.

\$2,100,000.00 is a record amount of paving, Mr. Barber said, but asked if we were getting the same amount of work done, and if we were still using the matrix. The Mayor said that Engineering turns the lists over to him and we use the same criteria of the micro paver. Mr. Stout said that we started a map and he hopes we can continue with the micro paver.

Our citizens' priority is about streets, Mr. Reed stated. It is hard to advocate re-prioritizing when we see the number of requests for streets. We should fund streets, then look at other things. Mr. Fox stated that we should not cut the concrete projects because some of the slabs are undermined and breaking into pieces.

MOTION – Ms. Kuhl moved, seconded by Mr. McCrady, to approve the resolution and forward to City Council for adoption, and the motion was adopted by unanimous vote.

Ms. Kuhl said it was a surprise that we needed an additional \$580,000.00 for streets, and she is concerned about the cost of paving.

BUDGET REVISION - \$150,000.00 for fire station; \$10,400 for fire dept. assistant; and \$500.00 for Movies in the park program:

MOTION TO DIVIDE – Mr. Reynolds moved, seconded by Mr. Fox, to divide the question and vote on the 3 items separately, and the motion was adopted by unanimous vote.

\$150,000.00 for fire station – Mr. Jiles told the committee that we had four bids on the fire station, two were \$1.7 million, another \$2 million and the low was \$1.5 million, which is what we applied for through HUD Section 108 loan program. We can use CDBG funds to help repay that loan, but we are not left with any contingency. We have the potential for change orders and we do not have any funds for any of the alternates such as the generator or other things, he said.

Mr. Stanley asked how much we had in the CD fund for this purpose, and Mr. Yeager said we would be borrowing against our future allocations. HUD does not care how we pay it back, he said.

The payment of the principle and interest will be paid from the general fund and CDBG, Mr. Jiles stated. As we pay off the Riverfront loan, we will use those funds, and that helps the general fund in every way.

Mr. Reed recalled that Wood County had a contingency fund when they build the justice center. Sometimes there are things the architect just didn't know about, he said, and the project can slow down until we appropriate more money.

The contractor will know we have the extra money, Mr. Stanley stated.

We had a bid that was legal and a contract to match it, Mr. Jiles stated, and we can't change that. Anytime there is a change order, it will have to be approved. We have a firm to evaluate change orders, and our engineer also, to be sure they are vetted.

Councilmen McCrady and Barber stated that Pickering was an excellent company, and Mr. McCrady said he did not think there would be change orders. Mr. Jiles said that if we use any alternates, those costs will be on the front end.

MOTION – Ms. Kuhl moved, seconded by Mr. Fox, to approve the resolution and forward to City Council for adoption, and the motion was adopted by majority vote with all members voting “yes” with the exception of Mr. McCrady, who voted “no”.

\$10,400.00 AND \$500.00 – Mr. Jiles stated that they wanted to move \$500.00 to WV Family Resources to allow for Movies in the Park.

In the Fire Department, the previous long-time administrative assistant retired last September, 2017, and the department has done a lot to pick up the slack. Captains are helping with payroll, and the restricted duty men help also. The Finance Department loaned one of their employees for a while. Mayor Joyce told Chief Matthews if it could be budget-neutral that he would allow for a part-time assistant at \$10.00 per hour, 20 hours per week.

Mayor Joyce told the committee that we have cut two police officers and a recreation supervisor, and we have cut \$196,000 in longevity, and we are making progress toward personnel savings. Chief Matthews is also picking up a lot of the slack, he said.

We have managed since last September, Mr. Stanley stated, so we should be able to manage without that position. City Attorney, Joe Santer, said we have not managed, there are things that the Chief lets go, and it is not fair to ask him to be the Chief and not have an assistant. The Chief is not doing his job because he is doing secretarial duties. We have managed poorly, he said, and we can't have firemen doing this work. This is being terrible unfair to the Fire Department, and to the Chief, he said.

Ms. Kuhl agreed that it was unfair. Chief Matthews is the only department head who does not have an assistant, and she would like for the position to be full time. This is unfair to Chief Matthews and she would like it to be full time.

Answering the phone is important, Mr. Fox stated, and he asked how else the position would assist. Chief Matthews said they would be the personnel issue liaison. That office is located where people walk in from the outside looking for assistance and he gets up about 10 times a day to give directions. He said he could not be there all the time. There is a lot of work with reports, and he has been scanning personnel files that he does not want the firemen to do. The assistant will schedule physicals, take care of correspondence and civil service commission issues.

Mr. Barber stated that the Chief's role in our community is for live-saving reasons, and it is more than unfair and disrespectful in not getting him the same assistance as the other department heads. He needs this to complete his job, he said.

MOTION – Ms. Kuhl moved, seconded by Mr. Fox, to approve the part time assistant and the \$500 for movies in the park and refer to City Council, and the motion was adopted by unanimous vote.

City Council referred four ordinances to this committee recently that would allow for a 1 ½% discount for police, fire, sanitation and floodwall fees if paid in full prior to the due date.

MOTION – Mr. Reynolds moved, seconded by Mr. McCrady, to refer the ordinances back to City Council for approval.

Mayor Joyce said that he had proposed this discount because of people who pay in advance, but still receive bills monthly. Wood County has a 2 ½% discount, and he knows it won't be used by a lot of people, but it is an opportunity.

Mr. McCrady said he would rather see 3 or 4%. Mr. Jiles' estimate currently is \$50,000.00 for the savings incentive of 1 ½%, a marginal savings, he said.

Most of our citizens live week to week, Mr. Fox stated. We should give a savings to our senior citizens. Mr. Stanley said that 10% was too much for a late fee, and Mr. Jiles explained that the 10% is an incentive to pay monthly. The City does not have a cash flow problem. The 1 ½% is something they are offering as an option, he said.

Most people won't do it for 1 ½%, Mr. Reed said, but the big companies will take the most advantage, and this is one way we show we are doing something.

VOTE – the motion was adopted by majority vote with all members voting "yes" with the exception of Mr. Fox, who voted "no".

The meeting adjourned at 6:25 PM.

Respectfully submitted,

Connie Shaffer, City Clerk

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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 2018-2019 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

Account	Description	Current Budget	Proposed Adjustment	Revised Budget	Comments
FUND BALANCE					
299-00	FUND BALANCE	9,281,832	341,230	9,623,062	FY18 SURPLUS APPROPRIATION
MAYOR'S OFFICE					
409-223-000	PROFESSIONAL SERVICES	32,000	3,000	35,000	GRANT WRITING SERVICES
DEVELOPMENT					
421-230-000	CONTRACTUAL SERVICES	127,750	37,500	165,250	LRS SERVICES
CONTRIBUTIONS TO OTHER GOVERNMENTS					
444-567-025	CONTRIB - STATE OF WV	-	31,250	31,250	WVDOH MULTI-USE TRAIL GRT MATCH
CODE ADMINISTRATION					
436-230-000	CONTRACTUAL SERVICES	85,000	34,180	119,180	DEMOS & GRASS/WEEDS MOWING SVS
TRANSFERS TO OTHER FUNDS					
444-566-001	TRANSFERS TO CAPITAL RESERVE	2,324,010	59,925	2,383,935	TRANSFER TO CAP RES - SIGN TRUCK
POLICE DEPARTMENT					
700-353-000	COMPUTER SOFTWARE	-	76,591	76,591	RMS IMPLEMENTATION SERVICES
STREET DEPARTMENT					
750-230-000	CONTRACTUAL SERVICES	7,500	24,103	31,603	SIDEWALK PROGRAM CONTRACTED SVS
STREET CLEANING & SNOW REMOVAL					
756-341-007	SUPPLIES - SALT	40,000	21,268	61,268	FINAL FY18 SALT CONTRACT ORDER
PARKS & RECREATION					
900-230-000	CONTRACTUAL SERVICES	34,500	23,413	57,913	ENV REVIEW, 7/4 FIREWORKS
900-458-000	CAPITAL OUTLAY - OTHER	-	30,000	30,000	MULTI-USE TRAIL LAND PURCHASE
			<u>341,230</u>		
			<u>-</u>		

The above resolution proposes to reappropriate the portion of the FY18 General Fund balance that is already encumbered from prior appropriations and for which the City is contractually obligated to fulfill.

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 2018-2019 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

Account	Description	Current Budget	Proposed Adjustment	Revised Budget	Comments
FUND BALANCE					
299-00	FUND BALANCE	9,623,062	534,041	10,157,103	FY18 SURPLUS APPROPRIATION
STORMWATER MANAGEMENT					
805-230-000	CONTRACTUAL SERVICES	116,000	263,000	379,000	REHAB OF EXISTING DRAINAGE SYSTEMS
805-458-000	CAPITAL OUTLAY - IMPROVEMENTS	9,000	<u>271,041</u>	280,041	CONST. OF NEW DRAINING SYSTEMS
			<u>534,041</u>		
			<u>-</u>		

The above resolution proposes to revise the FY19 General Fund budget to reappropriate \$523,000, representing a partial amount of the anticipated FY18 budget surplus, in the Stormwater Management Division for the purposes of rehabilitating various existing drainage systems and the construction of new drainage systems.

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 2018-2019 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

Account	Description	Current Budget	Proposed Adjustment	Revised Budget	Comments
FUND BALANCE					
444-566-420	FUND BALANCE	10,157,103	260,337	10,417,440	FY18 SURPLUS APPROPRIATION
POLICE DEPARTMENT					
700-103-303	CAPTAIN SALARY	108,638	6,898	115,536	PD PAY RATE ADJUSTMENT
700-103-304	LEIUTENNANT SALARY	245,419	17,245	262,664	PD PAY RATE ADJUSTMENT
700-103-305	SERGEANT SALARY	391,789	31,041	422,830	PD PAY RATE ADJUSTMENT
700-103-309	PATROLMEN SALARY	2,131,709	195,622	2,327,331	PD PAY RATE ADJUSTMENT
706-104-000	FICA EXPENSE	79,231	3,637	82,868	PD PAY RATE ADJUSTMENT
706-226-005	WORKERS COMP PREMIUM	87,440	5,894	93,334	PD PAY RATE ADJUSTMENT
			260,337		
			-		

The above resolution proposes to revise the FY19 General Fund budget to reflect a pay rate adjustment for the Police Department.

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 2018-2019 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

Account	Description	Current Budget	Proposed Adjustment	Revised Budget	Comments
FUND BALANCE					
444-566-420	FUND BALANCE	10,417,440	908,568	11,326,008	FY18 SURPLUS APPROPRIATION
INFORMATION TECHNOLOGY					
414-230-050	CONTRACTUAL SERVICES - IT	5,000	(5,000)	-	REALLOCATE TO 414-341-050
414-341-050	DEPARTMENTAL SUPPLIES - IT	3,000	59,000	62,000	NETWORK BUILDOUT (PARKS/REMOTE)
414-459-000	CAPITAL OUTLAY - EQUIPMENT	12,000	16,000	28,000	CORE UPGRADE; HIGH CAPACITY STG
DEVELOPMENT					
421-230-000	CONTRACTUAL SERVICES	127,750	10,000	137,750	MASTER PLAN EST
TRANSFERS TO OTHER FUNDS					
444-566-001	TRANSFER OUT - CAPITAL RESERVE	2,324,010	64,000	2,388,010	TRANSFER TO CAPITAL RESERVE
444-566-036	TRANSFER OUT - USER FEE FUND	1,501,700	454,740	1,956,440	TRANSFER TO USER FEE FUND
POLICE DEPARTMENT					
700-106-000	RETIREMENT EXPENSE	2,532,159	100,000	2,632,159	ADDT'L PD PENSION CONTRIBUTION
FIRE DEPARTMENT					
706-106-000	RETIREMENT EXPENSE	2,419,873	100,000	2,519,873	ADDT'L FD PENSION CONTRIBUTION
706-458-000	CAPITAL OUTLAY - OTHER	-	70,000	70,000	STATION #4 PROPERTY ACQUISITION
PARKS & RECREATION					
900-230-000	CONTRACTUAL SERVICES	34,500	39,828	74,328	PARKS IMPROVEMENTS
			<u>908,568</u>		
			<u>-</u>		

The above resolution proposes to revise the FY19 General Fund budget to reflect the remainder of the FY18 fund balance requiring reappropriation.

RESOLUTION

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PARKERSBURG that the Mayor, or his designee, be authorized to revise the Adopted Budget for 2018-2019 Fiscal Year to reflect the following changes:

CAPITAL RESERVE FUND

Account	Description	Current Budget	Proposed Adjustment	Revised Budget	Comments
REVENUE					
369-000-000	TRANSFERS IN FROM OTHER FUNDS	2,674,010	123,925	2,797,935	FY18 PO CARRYOVER
CAPITAL OUTLAY - EQUIPMENT					
436-459-000	EQUIPMENT - CODE ADMIN	36,000	4,000	40,000	ADDITIONAL CODE VEHICLE
756-459-000	EQUIPMENT - STREET CLEANING	425,000	<u>119,925</u>	544,925	SIGN TRUCK C/O; ST SWEEPER
			<u>4,000</u>		

The above resolution proposes to revise the 2018-2019 Capital Reserve Fund budget to correspond with the General Fund revision to account for the carryover of an outstanding PO for a sign truck currently being manufactured as well as account for the actual cost returned for a street sweeper and an additional appropriation for a new Code Enforcement vehicle.

RESOLUTION

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PARKERSBURG that the Mayor, or his designee, be authorized to revise the Adopted Budget for 2018-2019 Fiscal Year to reflect the following changes:

USER FEE SPECIAL REVENUE FUND

Account	Description	Current Budget	Proposed Adjustment	Revised Budget	Comments
REVENUE					
369-000-000	TRANSFERS IN - OTHER FUNDS	1,571,700	454,740	2,026,440	GENERAL FUND TRANSFER IN
CAPITAL OUTLAY					
750-458-005	STREET IMPROVEMENTS	3,671,700	<u>454,740</u>	4,126,440	ADD TO SPRING 2019 STREET PROJECT
			<u>-</u>		

The above resolution proposes to revise the 2018-2019 User Fee Special Revenue Fund budget to reflect the corresponding General Fund revision to transfer \$454,740 into the fund to go toward the spring 2019 street rehabilitation project. This will bring the total estimated spring 2019 resources to \$1,956,440.

RESOLUTION

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PARKERSBURG that the Mayor, or his designee, be authorized to revise the Adopted Budget for 2018-2019 Fiscal Year to reflect the following changes:

PARKING FUND

Account	Description	Current Budget	Proposed Adjustment	Revised Budget	Comments
PARKING					
571-353-000	COMPUTER SOFTWARE	-	10,635	10,635	RMS IMPLEMENTATION SERVICES

MEMORIAL BRIDGE FUND

Account	Description	Current Budget	Proposed Adjustment	Revised Budget	Comments
MEMORIAL BRIDGE					
570-212-000	OUTSIDE PRINTING	45,000	28,303	73,303	ANNUAL TICKET BOOK ORDER PO
570-223-005	ENGINEERING SVS - RATING	5,000	46,228	51,228	GUSSET PLATE RATING PO
			<u>74,531</u>		

The above resolution proposes to reappropriate outstanding FY18 purchase orders that were issued from prior appropriations and for which the City is contractually obligated to fulfill.