MINUTES
FINANCE COMMITTEE MEETING
6:30 P.M., APRIL 20, 2020
A/V CONFERENCE ROOM*

Joseph Jenkins, Chairperson, called the meeting of the Charleston City Council Committee on Finance to order at 6:30 p.m., April 20, 2020, in the Audio/Visual Room in City Hall*.

A silent roll was taken by the Clerk and a quorum was established. The following committee members were present:

Joseph Jenkins, Chair
Bobby Reishman, Vice Chair
Brent Burton
Mary Beth Hoover
Shannon Snodgrass
Keeley Steele

*In response to the COVID-19 pandemic, the meeting of the Finance Committee was conducted electronically. The meeting was made available to the public as a live stream via Zoom and CivicClerk (per the agenda).

I. DISCUSSION:

a. Approval of Previous Minutes - Councilmember Reishman asked for unanimous consent to dispense with the reading of the minutes for the April 4, 2020 meeting and that they be approved as distributed. There was no objection and the minutes were approved.

b. Administration Update – City Manager, Jonathan Storage, stated that the City of Charleston is not immune from the financial fallout that the Coronavirus has caused cross this state, country, and the world. At its core, municipal governments are tasked with providing the essential services that keep society safe and healthy: things like police and fire protection, EMS assistance and transport, refuse pickup, and street maintenance are just a few of the critical services our public servants tirelessly provide to our citizens every day. However, these services are not free, and the City relies upon critical revenue streams to provide them. Nearly half of the City's revenue comes from B&O taxes. Yet, we are now operating in a bizarre and uncertain time when the majority of our businesses – both big and small – are closed up to ensure public health.

The Administration knows that everyone has done their part to keep us safe. Recognizing the financial struggle affecting our businesses, the Administration previously announced that it was waiving all penalties for late B&O tax filings so long as fillings are received by June 1st. As evidenced by Bill No. 7870, which will be considered by this Committee momentarily, both the Administration and Council Leadership support a plan to further extend relief in the form of interest waivers to businesses satisfying certain criteria outlined in the bill.

As far as the City's finances go, the Administration has been examining its finances in very close detail. From week-to-week, we have compared our revenue to previous years during the same time. Instead of receiving revenue in a steady stream, the City receives different types of revenue at different times; for instance, B&O is received in quarterly installments. Thus, we have to make a best guess on how the economy will impact revenue collections several months in the future. We have reviewed both state and national financial models and data in making our assessments. Of course, this assessment is a snapshot in time and changes daily.

Storage continued that the first 2 weeks of April B&O collections 2020 is 70% lower than the same period last year. The City Service Fee should be steady as most layoffs did not occur until the very end of the quarter. The Bureau of Labor Statistics data shows statewide job loss was 12,500 in March, which generally equates to about 1.7% of the City's workforce (790 individuals) and even if unemployed the entire month, that would equate to less than $10k decline in expected revenue. Since a large portion of the City's workforce is Government based, that effect will likely be even lower. July's service fee collections, however, will be greatly impacted by layoffs as they have been much more widespread starting in April. Using the unemployment claims reported by the Governor, it is expected that up to 8,500 individuals will be unemployed that were previously in the City's workforce. That would mean a potential loss of about 17% or $350k short in the July collections. With a significant portion of Charleston's employers being government employers, the true impact could be less. Property

Tax collections in March were 30% under the estimate. That brought the YTD surplus of $262k at the end of February to a YTD deficit of ($108k) at the end of March. According to county staff, April collections are also trending under prior year by 30%. If that trend continues expected year end shortfall would be around ($475k). Municipal Sales Tax receipts from the State Tax Department representing Dec. Jan. and Feb. was $3.89m, which is about (1.7%) or ($67k) under the same period last FY. The business activity period ended February 29, 2020, so this was likely normal economic factors, not COVID related. Collections have been enough to cover the Charleston Coliseum and Convention Center debt service and uniformed pension obligations. Future receipts of sales tax revenue, however, are expected to be significantly diminished in the coming months.

The Administration has significantly reduced non-essential spending to facilitate cash-on-hand. Additionally, the Administration had delayed making large transfers to special accounts: these include funds recently appropriated from the unassigned fund balance and the water settlement. However, there is some expenses that remain necessary. As of today, direct expenses related to addressing COVID-19 is approximately $75,000. These costs represent necessary medical supplies and Personal Protective Equipment, such as masks, gloves, hand sanitizer, etc. Each biweekly payroll costs $1.35 million. Payroll expenses have been reduced by about $100,000 per pay period because of lowered overtime need (cancelled special events, etc.). Average weekly healthcare expenses are $325K, but this figure should decrease in coming weeks as claims billings reflect the rescheduling or a of elective procedures and other medical appointments.

Looking at all revenue sources across the board, we are currently estimating an end of fiscal year revenue shortfall of approximately $2 million. Come July when the City collects revenue from 2nd Quarter, the Administration expects a 2nd Quarter revenue shortfall of $3.5 million. The City's Rainy Day Fund balance is $4.3 million. Likely, the Administration will need to request appropriations out of the Rainy Day Fund starting in July. This singular source of savings, though, will likely not be sufficient to carry the City through this health and economic crisis. Other special funds bearing sizable balances may need to be tapped to carry us through the crisis.

The Administration has been closely following national relief legislation relating to this pandemic. The City has been working through the WV Municipal League, the National League of Cities, the U.S. Conference of Mayors, State leaders, and our congressional representatives to request that Congress consider State and municipal governments in future relief legislation. While West Virginia has been allocated $1.25 billion in CARES Act money, those funds are restricted in use. Those funds may not be used to backfill municipal budgets that have suffered extreme revenue losses directly linked to COVID-19. Discussions have begun in Washington to address this, and the Administration will continue to follow the issue.

The Administration would also like to take a quick moment to discuss the concept of Hero Pay. Governor Justice has announced $100K block grants to every county in the state to be distributed to frontline workers during this pandemic; however, our review of guidelines the

Governor sent to the counties clearly limits the use of those funds. The funds, instead, follow the exact same rules that apply to use of CARES Act funding, which does not permit a one-time compensation increase to first responders and other frontline workers. This fact was also reported over the weekend by The Herald-Dispatch. The Administration is pleased, though, that on Thursday, the Kanawha County Commission will be discussing the issuance of a direct grant to the City of Charleston for a full $100,000. The County Commission recognizes the important role the State's capital and largest city plays in addressing this crisis, including the fact that Charleston has the largest municipal police and fire departments in the state. The City appreciates the County offering the help Charleston during these tough times, and will ask that the County not impose the same spending restrictions that the Governor tied to his separate grant disbursements. Accordingly, the Administration will request that City Council match any funds received from the County. The Administration thanks Council for their continual support during these unusual times, and will update Council Members as new information becomes available.

Mayor Goodwin added that the $1000,00 was given to each county in the state. Commissioner Ben Salango has allocated an additional $100,00 to go the City of Charleston specifically, and $100,00 for others. This will be voted on April 21, 2020. The Administration will be asking the Finance Committee and Council to match the $100,000 to go to Fire, EMS, Police and Refuse.

II. RESOLUTIONS:

a. Resolution No. 325-20 - A Resolution supplementing Ordinance No. 7866, passed by the Council of The City of Charleston, West Virginia, on February 18, 2020; which supplemented Ordinance No. 4423 passed by the Council of The City of Charleston, West Virginia, on March 6, 1989, as supplemented by Ordinance No. 4506 passed by the Council on November 6, 1989, by Ordinance No. 4954 passed by the Council on May 3, 1993, by Ordinance No. 6276 passed by the Council on September 3, 1996, by Ordinance No. 6349 passed by the Council on June 2, 1997, by Ordinance No. 6532 passed by the Council on November 16, 1998, by Ordinance No. 6544 passed by the Council on February 1, 1999, by Ordinance No. 6670 passed by the Council on February 5, 2001, by Ordinance No. 6777 passed by the Council on March 19, 2001, by Ordinance No. 6948 passed by the Council on November 4, 2002, by Ordinance No. 6977 passed by the Council on May 19, 2003, by Ordinance No. 7132 passed by the Council on March 7, 2005, by Ordinance No. 7490 passed by the Council on September 6, 2011, by Ordinance No. 7560 passed by the Council on February 19, 2013; and by Ordinance No. 7680 passed by the Council on February 16, 2016, authorizing the design, acquisition and construction of certain extensions, additions, betterments and improvements to the existing sewerage system of The City of Charleston; authorizing the issuance of not more than $16,000,000 in aggregate principal amount of Sewerage System Revenue Bonds, in one or more series as designated in a supplemental resolution, of The City of Charleston, the proceeds of which, shall be used, along with other funds and moneys of, or available to, The City of Charleston which may be lawfully expended for such purposes, to permanently finance the cost of such design, acquisition and construction, to fund reserve accounts for such bonds and to pay other costs in connection therewith; providing for the rights and remedies of and security for the registered owners of such bonds; and adopting other provisions related thereto.

WHEREAS, the Council (the "Council") of The City of Charleston, West Virginia (the "City"), on February 18, 2020, adopted Ordinance No. 7866, (the "Ordinance"), authorizing the issuance of The City of Charleston Sewerage System Revenue Bonds, in an aggregate principal amount not to exceed $16,000,000, in one or more series, to permanently finance the cost of design, acquisition and construction of certain extensions, additions, betterments and improvements to the sewerage system of the City (the "Project");

WHEREAS, capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Ordinance when used herein;

WHEREAS, the Ordinance provided for the issuance by the City of its Sewerage System Revenue Bonds, Series 2020 A, in the aggregate principal amount of not more than $16,000,000 (the "Series 2020 A Bonds"), for the purposes of paying a portion of the costs of acquisition and construction of additions, betterments and improvements to the System, capitalizing interest on the Series 2020 A Bonds, if any, funding a reserve account for the Series 2020 A Bonds and paying costs of issuance thereof, all in accordance with Chapter 16, Article 13 of the Code of West Virginia, 1931, as amended (the "Act");

WHEREAS, the Ordinance provides for the issuance of the Series 2020 A Bonds, all in accordance with the Act, and further provides that the exact principal amount, series designation, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of and matters relating to, the Series 2020 A Bonds should be established by a supplemental resolution;

WHEREAS, the Ordinance, pursuant to Section 6 of the Act, directed the City Clerk to publish an abstract of the Ordinance (the "Abstract"), together with a notice that the Ordinance has been adopted, that the City contemplates the issuance of the Series 2020 A Bonds as described in the Ordinance and that any person interested may appear before the Council upon a certain day and present protests (the "Notice");

WHEREAS, the Ordinance required that the Abstract and Notice be published as a Class II legal advertisement in the Charleston Gazette-Mail, a newspaper published and of general circulation in the City, and the first publication of such Abstract and Notice was to be not less than ten (10) days before the date set by the Ordinance and the Notice at which interested persons may appear before the Council and present protests, and the last publication of such Abstract and Notice was to be prior to said date set by the Ordinance and the Notice;

WHEREAS, the Ordinance and the Notice provided for a public hearing to be held at 7:00 p.m., prevailing time, on March 2, 2020, in Council Chambers in City Hall;

WHEREAS, the Bonds are proposed to be purchased by the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Department of Environmental Protection (the "DEP") pursuant to the West Virginia Clean Water SRF Program pursuant to the terms and conditions set forth under a Loan Agreement by and among the City, the Authority and the DEP (collectively, the "Loan Agreement"); and

WHEREAS, the Council wishes to delegate to the Mayor the authority to approve, within the parameters set forth herein and in the Ordinance, the final terms of the Series 2020 A Bonds and all provisions of all documents relating to the Series 2020 A Bonds (the "Bond Documents"), without the requirement of further official action by this Council; and

WHEREAS, the Council deems it essential and desirable that this resolution (the "Supplemental Resolution") be adopted, that the Ordinance shall be placed into effect, that the Loan Agreement be entered into by the City, that parameters be established for the exact principal amount, series designation, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale price and other terms of the Bonds in the manner stated herein, and that other matters relating to the Bonds be herein provided for.

<u>NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CHARLESTON:</u>

<u>Section 1</u>. It is hereby found and determined that:

(A) The Abstract and Notice were duly published in the <u>Charleston Gazette</u>-<u>Mail</u>, a newspaper published and of general circulation in the City, with the first publication thereof being not less than ten (10) days before the day set by the Ordinance and the Notice for the public hearing, at which interested persons may appear before the Council and present protests and suggestions and with the last publication thereof being prior to said date set by the Ordinance and the Notice for the public hearing, and the Affidavit of Publication reflecting such publications is incorporated herein by reference;

(B) In accordance with the Ordinance and the Notice, the City Clerk has maintained in his office a certified copy of the Ordinance for review by interested persons during the regular office hours of such office;

(C) In Council Chambers, City Hall, Charleston, West Virginia, on March 2, 2020, at 7:00 p.m. prevailing time, in accordance with the Ordinance and the Notice, the Council met for the purpose of hearing protests and suggestions regarding whether the Ordinance should be put into effect and heard all protests and suggestions with regard thereto;

(D) At the public hearing, no significant reasons were presented that would require modification or amendment of the Ordinance and no written protest with regard thereto was filed by 30 percent or more of the freeholders of the City; and

(E) The Ordinance shall be put into effect as of the date hereof and the Series 2020 A Bonds contemplated thereby shall be issued, all as provided in the Ordinance and this Supplemental Resolution.

Section 2. Pursuant to the Ordinance and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the:

There is hereby authorized The City of Charleston Sewerage System Revenue Bonds, Series 2020 A (West Virginia CWSRF Program) (the "Bonds") in the aggregate principal amount of $12,859,975 which will be initially represented by a single bond, numbered AR-1. The Bonds shall be dated the date of delivery, shall finally mature on March 1, 2040, and shall bear interest at a rate of 2.75% per annum. The principal of and interest on the Bonds shall be payable quarterly on March 1, June 1, September 1, and December 1 of each year, commencing June 1, 2022, in the amounts as set forth in the Schedule Y attached to the Loan Agreement and incorporated in and made a part of the Bonds. The City hereby approves and shall pay the SRF Administrative Fee equal to 0.25% annually of the principal amount of the Bonds set forth in the Schedule Y attached to the Loan Agreement. The SRF Administrative Fee shall be considered Operating Expenses of the City (Sanitary Board). The Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the Registered Owner of the Bonds.

Section 3. All other provisions relating to the Bonds shall be as provided in the Ordinance. The text of the Bonds shall be in substantially the form provided in the Ordinance. The execution of the Bonds by the Mayor shall be conclusive evidence of any approval required by this Section.

Section 4. The Loan Agreement for the Bonds by and among the Authority, the City, and the DEP, substantially in the form to be attached hereto as Exhibit A, and the execution and delivery (in multiple counterparts) by the Mayor shall be and the same are hereby authorized, approved, ratified and directed. The Mayor is authorized to execute and deliver the Loan Agreement with such changes, insertions and omissions as may be approved by the Mayor. The execution of the Loan Agreement by the Mayor shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Loan Agreement relating to the issuance and sale of the Bonds. The City hereby affirms all covenants and representations made in the Loan Agreement and in the application to the DEP and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon.

Section 5. The City hereby appoints and designates the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Commission"), as the Paying Agent for the Bonds.

Section 6. The City hereby appoints United Bank, Charleston, West Virginia (the "Registrar"), as the Registrar for the Bonds. The City hereby appoints JPMorgan Chase Bank, N.A. Charleston, West Virginia (the "Depository Bank") as the Depository Bank for the Revenue Fund and the Bonds Construction Fund. The City approves and accepts the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the City and the Registrar, and the execution and delivery of the Registrar's Agreement by the Mayor, and the performance of the obligations contained therein on behalf of the City, are hereby authorized, directed and approved. The City hereby approves the payment of the Registrar fee.

Section 7. The Bonds shall be issued on a parity with the First Lien Bonds with respect to liens, pledge and source of and security for payment and in all respects. The Bonds shall be secured by a first lien on the Net Revenues derived from the System on a parity with the First Lien Bonds but senior and superior to the Second Lien Bonds.

Section 8. Bonds proceeds in the amount of $-0- shall be deposited in the Series 2020 A Bonds Sinking Fund as capitalized interest.

Section 9. Bonds proceeds in the amount of $908,201 shall be deposited in the Series 2020 A Bonds Reserve Account.

Section 10. The Council hereby approves as the first draw on the Bonds, $1,859,648, for deposit into the Series 2020 A Bonds Reserve Account and to pay the costs set forth in the SRF Payment Requisition Form, attached hereto as Exhibit B and incorporated herein by reference, and further finds and determines (A) that none of the items for which payment is proposed to be made has formed the basis for any disbursement theretofore made; (B) that each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project; (C) that each of such costs has been otherwise properly incurred; and (D) that payment for each of the items proposed is now due and owing. The Council hereby authorizes and directs the Sanitary Board to review and approve future invoices for the Project and direct the payment from Bonds proceeds.

Section 11. The Mayor and City Clerk are hereby authorized and directed to execute and deliver such other documents, agreements and certificates required or desirable in connection with the Bonds. The City hereby approves and accepts all contracts or agreements relating to the financing, design, acquisition and construction of the Project and hereby authorizes the Sanitary Board to enter into all contracts or agreements relating to the design, acquisition and construction of the Project. The Manager of the Sanitary Board and any other authorized representatives are hereby authorized to execute all pay requests with respect to the Bonds.

Section 12. The design, acquisition and construction of the Project and the financing thereof with proceeds of the Bonds are in the public interest, serve a public purpose of the City and will promote the health, welfare and safety of the residents of the City.

Section 13. The City hereby determines to invest all moneys in the funds and accounts established by the Ordinance held by the Depository Bank until expended, in Money Market accounts secured by a pledge of Government Obligations, and therefore, the City hereby directs the Depository Bank to invest all moneys in such Money Market accounts until further directed in writing by the Sanitary Board. Moneys in the Series 2020 A Bonds Sinking Fund and the Series 2020 A Bonds Reserve Account shall be invested by the Commission in the West Virginia Consolidated Fund.

Section 14. The City hereby approves the cost of issuance and authorizes the payment of the same.

Section 15. This Supplemental Resolution shall take effect immediately upon adoption hereof.

Samme Gee, from Jackson Kelly PLLC, added that Council previously passed the ordinance authorizing the bonds. This is the final step. Page 3 of the resolution lists the exact amount as $12,859,975 in bonds. The bonds will be issued on May 7, 2020, and construction can start directly after that. The bonds will mature on 2040. They are revenue bonds, to be paid by sewer fees. She added that once the project begins, it will be generating B&O revenue.

Councilmember Reishman moved to approve the Resolution. With a majority of members present recorded thereon as voting in the affirmative, Chairperson Jenkins declared Resolution No. 325-20 approved.

b. Resolution No. 326-20 - Authorizing the Mayor or City Manager to enter into an Agreement with WesBanco, Inc. to extend the maturity date of Standby Letter of Credit, in the amount of $250,000, approved by City Council on May 6, 2019. The current terms, May 1, 2019 through May 1, 2020 are extended through May 1, 2021 at a cost of $1,250. This letter of credit provides security in lieu of a surety bond for liability of potential workers' compensation claims as a self-insured employer. The letter of credit is subject to review and final approval by legal counsel for the City.

Be it Resolved by the Council of the City of Charleston, West Virginia:

That the Mayor or City Manager is hereby authorized and to enter into an agreement with WesBanco, Inc. to extend the maturity date of Standby Letter of Credit, in the amount of $250,000, approved by City Council on May 6, 2019. The current terms, May 1, 2019 through May 1, 20120 are extended through May 1, 2021 at a cost of $1,250. This letter of credit provides security in lieu of a surety bond for liability of potential workers' compensation claims as a self-insured employer. The letter of credit is subject to review and final approval by legal counsel for the City.

Storage added that the City of Charleston is self-insured for worker's compensation claims. The Office of the Insurance Commissioner requires self-insured employers to have in place either a surety bond or a standby letter of credit with a financial institution in the event the employer is unable to pay claims. With the assistance of the City's Treasurer's Office, the City has determined that WesBanco is offering the best rate for a letter of credit in the amount of $250,000, which is the amount required by the Insurance Commissioner. WesBanco's rate is ½% of the value of letter's credit value, which in the case equals $1,250. The going rate for a letter of credit is 1%. The Administration recommends approving the letter of credit agreement with WesBanco with an effective date of May 1, 2020.

Councilmember Reishman moved to approve the Resolution. With a majority of members present recorded thereon as voting in the affirmative, Chairperson Jenkins declared Resolution No. 326-20 approved.

III. BILLS:

a. Bill No. 7869 - A Bill and Order relating to the laying of levies on real, personal and public utility property within the City of Charleston, West Virginia, including excess levies previously provided for in the Official Municipal Budget Document for the fiscal year beginning the first day of July, two thousand twenty.

WHEREAS, each Municipality is required to hold a Statutory meeting of the Council on the third Tuesday in April each year to make and enter a levy order and rate sheet; and

WHEREAS, written approval of the West Virginia State Tax Commissioner has been received and notice of the Levy Estimate has been duly published as required by law; and

WHEREAS, the levy rate attached hereto is included in the City of Charleston Municipal Budget for July 1, 2020 through June 30, 2021, before City Council for approval at a special meeting of Council held on April 21, 2020, now, therefore

Be it Ordained by the Council of the City of Charleston, West Virginia:
That the City of Charleston, West Virginia does hereby make and enter the levy order and rate sheet attached hereto, incorporated herein, and made a part hereof.

Storage added that the bill reflects the same levy rates approved by this Council in the March budget document. State law requires the levy consideration to be further broken out from the regular budget discussions for separate consideration. Council must meet on the 3rd Tuesday of April every year to sit as a levying body, and the item considered are these rate sheets. The assessed values contained on this rate sheet come from the County Assessor's Office and are the most current property tax valuations. There is a $0 assessed value and $0 taxes levied for Class I property. This is a weird quirk of state law, which essentially wiped out Class I property taxes but still requires the Class to have a levy rate. Additionally, Class III is missing from the list. This is because Class III property valuations apply only to the County and Boards of Education. There is a 6% reduction in tax collections, which essentially estimates the amount of taxes that the municipality will not collect due to delinquent payments, exonerations, or otherwise uncollectable amounts. There is a 1.5% discount item, which estimates the amount of taxes not paid due to taxpayers paying their taxes early. Applicable law allows for a tax discount for early payment. The 2% reduction represents the amount determined by the County that must go the County Assessor's Office to assist the Assessor in performing her duties. The overall rates are comparable to last year's rates.

Councilmember Reishman moved to approve the Resolution. With a majority of members present recorded thereon as voting in the affirmative, Chairperson Jenkins declared Bill No. 7869 approved.

MUNICIPALITY OF CHARLESTON, WEST VIRGINIA
LEVY PAGE
REGULAR CURRENT EXPENSE LEVY
2020 - 2021

Current Year	Column E Certificate of Valuation Assessed Value for Tax Purposes	Levy Rate/$100	Taxes Levied
Class I			
Personal Property	$ 0	11.40	$ 0
Public Utility	0		0
Total Class I	$ 0		$ 0
Class II			
Real Estate	$ 1,307,108,790	22.80	$ 2,980,208
Personal Property	258,192		589
Total Class II	$ 1,307,366,982		$ 2,980,797
Class IV			
Real Estate	$ 1,114,819,060	45.60	$ 5,083,575
Personal Property	543,977,674		2,480,538
Public Utility	334,399,302		1,524,861
Total Class IV	$ 1,993,196,036		$ 9,088,974
Total Value & Projected Revenue	**$ 3,300,563,018**		**$ 12,069,771**
Less Delinquencies, Exonerations & Uncollectable Taxes		6.00%	724,186
Less Tax Discounts (use Total Proj. Rev. Less Delinquencies to calculate)		1.50%	170,184
Less Allowance for Tax Increment Financing if Applicable - see worksheet (Subtracted from regular current expense taxes levied only)		....	52,257
Total Projected Property Tax Collection		....	**11,123,144**
Less Assessor Valuation Fund (Subtracted from regular current expense taxes levied only)		**2.00%**	222,463
Net Amount to be Raised by Levy of Property Taxes For Budget Purposes (Amount carries to #301-01 on GF REV tab)		....	**$ 10,900,681**

MUNICIPALITY OF CHARLESTON, WEST VIRGINIA
EXCESS LEVY PAGE
GENERAL EXCESS LEVY
2020 - 2021

	Column E Certificate of Valuation Assessed Value for Tax Purposes	Levy Rate/$100	Taxes Levied
Current Year			
Class I			
Personal Property	$ 0	5.03	$ 0
Public Utility	0		0
Total Class I	$ 0		$ 0
Class II			
Real Estate	$ 1,307,108,790	10.06	$ 1,314,951
Personal Property	258,192		260
Total Class II	$ 1,307,366,982		$ 1,315,211
Class IV			
Real Estate	$ 1,114,819,060	20.12	$ 2,243,016
Personal Property	543,977,674		1,094,483
Public Utility	334,399,302		672,811
Total Class IV	$ 1,993,196,036		$ 4,010,310
Total Value & Projected Revenue	$ 3,300,563,018		5,325,521
Less Delinquencies, Exonerations & Uncollectable Taxes		6.00%. . . .	319,531
Less Tax Discounts		1.50%. . . .	75,090
Net Amount to be Raised by Levy For Budget Purposes:		. . . . . .	**4,930,900**

Included in the General Fund "Yes or No" Yes

IF EXCESS LEVY IS INCLUDED IN GENERAL FUND, (and you enter yes to indicate that)
this total will carry to the GF REV tab in account # 301-90: $ 4,930,900

b. Bill No. 7870 - A Bill authorizing the waiver of interest, when the City Collector makes certain findings and with the approval of the City Manager, on Business and Occupation Tax filings for revenue during the first quarter of 2020 where filings are made by April 30, 2020, and payments are made by June 1, 2020.

WHEREAS, as of April 6, 2020, the novel coronavirus ("COVID-19"), has more than 1,300,000 confirmed cases worldwide, including more than 345,000 confirmed cases in the United States;

WHEREAS, as of April 6, 2020, COVID-19 has led to more than 72,000 deaths worldwide, including more than 10,000 deaths in the United States;

WHEREAS, as of April 6, 2020, there are more than 340 confirmed cases of COVID-19 in West Virginia, including more than 55 in Kanawha County;

WHEREAS, on March 13, 2020, the President of the United States declared a national emergency; on March 16, 2020 the Governor of West Virginia declared a statewide state of emergency; and on March 15, 2020, the Mayor of the City of Charleston declared a citywide state of emergency;

WHEREAS, the federal and state governments have extended the filing deadline for income taxes from April 15, 2020, to July 15, 2020;

WHEREAS, the City has announced that any Business and Occupation Tax filings made for the 1st Quarter of 2020, which are filed on time by April 30, 2020, but without full payment shall receive a waiver of penalties associated with the filing if paid by June 1, 2020; and

WHEREAS, City Code generally prohibits the waiver of interest payments, but the City Council of the City of Charleston hereby finds that these extraordinary times require that the City Collector be given the authority to waive the interest on payments that are made by June 1, 2020, when certain criteria are met as stated in this ordinance.

Now, therefore, be it Ordained by the Council of the City of Charleston, West Virginia:

That notwithstanding the provisions of Section 110-145 of the Municipal Code of the City of Charleston and any relevant provision of state code to the contrary, and consistent with Executive Order 13-20 which allowed for state income taxes to be paid up to three months late without the imposition of interest or additions, the City Collector is hereby authorized to waive interest amounts due on the first quarter Charleston Business and Occupation taxes, with the approval of the City Manager, for taxpayers who meet all of the following criteria:

(1) The taxpayer filed a return for the 1st Quarter of 2020 on or before April 30, 2020, stating the taxpayer's tax liability for the quarter;

(2) The taxpayer did not include full payment for the tax liability amount along with the filing of the return;

(3) The taxpayer was in good standing with the Collector's Office, as defined elsewhere in the Municipal Code of the City of Charleston, as of March 30, 2020;

(4) The taxpayer pays its full tax liability for the 1st Quarter of 2020 on or before June 1, 2020; and

(5) The taxpayer avers, under penalty of perjury, that the reason for the delay in its 1st Quarter of 2020 payment was due to COVID-19, which negatively impacted the business's cash flow or ability to obtain assistance from a tax professional, such that timely payment was not possible.

Storage added that the Administration and Council Leadership have worked together to provide an additional relief tool for businesses suffering from cashflow problems caused by COVID-19. Under City Code, interest assessments on late tax filings are non-discretionary. Interest must be assessed and collected. The proposed bill makes a limited exception to address late payments made for First Quarter 2020. The bill outlines the criteria taxpayers must meet to qualify for an interest waiver, including the requirement that the taxpayer was in good standing with the City Collector as of March 30, 2020, the taxpayer files a 1 Quarter return on or before April 30, 2020, and the taxpayer pays the full tax amount owed on or before June 1, 2020. The taxpayer will be required to submit an appropriate written statement to certify that the late payment was due to COVID-19-related cashflow problems.

Councilmember Reishman moved to approve the Resolution. With a majority of members present recorded thereon as voting in the affirmative, Chairperson Jenkins declared Bill No. 7870 approved.

Councilmember Reishman motioned to adjourn the meeting.

Meeting adjourned.