MINUTES
FINANCE COMMITTEE MEETING
6:15 P.M., DECEMBER 7, 2020
A/V CONFERENCE ROOM*

Joseph Jenkins, Chairperson, called the meeting of the Charleston City Council Committee on Finance to order at 6:15 p.m., December 7, 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
Ben Adams
Brent Burton
Becky Ceperley
Mary Beth Hoover
Will Laird

*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 November 16, 2020 meeting and that they be approved as distributed. There was no objection and the minutes were approved.

II. RESOLUTIONS:

a. Resolution No. 403-20 - Authorizing approval of Amendment No. 2 of the FY 2020-2021 Charleston Coliseum and Convention Center Budget as indicated on the attached list of accounts.

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

That Amendment No. 2 of the FY 2020- Charleston Coliseum and Convention Center as indicated on the attached list of accounts is approved.

Representing the Charleston Coliseum and Convention Center Board, Eric Nelson added that they are requesting an additional budget subsidy of $1 million. Pre-COVID, the Coliseum was doing very well. They took early steps in July by not implementing the across-the-board $2,000 salary increase until a future date, furloughing some operational staff in two waves and re-working various contracts with their vendors. Nelson added that since the pandemic, not much revenue has been produced. The budget has been reworked with the assumption of some revenue in the early part of 2021. The budget request will help them to be ready to open the Convention Center when they are able. Carrie Fenwick, Chair of the Board, added that they are excited with their partnership with OVG, and they have been very helpful.

Councilmember Jenkins confirmed that the $1 million subsidy is in addition to the previous $500,000 subsidy.

Councilmember Adams asked if there was a projection for the anticipated revenue early next year. Nelson replied that they could provide some of the detailed reports from OVG, but it is a realistic assumption of what could happen based on past figures. Councilmember Jenkins added that page 14 of the packet provides some of that information.

Councilmember Hoover confirmed that 12 employees in total have been furloughed.

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. 403-20 approved.

City of Charleston
Municipal Budget
FY 2021
Coliseum and Convention Center Revenue Summary

Rev. Code	Description	Actual FY 2020	Original FY 2021 Budget	FY 2021 Amend #1	FY 2021 Amend #2	Revised FY 2021	YTD Nov Actual FY 2021
Operating Revenue							
358-00-0302	Rent	942,144	1,067,500		(597,500)	470,000	32,445
358-00-0304	Commissions	146,763	178,000		(146,200)	31,800	18
358-00-0307	Parking - Buildings & Lots	88,944	165,000		66,000	231,000	8,088
358-00-0311	Distinctive Gourmet	317,747	365,000		(616,406)	(251,406)	(80,000)
358-00-0312	Patron Services	114,565	138,000		(67,720)	70,280	(238)
358-00-0313	Security	35,023	51,000		(20,870)	30,130	-
358-00-0314	Advertising	295,950	310,000		(76,199)	233,801	65,000
358-00-0315	Spotlight Rental	4,160	7,500		(6,000)	1,500	(80)
358-00-0316	Power Usage	40,739	59,500		(33,500)	26,000	4,000
358-00-0317	Table Covers/Drapes	17,752	36,000		(17,500)	18,500	336
358-00-0318	Rent - PA System	7,700	15,000		(14,630)	370	375
358-00-0319	Staging	18,194	17,000		(14,700)	2,300	180
358-00-0320	Booth Rental	47,252	80,000		(60,200)	19,800	-
358-00-0321	Interest	6,717	5,000		(4,950)	50	14
358-00-0322	Piano Rental	640	1,500		-	1,500	-
358-00-0323	Table Rental	23,593	38,000		(19,000)	19,000	442
358-00-0324	Miscellaneous	13,827	18,853		3,147	22,000	29
358-00-0325	Building Damages	79	1,000		-	1,000	-
358-00-0326	Telephone Rental	2,725	5,000		(3,630)	1,370	250
358-00-0327	Audio/Visual Equipment	129,971	170,000		23,000	193,000	3,529
358-00-0328	Teletix	-	1,000		(1,000)		-
358-00-0329	Carpet Rental	7,650	24,000		(13,000)	11,000	-
358-00-0330	Drayage	421	1,000		(1,000)	-	-
381-11-0000	Energy Rebates	83,935	7,500			7,500	2,423
	Total Operating Revenue	**2,346,489**	**2,762,353**	**-**	**(1,621,858)**	**1,140,495**	**36,810**
Non-Operating Revenue							
358-00-0331	CC Capital Improvement Fee	84,588	-			-	495
358-00-0341	Trf In/Gen. Fund - Debt Svc	520,448	530,000	17,541		547,541	278,495
358-01-0341	Trf In/Gen. Fund - Health Care	406,147	200,000		(17,541)	182,459	33,031
358-02-0341	Trf In/Gen. Fund - Other	637,000	570,000		1,000,000	1,570,000	595,000
358-03-0341	Trf In/Gen. Fund - Equipment	381,260	-			-	-
358-00-0342	Transfers In/Coal Severance	160,526	169,687	(17,541)		152,146	41,594
358-00-0343	Transfers In/Cap. Imp. Fund	69,500	-			-	
358-00-0379	Gain/Loss from Sale of Assets	409	-			-	360
Total - Non Operating Revenue		**2,259,877**	**1,469,687**	**-**	**982,459**	**2,452,146**	**948,975**
	Total Revenue	**4,606,366**	**4,232,040**	**-**	**(639,399)**	**3,592,641**	**985,784**

City of Charleston
Municipal Budget
FY 2021
Coliseum and Convention Center Expense Summary

Fund 402 Charleston Coliseum and Convention Center Fund
Department 910 CCCC/Municipal Auditorium
Unit 01 CCCC Operations

Expense Object		Actual FY 2020	Original FY 2021 Budget	FY 2021 Amend #2	Revised FY 2021	YTD Nov Actual FY 2021
Personal Services						
000-1-101	Elected Officials Salaries	-	-		-	-
000-1-103	Salaries & Wages	1,199,635	1,306,148	(344,712)	961,436	321,063
000-1-104	FICA	88,200	99,920	(33,553)	66,367	23,624
000-1-105	Medical & Life Insurance	359,075	228,975	33,928	262,903	95,338
000-1-106	PERS	103,578	102,115	(35,225)	66,890	30,495
000-1-107	Uniformed Pensions	-		-		-
000-1-110	Uniform Allowance	-		-	-	-
000-1-111	Dental & Optical Insurance	8,560	11,875	-	11,875	5,592
000-1-112	Employee Insurance Cont.	(54,233)	(55,250)	2,154	(53,096)	(9,870)
000-1-113	OPEB - Current	20,000	20,000	-	20,000	-
	Total Personal Services	**1,724,815**	**1,713,783**	**(377,408)**	**1,336,375**	**466,241**
Contractual Services						
000-2-211	Telephone	59,696	50,185	(9,185)	41,000	21,803
000-2-212	Printing	7,463	10,000	(7,900)	2,100	-
000-2-213	Utilities	623,085	650,000	(127,000)	523,000	169,049
000-2-214	Travel	2,667	-	-	-	-
000-2-215	Mtce & Repair - Bldg/Ground	16,036	15,000	(4,300)	10,700	461
000-2-216	Mtce & Repair - Equipment	19,847	10,000	1,700	11,700	8,648
000-2-218	Postage	58	500	500	1,000	-
000-2-219	Building & Equipment Rent	119,013	140,000	(5,800)	134,200	3,119
000-2-220	Advertising & Legal Pub	7,202	20,000	(10,900)	9,100	-
000-2-221	Training	1,840	3,200	(700)	2,500	-
000-2-222	Dues & Subscriptions	1,589	2,627	(1,527)	1,100	-
000-2-226	Insurance - WC & UC	13,260	24,425	-	24,425	10,123
000-2-227	Insurance - Liability	174,967	275,000	-	275,000	-
000-2-230	Contracted Services	576,315	515,702	(67,379)	448,323	71,759
	Total Contractual Services	**1,623,037**	**1,716,639**	**(232,491)**	**1,484,148**	**284,961**
Commodities						
000-3-341	Materials & Supplies	133,069	90,000	(33,000)	57,000	13,888
000-3-343	Gas, Oil & Tires	1,858	2,000	(1,000)	1,000	-
000-3-345	Uniforms	3,016	7,000	4,500	11,500	-
	Total Commodities	**137,943**	**99,000**	**(29,500)**	**69,500**	**13,888**
Contributions & Other						
000-5-566	Contributions to Other Funds	84,298			-	-
000-6-671	Principal on Bonds	530,000	550,000	-	550,000	229,167
000-6-672	Interest on Bonds	164,309	149,618	-	149,618	90,992
000-6-674	Bond Service Charges	2,748	3,000	-	3,000	-
	Total Contributions & Other	**781,355**	**702,618**	**-**	**702,618**	**320,159**
	Total CCCC Operations	**4,267,150**	**4,232,040**	**(639,399)**	**3,592,641**	**1,085,250**

b. Resolution No. 402-20 - Authorizing approval of Amendment No. 6 of the FY 2020-2021 General Fund Budget as indicated on the attached list of accounts.

Now Therefore, Be It Resolved By The Council Of The City Of Charleston, West Virginia:

That Amendment No. 6 of the FY 2020-2021 General Fund Budget as indicated on the attached list of accounts is approved.

City Manager, Jonathan Storage, added that the budget amendment represents a disfigured local economy that has some of its parts propped up by Federal and State aid. The community's current economic condition is far from what was predicted by the Administration when the FY21 budget was first presented in March. Overall, B&O revenues for the year are estimated to be about 9% lower that what was expected, which equals approximately $4 million is lost revenue. Storage added that revenues related to tourism and entertainment are significantly below pre-pandemic estimates. Also, collections from the City's amusement tax, service fee, fire protection fee, gaming tax and parks and rec fees are all expected to be down greatly. Accordingly, the budget amendment adjusts applicable revenue estimates downward to reflect a truer representation of the City's revenue reality. In all, the Administration expects revenues to be down by approximately $8 million by the end of June 2021. Storage added that what has saved the City is the receipt of CARES Act Funds, which were provided to the City in the form of reimbursements for expenses that met specific US Treasury guidelines for costs associated with PPE and cleaning supply purchases and payroll costs for essential workers. Additionally, the City significantly reduced spending (vacancies left open in non-critical positions, reduced over-time expenses, etc.). This has created an unassigned balance of approximately $15.6 million to be allocated. With the CARES Act funding expiring at the end of the year and no concrete Congressional plan in place to address local government revenue losses moving forward, the fund balance is needed to carry the City. The Administration now strongly advocates for an aggressive savings plan that will provide sufficient financial stability for the City's operating budgets through at least the next two years should no additional Federal aid be provided. The Administration proposes that $11 million be put into the Municipal Stabilization Find (Rainy Day Fund), $750,00 to the Economic Incentives Fund to support small businesses, $750,00 to the General Maintenance Fund, $1 million to the Coliseum and Convention Center Fund, $970,000 to the Building Department to address dilapidated properties, $600,000 to the City Attorney's Court Cost and Damages account, $500,000 to the IT Infrastructure Fund to address key financial and operating systems for the City such as the Revenue Tracking System used by the City Collector's Office, $20,000 to the Fire Department's Capital Expense account and $1.1 million to the City Service Fee Capital Projects Fund for paving. Storage added that the budget amendment more accurately reflects budget expectations during the pandemic, implements a prudent savings strategy, permits action on addressing dilapidated buildings, buoys the Coliseum and Convention Center, bolsters road paving and supports small businesses.

Councilmember Jenkins stated that the Administration is doing on good job to ensure that the COVID reimbursements funds are set aside to weather any further revenue shortfalls.

Councilmember Laird stated that he supported this measure as a prudent approach for now, but has concerns about the message that it sends to the Federal government that so much money can be banked. He hoped that once there are assurances that additional relief money is on the way, the City will not sit on these funds.

Councilmember Adams confirmed with Storage that the amount allocated to the Building Commission would cover the cost to demolish approximately 100 houses, and that the purchases intended for the Fire Department will be for special bed storage equipment for their vehicles.

Councilmember Laird confirmed with Storage that the Building Commission had already used their previously allotted budget for demolition.

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. 402-20 approved.

General Fund FY 2020-2021 Budget Amendment No. 6 - December 7, 2020

Account No.	Department	Account Description	Amount
001 700 00 000 2 239	Police	Fine Supported Training	32,217
001 297 0	Committed Fund Balance		**(32,217)**

Committed Fund Balance - To recognize committed fund balance for Police Fine Supported Training in accordance with Section 114-3 subsection (b) of the Municipal Code of the City of Charleston

Account No.	Department	Account Description	Amount
001 975 00 440 4 459	General Services - Capital Outlay	Lease Purchase Equipment	21,441
001 976 00 700 4 459	Police - Capital Outlay	Lease Purchase Equipment	(684,452)
001 977 00 750 4 459	Streets - Capital Outlay	Lease Purchase Equipment	468,000
001 977 00 754 4 459	Equipment Maintenance - Capital Outlay	Lease Purchase Equipment	46,802
001 975 00 412 4 461	City Manager - Capital Outlay	Lease Purchase Payments	407,140
001 296 0	Assigned Fund Balance		**(258,931)**

Restricted for Capital Lease Purchase - To adjust proper accounts in the FY 2021 Municipal Budget for the purchase of equipment to reflect where they were paid during the FY 2020 spend down period and after.

Account No.	Department	Account Description	Amount
001 700 00 000 3 341	Police	Materials & Supplies	36,000
001 706 00 000 2 223	Fire	Professional Services	10,000
001 706 00 000 3 341	Fire	Materials & Supplies	6,500
001 706 00 000 3 345	Fire	Uniforms	40,000
001 976 00 706 4 459	Fire - Capital Outlay	Direct Purchase Equipment	11,419
001 976 00 700 4 459	Police - Capital Outlay	Direct Purchase Equipment	75,000
001 299 0	Assigned Fund Balance		**(178,919)**

Manual Encumbrances - To rollover certain expenses into the FY 2021 Municipal Budget to account for items not spent in within FY 2020.

Account No.	Department	Account Description	Amount
001 417 00 000 2 229	City Attorney	Court Costs & Damages	600,000
001 436 00 000 2 230	Building Commission	Contracted Services	969,597
001 439 00 000 5 566	Information Systems	IT Infrastructure Fund	500,000
001 444 05 000 5 566	Transfers/Contributions	Municipal Stabilization Fund	11,000,000
001 444 00 000 5 566	Transfers/Contributions	General Maintenance Fund	750,000
001 444 14 000 5 566	Transfers/Contributions	Business & Economic Incentives Fund	750,000
001 910 01 002 5 566	Coliseum and Convention Center	Operational Subsidy	1,000,000
001 976 00 706 4 459	Fire - Capital Outlay	Direct Purchase Equipment	20,000
001 299 0	Unassigned Fund Balance		**(15,589,597)**

Unassigned Fund Balance - To allocate the unassigned fund balance.

Account No.	Department	Account Description	Amount
001 444 04 000 5 566	Transfers/Contributions	CSF Capital Projects Fund	1,067,547
001 399 11 0000	Miscellaneous Revenue	Settlements	(1,067,547)

Asphalt Companies Settlement - To allocate the funds received through the asphalt companies settlement.

Account No.	Department	Account Description	Amount
001 305 01 0000	Revenue	Business & Occupation Tax	4,000,000
001 308 00 0000	Revenue	Hotel Occupation Tax	1,650,000
001 309 00 0000	Revenue	Amusement Tax	75,000
001 340 00 0000	Revenue	Parks & Recreation	50,000
001 341 01 0000	Revenue	City Service Fee	1,075,000
001 345 00 0000	Revenue	Rents, Concessions, Leases	240,000
001 352 00 0000	Revenue	Fire Protection Fee	250,000
001 376 00 0000	Revenue	Gaming Revenue (Table Games)	25,000
001 380 00 0000	Revenue	Interest	135,000
001 369 03 0000	Revenue	Landfill/Incinerator Fees	500,000
001 381 12 0000	Revenue	Reimbursement - Coronavirus Relief Fund	(12,000,000)
001 901 00 000 5 568	Convention & Visitors Bureau	Contribution from Hotel Tax	(825,000)
001 444 05 000 5 566	Transfers/Contributions	Municipal Stabilization Fund	4,825,000

Revised Revenue Estimate - To revise the revenue estimated in the FY 2021 General Fund to reflect current projections, including receipts from the Coronavirus Reilef Fund through the State.

Reportable: To Maintain compliance with the budgetary guidelines of the State of West Virginia

c. Bill No. 7883 - A Bill closing, abandoning and discontinuing as a public right of way a portion of the alley behind Religious Coalition for Community Renewal, Inc.at 1516 Washington Street, East Charleston, Kanawha County, West Virginia.

BE IT ORDAINED BY THE CITY COUNCIL OF CHARLESTON, WEST VIRGINIA:

1. Being a portion of a 15' wide alley, situated in Block L of the Town of Ruffner, Charleston East District, Kanawha County, WV, being further described as follow:

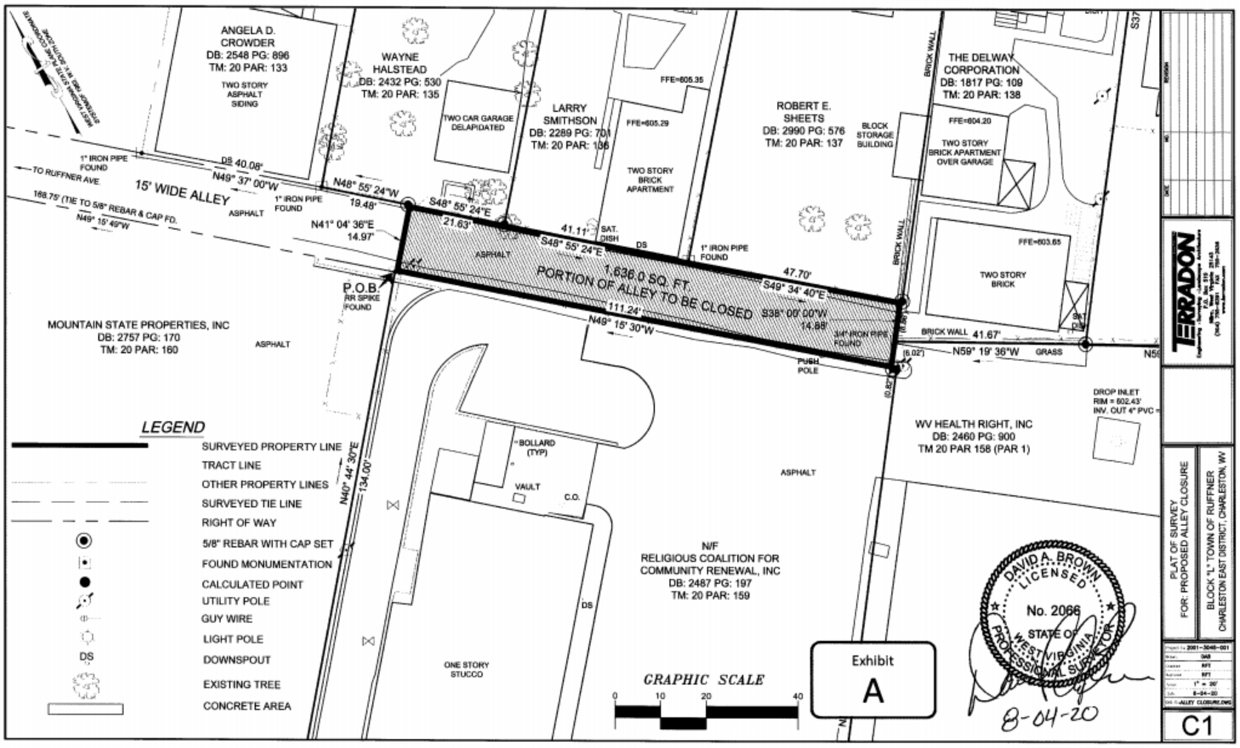
Beginning at a railroad spike found on the south side of a 15' wide alley, said point being the common corner to Mountain State Properties, INC (DB: 2757 PG: 170) and a tract of now or formerly Religious Coalition for Community Renewal, INC (DB: 2487 PG 197); thence with a new line through said alley N41°04'36"E 14.97' to a 5/8" rebar and cap set on the north line of said alley; thence with the north side of said alley for the following two courses and distances: S48°55'24"E, passing a 5/8" rebar and cap set at 21.63', in all 62.74' to a 1" iron pipe found; S49°34'40"E 47.70' to a 5/8" rebar and cap set at the existing easterly terminus of said alley; thence with the existing easterly terminus of said alley S38°00'00"W 14.88' to a 5/8" rebar and cap set on the southerly line of said alley; thence with the southerly line of said alley N49°15'30"W 111.24' to the place of the beginning, containing 1,636.0 square feet, more of less, as shown on a plat prepared by Terradon Corporation, dated August 4th, 2020, as surveyed by David A. Brown, WV Professional Surveyor No.2066, attached hereto and made a part hereof as Attachment A.

2. The Mayor of the City of Charleston be, and is hereby authorized and directed to execute, acknowledge and deliver a proper deed conveying to WV Health Right, Inc., and its successors and assigns, all right, title and interest in and to said property as described in Section 1 above, for the consideration of Nine Thousand Eight Hundred Dollars ($9,800).

3. All prior ordinances, or parts of ordinances, inconsistent with this ordinance are hereby repealed to the extent of such inconsistency.

Director of Planning, Dan Vriendt, added that the alley closing will help to facilitate West Virginia Health Right's plans to expand their building and operations as they desire to construct an 11,200 sq. foot addition to their existing building as well as expand their parking lot. The Board of Zoning appeals approved a parking variance on October 8, 2020 for the expanded parking lot. Vriendt added that all of the adjacent property to the dead-end alley is owned by the applicant. This will shorten the alley by 100 feet. and there are no utilities present. A certified company has appraised the alley at $9,800. The Municipal Planning Commission and Planning, Streets and Traffic Committee both unanimously recommended approval of the bill.

Councilmember Reishman moved to approve the Bill. With a majority of members present recorded thereon as voting in the affirmative, Chairperson Jenkins declared Bill No. 7883 approved.



Councilmember Reishman motioned to adjourn the meeting.

Meeting adjourned.