

MINUTES
FINANCE COMMITTEE MEETING
6:00 P.M., MARCH 6, 2023
AV ROOM #308, CITY HALL

Joseph Jenkins, Chairperson, called the meeting of the Charleston City Council Committee on Finance to order at 6:00 p.m., March 6, 2023.

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

Joseph Jenkins, Chair
Brent Burton, Vice Chair
Becky Ceperley
Mary Beth Hoover
Larry Moore (arrived at 6:15, before the vote for Res. No. 777-23)
Chad Robinson (arrived at 6:12, before the vote for Res. No. 777-23)
Shawn Taylor

Absent:
None

Other Councilmembers present:
Emmett Pepper
Frank Annie
Chelsea Steelhammer
Bruce King
Beth Kerns
Caitlin Cook
Jennifer Pharr

I. DISCUSSION:

a. Approval of Previous Minutes - Councilmember Burton asked for unanimous consent to dispense with the reading of the minutes for the February 21, 2023 meeting and that they be approved as distributed. There were no objections, and the minutes were approved.

II. RESOLUTIONS:

- a. Resolution No. 775-23 – Authorizing the Mayor to sign and submit to the U.S Department of Housing and Urban Development the City of Charleston’s HOME-ARP Allocation Plan for the HOME-American Rescue Plan funds and all required certifications and agreements, including Sub-recipient project contracts relating to the HOME-ARP Allocation Plan.

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

That the Mayor is hereby authorized and directed to sign and submit to the U. S. Department of Housing and Urban Development the City of Charleston’s HOME-ARP Allocation Plan and all required certifications and agreements, including Sub-recipient project contracts relating to the HOME-ARP Allocation Plan.

Andy Backus, Director of MOECD, added that the funds are allocated by the Department of Housing and Urban Development, and are separate from the ARPA funds. They are specifically designated to reduce homelessness and increase housing stability, and can only be used to assist individuals in certain populations for the following: production and preservation of affordable rental housing, supportive services including homeless prevention services and housing counseling, tenant-based rental assistance and the purchase and development of non-congregate shelter. The City was not permitted to choose an activity, and is required to submit an allocation plan as according to HUD’s requirements. The two areas that were identified to have the greatest need was production and preservation of affordable rental housing and supportive services. Once the plan is accepted, MOECD will develop the application process.

Councilmember Burton moved to approve the Resolution. With members present recorded thereon as voting unanimously in the majority as affirmative, Chairperson Jenkins declared Resolution No. 775-23 approved.

- b. Resolution No. 776-23 – Proclaiming that the Council for the City of Charleston acknowledges and accepts the terms and conditions of the West Virginia statewide settlement agreements with Walgreens, Bypass Pharmacy, Rhonda Pharmacy, The Pharmacy, Clendenin Pharmacy, and Fruth Pharmacy, Inc. and affirming the Mayor’s authorization to execute the exhibits acknowledging and agreeing to such terms, which is attached to, and incorporated in, the settlement agreement.

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

That the Council for the City of Charleston proclaims that it acknowledges and accepts the terms and conditions of the West Virginia statewide settlement agreements with Walgreens, Bypass Pharmacy, Rhonda Pharmacy, The Pharmacy, Clendenin Pharmacy, and Fruth Pharmacy, Inc. relating to opioid-related claims made on behalf of the State of West Virginia and its political subdivisions, and affirms the Mayor’s authorization to execute the exhibit acknowledging and agreeing to such terms, which is attached to, and incorporated in, the state-wide settlement agreements as an exhibit.

City Attorney, Kevin Baker, added that the settlements are negotiated on a state-wide basis. The City will get a percentage portion based on the previous agreement over several years.

Councilmember Robinson confirmed with Baker that there is already an account established for these funds. Finance Director and Acting City Manager, Andy Wood, added that the money is allocated to the CARE fund.

Councilmember Burton moved to approve the Resolution. With members present recorded thereon as voting unanimously in the majority as affirmative, Chairperson Jenkins declared Resolution No. 776-23 approved.

Resolution No. 777-23 Committee Substitute – Authorizing the Mayor or City Manager to enter into contract with Encova Insurance for workers’ compensation insurance coverage for a premium of \$265,448, including surcharges, and with an additional claims handling charge of 10% of paid claims, and authorizing leaving the WV self-insurance system, as detailed in Exhibit A: Provided, That this contract does not include any commission to the City’s broker of record, USI Insurance Services LLC;

Authorizing the Mayor or City Manager to enter into contract with USI Insurance Services LLC (“USI”) for insurance broker, risk management, and loss control services related to the City’s property, liability, and workers’ compensation insurance coverages for a cost of ~~\$100,000~~\$75,000 as detailed in Exhibit B; and

Authorizing the Mayor or City Manager to enter into contract with the West Virginia Counties Group Self Insurance Risk Pool, Inc, D/B/A West Virginia Communities Risk Pool (“WVCorp”), for Third Party Administration (TPA) services related to legacy claims incurred while the City was self-insured for workers’ compensation at a fee not to exceed \$35,000 as detailed in Exhibit C.

This procurement is based on the results of a competitive insurance quote review process and the Memorandum of Understanding among the City, USI, and WVCorp entered into under Resolution No. 617-22.

The effective dates of the policies/contracts above will be from March 31, 2023 through March 31, 2024.

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

That the Mayor or City Manager is authorized (1) to enter into contract with Encova Insurance for workers’ compensation insurance coverage for a premium of \$265,448, including surcharges, and with an additional claims handling charge of 10% of paid claims, and authorizing leaving the WV self-insurance system, as detailed in Exhibit A: Provided, That this contract does not include any commission to the City’s broker of record, USI Insurance Services LLC; (2) to enter into contract with USI Insurance Services LLC for insurance broker, risk management, and loss control services related to the City’s property, liability, and workers’ compensation insurance coverages for a cost of ~~\$100,000~~\$75,000 as detailed in Exhibit B; and (3) to enter into contract with the West Virginia Counties Group Self Insurance Risk Pool, Inc, D/B/A West Virginia Communities Risk Pool, for Third Party Administration (TPA) services related to legacy claims incurred while the City was self-insured for workers’ compensation at a fee not to exceed \$35,000 as detailed in Exhibit C, all to be effective from March 31, 2023 through March 31, 2024.

Wood added that the resolution contains three associated contracts. The City will move from self-insured to a high-deductible plan for Workers' Compensation coverage. Also included is the TPA services for the run-out claims. Additionally, it names USI Insurance Services LLC as the City's insurance broker.

Councilmember Jenkins added that the Committee Substitute lowered the fee of the broker. He added that there was not much of a difference this time to change from self-insured to a high deductible, but there would be if the City decided to change back to self-insured over the next several years.

Councilmember Burton abstained from voting due to a potential pecuniary interest.

Councilmember Robinson moved to approve the Resolution. With members present recorded thereon as voting in the majority as affirmative, with one (1) Abstain from Burton, Chairperson Jenkins declared Resolution No. 777-23 Committee Substitute approved.

III. Presentation of the Mayor's recommended budget for the fiscal year ending June 30, 2024.

The entire presentation from Mayor Good and Andy Wood, as well as the budget document, can be seen at <http://charlestonwv.civicclerk.com/Web/Player.aspx?id=1705&key=-1&mod=-1&mk=-1&nov=0>

Councilmember Burton motioned to adjourn the meeting.
Meeting adjourned.