

City of Washington
Finance & Personnel Committee
REMOTE MEETING VIA ZOOM
Wednesday, February 17, 2021 – **Minutes**

The meeting was called to order by Chairman Daniel Cobb at 4:30 p.m.

Present: Alderman Daniel Cobb, Alderman Lili Stevens, Mayor Gary Manier

Also Present: Alderman Yoder, Alderman Brownfield, City Administrator Ray Forsythe, Planning and Development Director Jon Oliphant, HR Manager Alyssa Goodman, Finance Director Joanie Baxter, Treasurer Ellen Dingedine, John and Sharon Amdall, Sherrill West, Matt DeLand – Enterprise Fleet Management

AGENDA

1. Non-member Aldermen Wishing to be Heard on Non-Agenda Item:
Alderman Brownfield is here to support the presentation regarding Washington Area Community Center/Five Points.
2. Citizens Wishing to be Heard on Non-Agenda Item: *None*
3. *Mayor Manier motioned to approve minutes from the January 19, 2021 meeting. Alderman Stevens seconded the motion, with a change in Section 4A. In 4A, it states she is not in support of redoing the brick work on Zinser Street. The reason for this was omitted, and she would like her reasoning added and on record. She is not in favor of renovating the brickwork because there are no more tours given at the Zinser House and the Historical Society has moved their operations to the Square.*

The minutes as amended were unanimously approved.

4. Business Items:
 - A. **PRESENTATION: Washington Area Community Center/Five Points, Update and impact from COVID-19, Presented by Sherril West, President, Washington Area Community Center Board of Directors -**
2019 – 3.4 million revenue
2020 – 2.7 million revenue
Net income after depreciation 2019 – loss of \$500,000
Net income after depreciation 2020 – loss of \$725,000

Budget in 2021 – An after-depreciation loss of \$714,000

About 100 full and part-time employees. 80% live and work in Washington.

About 20% of fitness members come from outside Washington and support the local community when they are in Washington.

Come tonight to ask for consideration from the City. To move portion of \$75,000 payment to special marketing fund/performance support fund to attract top performers to facility when we can open safely.

Comments:

Alderman Stevens thanked Sherril for the presentation and found the information very

interesting. Mayor agreed that we need to do everything we can to support the facility. Marketing is key.

The sales tax has covered the bond payment every year. Approximately \$350,000 a year and we bring in tax around \$400,000, but it varies from year to year. Ray explained that a spreadsheet can be put together to better explain situation. Alderman Stevens thinks that Five Points is truly a gem for the city. A few other points to note:

1. There is not a rate difference for residents and non-residents.

2. The board is structured with private donors and members (and is not a public board) because the structure was roughly \$21.5 million dollars to build and over \$9 million were private donations.

The group thanked Sherril West for her presentation

B. BILLS AND PAYROLL - No action.

Comments: This item is on the City Council agenda and should not have been on the Finance & Personnel agenda.

C. INVESTMENT POLICY – Ellen Dingledine, Treasurer -

Documents: [Item B.](#)

The Finance Public Funds Investment Act outlines guidelines for investments of public funds including those under the control of public agencies including cities. The Act requires that the City draft and approve an Investment Policy. Treasurer Dingledine developed the Investment Policy which includes the necessary information. Staff would like the Committee to consider the Investment Policy and recommend approval by the City Council.

Comments:

Ray has reviewed and believes it is a great document. Alderman Cobb is good with the policy.

D. ENTERPRISE LEASING PROGRAM –

Documents: [Item C](#)

The City currently funds the Public Works small vehicle fleet at an average 12-year replacement cycle and the Police small vehicle fleet at an average 6-year replacement cycle. With this cycle length, the City purchases the vehicle and sells them with little to no value remaining. The Enterprise program has a shorter cycle length that is designed to maximum the value of the vehicle versus the cost of ownership. Enterprise, with the help of our mechanic, will keep a maintenance record and mileages of the vehicles. With this data and the resale data, Enterprise will manage the City's Fleet in order to keep the fleet as healthy and cost efficient as possible

The program shows a net savings over a 10 Year period compared to our traditional approach to replacing through our MERF schedule for both the Public Works and the Police Department. The program shows a net year over year savings once the program is fully implemented for the combination of the Police and Public Works Department to maintain the fleet at a shorter life cycle.

Staff would like to see approval to move this topic to City Council February 17.

Comments:

Dennis Carr and Matt DeLand from Enterprise presented.

Mayor Manier is very interested in staying local with dealerships and service and working with Uftring. Matt DeLand says partnerships with particular dealerships is very manageable. In terms of maintenance, the goal would be continue to do maintenance in-house. Manufacturer schedules are recommended. In the end, the City is stewards of their own equity, but a partnership with Enterprise does not change current maintenance protocols.

Alderman Stevens asked about the cost to outfit a police vehicle? Matt says that they do account for the cost it takes to upfit the vehicle. There tends to be no restrictions.

How does this impact insurance cost? The insurance doesn't need to change. Matt cannot speak for a change of rates or premium costs. Rates may go down since vehicles are newer. Enterprise just requires proof of insurance.

If this is such an obvious savings, why isn't this program more widely utilized? Matt believes the main reason is that people have not heard of Enterprise's Fleet Management program. Many of the referrals are word of mouth. One concern Matt noted was the availability of certain vehicles, or lack thereof, for the rest of 2021/2022. Orders need to be placed sooner rather than later as many vehicles are unavailable, or priced at a premium, due to a shortage in microchips.

Committee members agree that it is a program worth looking into and continue to explore this program.

E. STAFF REQUESTS- PUBLIC WORKS AND POLICE DEPARTMENT -

Documents: [Item D.](#)

Additional employee is requested for the PW Department. There has also been a need for a full-time Cemetery Sexton. Staff is seeking direction to move forward on the requested positions for the FY 21/22 budget.

Comments:

Alderman Stevens was on the PW Committee when the valve turning was discussed. Wasn't it recommended that a different company should be hired to do the valve turning? The contracted company would be doing it and complete it by the end of this fiscal year. We can accomplish the valve turning in house in the future. Valve turning kicks off March 1 and it should be completed April 30. Doing this procedure in house in the future would be a cost savings for the City.

Is there a job description for the Sexton? Alyssa is currently working with Val and Kevin to create a job description. Alderman Stevens suggests we hold off on hiring until a job description is defined.

Chief looking to hire two additional police officers. If the demand is there, we are looking to hire one or two this year to prevent adding three in another year. Alderman Stevens says if we hire a police officer, we need to cut back on other things. Mayor Manier said that you simply cannot put a price on public safety and it is the last place you need cuts. We need one for sure, potentially two. Alderman Cobb noted that new employees are a continuing expense and we need to look at the budget as a whole.

F. POSSIBLE WASHINGTON BUSINESS SUSTAINABILITY GRANT (ROUND 2) -

Documents: [Item E.](#)

The City was awarded an Economic Support (ES) program grant in an amount of \$160,000 by the Department of Commerce and Economic Opportunity (DCEO) in December to establish a local grant program called the Washington Business Sustainability Grant (WBSG). The Washington program provided any eligible bakeries, bars, caterers, and restaurants to apply for up to \$5,000 in reimbursement for occupancy and/or utility expenses between March and November.

DCEO approached staff this week to gauge our interest in seeking a second round of applications in order to utilize more or all of the remaining \$135,000 ES grant. There is no local match for this grant program and the consideration of a second round of WBSG's would utilize funds previously awarded to the City by DCEO. General discussion is planned at the February 17 meeting to gain direction on a possible second round of grants so staff can notify DCEO of its intention on using any of the remaining ES grant funds.

Jon suggests that the grant be increased from \$5,000 to \$10,000 and decrease the revenue decrease threshold from 25% to 20%. Also, the five businesses that were award the \$5,000 earlier would be eligible to receive an additional \$5,000.

Comments:

Committee members are in full support of this program.

5. Other Business: None.

6. Adjournment - Meeting

Motion approved by Alderman Stevens, seconded by Alderman Cobb. Meeting adjourned at 6:04PM.