

**Metro Emergency Operations Center  
Finance Committee/Executive Board**

March 26, 2019

Minutes

***Note: Offsite Meeting at Kanawha County Courthouse***

Present: Jennifer Herral  
Mayor Amy Goodwin  
Captain Eric Drennen, for Sheriff Mike Rutherford  
Grant Gunnoe  
Derek Johnson  
Chuck Boggs

Staff: John Rutherford  
Russell Emrick  
Rick McElhaney  
Lindsay White  
Amy Larch  
Joanna Edwards  
Kirk Ballard

Ms. Herral called the meeting to order at 11:04 a.m. and roll call was noted.

Motion was made to approve the Finance Committee/Executive Board minutes from December 11, 2018 and the Executive Board minutes from the special meeting on February 7, 2019.

Motion: Boggs

Second: Goodwin

The motion carried unanimously.

**First Meeting of the Calendar Year Duties**

*Election of the President of the Board for 2019* – Jennifer Herral asked if there were any motions to elect a President of the Board for 2019.

Motion was made to appoint Jennifer Herral as President of the Board for 2019.

Motion: Gunnoe

Second: Boggs

The motion carried unanimously.

*Appointment of the Finance Committee Chair* – Jennifer Herral appointed Grant Gunnoe as the Finance Chair.

*Appointment of the Personnel Committee Chair* – Jennifer Herral appointed Keith Vitoe as the Personnel Committee Chair.

*Establishment of time and place of 2019 meetings* – Jennifer Herrald stated the next meeting would be June 25 and the meetings would continue to be at Metro. Herrald stated that the Executive meeting was normally at 11:00 am, with the Board of Directors to follow at noon.

## **Finance Update**

*FY19 F/S YTD (year-to-date)* – Lindsay White explained that Metro was largely funded by wireless and landline fees assessed on both residential and business monthly phone bills. White stated the landline fees, which were approved at the county level, made up approximately 70% of Metro's revenues, while wireless fees, which were approved at the legislative level, made up approximately 30%. White stated that over half of the wireless fees generated in Kanawha County did not stay with Metro, and gave a brief overview of where the funds are dispersed. White stated that the decreasing landlines and the increasing operating expenses have caused a need for additional forms of revenue to avoid Metro going into a cash flow deficit. White gave a brief explanation of the relation among the revenues, 3-year cash flow projection, and the proposed budget each year.

Lindsay White stated that as of the end of January, Metro's assets were approximately \$5.6 million, and noted the irregular payable to the Frontier for the phone system upgrade. White stated that the only debt outstanding, which were bonds taken out for the building, had a pay-off date of about two and a half years out, November 1, 2021. White stated the landline revenues were down from budget by 2% and down from previous YTD by 6.5%. White stated that wireless revenues were up from budget by 10% and previous YTD by 7.5%, which helped offset the decrease in landline revenues. White stated that Wages and Benefits were down by 4% from budget, and up 5% from previous YTD. White stated that Total Operating Expenses were down 6.6% compared to budget and up from the previous YTD by 1.5%. White stated that Metro had been awarded a grant from the Greater Kanawha Valley Foundation for \$10,000 and would be purchasing handheld radios for back-up.

Chuck Boggs asked why Metro didn't want to start asking for the increase in landline fees now. John Rutherford replied that Metro and the County Commission were comfortable with a minimum of \$2 million cash flow, and also wanted to be fair to the citizens of Kanawha County. There was a brief discussion about Metro funds and legislation.

*Open Purchase Order/Budget Amendment Requests* – Lindsay White stated that Metro was requesting the following budget amendments: increase of \$5,001 to Insurance Expense and decrease of \$5,001 to Contracted Services Expense, increase of \$1,500 to Supplies (Janitorial) Expense and decrease of \$1,500 to Supplies (Non-Janitorial) Expense, decrease of \$110,00 to Landline Revenue, Increase of \$200 to Postage Expense, increase of \$1,000 to Office Equipment Expense, increase of \$600 to M&R Auto Expense, increase of \$50,000 to Hospitalization Insurance Expense, and \$161,800 increase to Wireless Fees Revenue. White stated that these amendments would not affect Metro's net position.

There was a brief explanation and discussion about “Contracted Services” in Metro’s budget.

Motion was made to approve the requested budget amendments.

Motion: Gunnoe

Second: Goodwin

The motion carried unanimously.

John Rutherford informed the Board that Lindsay White had received the “Outstanding Government CPA for 2019” award.

### **Presentation and Approval of FY20 Budget and Three-Year Cash Flow Projection**

Lindsay White explained how the proposed FY20 budget and Three-Year Cash Flow Projection were formulated within management. White stated Operating Revenues were budgeted to account for a decrease, including Landline Revenues down approximately 8% from FY19 estimated actual to FY20 budget. White stated that Wireless Revenues were budgeted for a decrease of approximately 2% due to some expected population loss. White stated that total Operating Revenues were budgeted down by approximately 6% from the current year’s budget. White stated that under Operating Expenses, Wages and Benefits - which make up 80-85% of Metro’s total expenses – were budgeted to increase due to most likely hiring a new Public Safety Telecommunicator class in mid-FY20. Mayor Amy Goodwin inquired how many full-time and part-time employees Metro had, and Joanna Edwards responded that there were 61 full-time and 8 part-time. White stated that adding to the increasing personnel costs was health insurance coverage; White stated that Metro had multiple employees join the Metro insurance plan during open enrollment and that Metro had been informed there would be a 15% increase to the employer portion of Hospitalization Insurance from FY19 to FY20.

There was a brief discussion initiated by Jennifer Herrald about the free clinic at Kanawha County Emergency Ambulance Authority available to county employees, as well as the benefits and employee appreciation program available to Metro employees.

Grant Gunnoe inquired about the potential for having to increase Metro staff due to an additional Charleston Police Department radio position. John Rutherford explained that sometime soon Metro would likely be requesting a budget amendment for Wages & Benefits due to Metro management working with the Chief of CPD on possibly going from one dispatcher to two dispatchers, at least during certain hours, for their radio because of the high volume of radio traffic. Rutherford stated that it would cost Metro money, but it would keep the Charleston Police Department officers safer, which is Metro’s priority.

Lindsay White concluded that total Wages and Benefits were projected to increase by approximately 8%.

Chuck Boggs inquired the amount of Workers Compensation claims Metro incurred and if the insurance was through Brickstreet. Rick McElhaney stated that Metro had them here

and there, and Lindsay White confirmed the insurance carrier was Brickstreet. Boggs asked if Metro had ever considered self-insuring and if they knew how much they would spend by doing so. John Rutherford stated that the numbers would have to be looked at and Metro always worked with the county on coverage.

Lindsay White stated that Rents and Utilities were consistent compared to current budget. Mayor Amy Goodwin asked White about the double in budget for Building/Equipment Rental from FY19-FY20, but no big increase in 2021 or 2022. White stated that Metro rented a tower site for \$300/month, and the increase was due to moving that expense from Contracted Services to Building/Equipment Rental. White stated the change in M&R Grounds Estimated Actual to Proposed Budget was due to repairs being done on Metro's on-site radio tower. White stated these repairs were originally estimated to be \$80,000 and came in at \$35,000. White stated the difference between M&R Equipment/Software between FY20-FY21 was due to expecting a radio refresh on Metro's 15-year-old radio system. White stated Supplies and Materials was expected to be fairly consistent from current year to proposed budget, as was Contracted Services. White stated that under Equipment, administration computers were due to be replaced next year and dispatch computers in 2022.

Lindsay White stated that Operating Expenses were expected to increase approximately 5%, and Operating Revenues were expected to decrease due to the landline cycle. White briefly discussed Metro's investments and the noted Capital Outlay and stated Metro would have bonds paid off in 2021. White stated that expenses were included for the radio project in 2021, Metro vehicle fund, the Alternate PSAP, and replacing the UPS system in 2020.

There was a brief discussion about Metro's retention and the hiring process.

Lindsay White concluded that the FY20 cash deficit would be approximately \$1 million, but due to a built-up reserve from the last landline increase, the total cash projection at the end of 2020 was about \$4 million.

Motion was made to approve submitting the FY20 budget and cash flow projection to the Board of Directors for approval.

Motion: Gunnoe

Second: Goodwin

The motion carried unanimously.

### **Upcoming Procurement**

*IT Procurement: Advantage Technology* – Russell Emrick commended Kirk Ballard, System Administrator, for the work he does that drastically reduces the IT services Metro must contract out to vendors. Emrick stated that there are still a variety of IT services that do have to be contracted out, including but certainly not limited to, the building of reports that help save several departments on their insurance. Emrick requested approval to

move forward with Advantage Technology for 200 hours of contracted IT services in the amount of \$20,000.

Motion was made to approve 200 hours of contracted IT services through Advantage Technology in the amount of \$20,000.

Motion: Boggs

Second: Gunnoe

The motion carried unanimously.

*Radio Procurement: Luttamus Communications* – John Rutherford explained the back-up radios and the recent grant funds that had been secured to replace them due to age. Rutherford stated Metro had also worked with State Police on replacing the radios and had received 24 of them as a donation. Rutherford requested approval to pay Luttamus Communications \$14,930, plus shipping, for new back-up radios, with the understanding that grant funds would reimburse Metro \$10,000.

Motion was made to approve the purchase of radios from Luttamus Communications in the amount of \$14,930, with the understanding that grant funds would reimburse Metro \$10,000.

Motion: Gunnoe

Second: Goodwin

The motion carried unanimously.

*Other Procurement: FY14 Water Incident Claim Reimbursement* – Lindsay White stated that Metro had received a reimbursement from FEMA for the water incident in the amount of \$14,593.85. White stated that Metro submitted the amount under the claim settlement and received the exact same amount back, and was therefore expecting to owe the \$14,593.85 back to FEMA.

Motion was made to approve the FY14 Water Incident Claim Repayment in the amount of \$14,593.85.

Motion: Gunnoe

Second: Goodwin

The motion carried unanimously.

### **Approval of Renewal of Intergovernmental Agreement between Metro and Kanawha County Commission**

Lindsay White stated that she had reviewed the Intergovernmental Agreement with the County Attorney, Andrew Gunnoe, who approved not making changes if the Board approved the same. White explained that three Office of Emergency Services employees were borrowed by the Commission and funded by Metro, and this agreement must be re-approved every two years. Mayor Amy Goodwin inquired about what the employees do, and John Rutherford explained that they largely work on radios and projects out in the field that assist Metro with communications. Goodwin asked whether Metro was

reimbursed, and Grant Gunnoe stated that this had just begun and the County would file for 2018 soon.

Mayor Amy Goodwin asked if the City of Charleston was permitted to have the flexibility with the state funds from the Office of Emergency Services because it's the same pool of money. Jennifer Herrald confirmed that this was true.

Motion was made to renew the intergovernmental agreement between Metro and the Kanawha County Commission for the Kanawha County Commission use of three Metro employees for two more years.

Motion: Boggs

Second: Goodwin

Jennifer Herrald abstained from the vote.

The motion carried unanimously.

Grant Gunnoe stated there was a maximum of 50% of operating expenses that any county could receive and he believed that Kanawha County received back approximately \$200,000.

### **Legislative Actions**

John Rutherford stated there was nothing additional to what had already been discussed regarding the legislature.

**Old Business** – None.

**New business** – None.

**Public Comment** – None.

**Announcements** – None.

Motion was made to adjourn.

Motion: Gunnoe

Second: Goodwin/Boggs

The motion carried unanimously.

Respectfully submitted,

