

Council to vote on retirement system

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HUNTINGTON -- The city of Huntington is not wasting time with a new measure to relieve financial pressure from skyrocketing police and firefighter pension costs.



Huntington City Council on Monday evening will vote on two resolutions making the city a participant in a new retirement system for municipal firefighters and police officers.

The West Virginia Legislature approved the measure during a special session in November, and Gov. Joe Manchin signed the legislation into law earlier this month. The new retirement system, which is optional for cities, requires approval from local governing bodies.

The Legislature addressed the issue primarily because of Huntington's worsening financial condition. More than 20 percent, or \$8.8 million, of the city's \$42 million budget is going to pension costs this year. Under the current funding method, those costs are scheduled to rise to \$12.4 million a year by 2015 and not reach their ceiling until they hit approximately \$21.2 million in 2023, according to an actuarial report prepared for Huntington earlier this year.

While Huntington officials relied on fee increases in recent years to offset those rising costs, they also warned that revenue growth could not keep up with the current retirement system's costs and that the city would eventually have to file for federal receivership if it was not changed.

The new legislation, which takes effect Jan. 1, 2010, will allow cities to close their existing retirement plans to new hires and refinance those plans over a 40-year period to pay off their unfunded liabilities. Huntington's unfunded liability is approximately \$130 million.

New hires will be placed in a retirement plan that is similar to benefits offered to emergency medical services employees across the state. The plan will be administered by the Consolidated Public Retirement Board.

According to actuarial projections, the amount of money Huntington will have to dedicate to pension costs will gradually decline. For example, it will spend \$395,000 less on pensions in 2011 than it is scheduled to pay under the current funding method. The following year, it will spend approximately \$1 million less. By 2015, the difference will jump to \$3.3 million.

The legislation does not rely on any tax increases, nor does it require any state funding.

The existing plans will still be administered by local pension boards, but a state oversight committee will be created to deal with issues such as investments and disability benefits.

In other business Monday, the council will discuss the first reading of an ordinance that assesses a \$5 fee on municipal court cases. The fees, which would not apply to parking tickets, would go

toward the establishment of a teen court in Cabell County.

Tim White, coordinator of the city's Weed and Seed Program, told council members during a work session Friday that the teen court is vital because Cabell County incarcerates more juveniles than any other county in West Virginia and also because the state Supreme Court recently decided to eliminate the Cabell County Juvenile Referee's Office. The county was one of three in the state that had a juvenile referee.

The teen court would be for young people who are between the ages of 11 and 17 and are nonviolent first offenders, White said.

Juveniles will go before a jury of their peers in teen court, said Matt Meadows, a Cabell County probation officer.

"What we've found is teens hold their peers to a higher level of accountability," Meadows said.

A teen who gets caught writing graffiti, for example, could be sentenced to community service, while a student caught smoking at high school could be ordered to attend smoking cessation programs, Meadows said. Currently, the only punishment for kids caught smoking at school is a 10-day suspension, he said.

"There's a wide range of things that this program will be giving back to the community," Meadows said.

Cabell Circuit Judge Jane Hustead and Family Court Judge Patricia Keller already have signed a letter of working agreement for the teen court. Keller will serve as adviser, and United Way of the River Cities will serve as the program's fiscal agent, White said.

White said he and Meadows also will seek funding from the Cabell County Commission and cities of Barboursville and Milton.

The council meets at 7:30 p.m. Monday at City Hall, 800 5th Ave. The meeting also is televised live on channel 24 on the Comcast Cable system. Here's a look at other items on the agenda:

TAX AUDITS: The council will vote on the second reading of an ordinance that approves a contract with the law firm of Bailes, Craig and Yon to undertake business and occupation tax collections.

The law firm will contract with an accounting firm to perform audits of business and occupation taxes. The accounting firm would be paid no more than \$75 an hour, while attorney fees would range from \$150 to \$285 per hour. Each audit would take no more than three hours to conduct, Finance Director Deron Runyon said.

The city already contracts with a Columbus, Ohio-based agency that collects delinquent municipal and refuse fees.

DOG TETHERING: The council will vote on the second reading of an ordinance on that prohibits the tethering of dogs when the owner is absent. Penalties would range from \$50 for the first offense to \$500 for four or more offenses.

SEWER PROJECT: The council will discuss the first reading of an ordinance that authorizes a contract for a long-awaited sewer line extension project that will service KineticPark and broaden the potential for development along W.Va. 10.

The project consists of three miles of sewer line that begins at the intersection of Enslow Boulevard and Washington Boulevard and extends southward along Fourpole Creek to Mount Union Road. In addition to KineticPark, it will serve the R&J commercial development area across from KineticPark.

The new line also provides infrastructure needed for further development along W.Va. 10. Developer Bob Childers already has submitted a request for sewer service to a 200-acre site along W.Va. 10 across from Huntington High School.

Childers has said the site has potential for office space, condominiums and single-family homes.

The \$2.3 million contract would be awarded to Chapman-Martin Excavation of Huntington.

WAYFINDER SIGN: The council will discuss the first reading of an ordinance authorizing a license agreement with CSX Transportation that will allow the city to place a wayfinder sign at the Hal Greer Boulevard underpass.

The sign will be attached to fencing along the railroad and will hang above the south side of the underpass so it can face northbound traffic, said Cathy Burns, executive director of the Huntington-Ironton Empowerment Zone.

The sign will feature a collage of Pullman Square and a statue of John Marshall. The sign will point motorists to Marshall University, Pullman Square and the Visitors Center on Veterans Memorial Boulevard.

POLICE VEHICLES: The council will vote on the second reading of an ordinance authorizing the purchase of three 2010 Chevy Tahoes and one cruiser for the Police Department. The Tahoes are \$83,213 and will be purchased with an Edward G. Byrne Department of Justice grant, Community Participation grant and collision-loss recovery funds from previously wrecked cruisers.

The cruiser is \$24,290 and will be purchased with Byrne grant funds.

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Shouldn't the sewer project be open for bids? Seems odd that they just award a \$2.3 million dollar contract to Chapman..maybe they did have bids, I don't know...do you?