

Dunkirk finished 2011 in the black

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By GIB SNYDER - OBSERVER City Editor, The OBSERVER

For the first time in several years the city of Dunkirk finished a budget year with all three of its operating funds in the black. Final figures for 2011 are in, with council expected to pass a resolution making the adjustments at its June 5 meeting.

According to the proposed resolution, the general fund received \$300,823 in payments that were not budgeted, helping offset overruns in several lines and leaving the general fund some \$60,000 in the black for 2011. Prominent among the increases made to balance expenditures were \$49,545 for Police Department personal services; \$207,852 for fire Department personal services and \$24,261 for Central Garage personal services.

Changes to the water and wastewater budgets were kept within the expenditures side of both.

In 2010, the general fund finished with a \$426,486 surplus; the water fund had a \$320,328 surplus while the wastewater funds had a deficit of \$335,202. Over the five years from 2006 through 2010, the city was in the black in the general fund in three years (2010, 2007, 2006); the water fund in two years (2010, 2007), while the sewer fund was in the red all five years.

The Common Council Finance Committee reviewed the proposed resolution at a meeting Wednesday. Kevin Wystup, outside auditor from the firm of Johnson Mackowiak & Associates, LLP, was present.

"Kevin was here working this afternoon ... we thought it may be helpful if Kevin attended and kind of gave an overview," City Treasurer Mark Woods said.

Committee Chairman Michael Michalski ascertained the resolution contained numbers generated by the auditors to balance the 2011 budget lines and asked if there were any comments.

"Hopefully, if this gets approved next week we can release the audit as well," Wystup explained of the resolution.

Councilwoman-at-Large Stephanie Kiyak wanted to know why it took five months for the resolution to be ready. Wystup said this year the resolution was held until the audit numbers were available.

Fourth Ward Councilwoman Stacy Szukala said the resolution was more difficult to figure out as opposed to previous budget balancing resolutions she has seen.

"The correct way is to make the budget changes before you spend the money," Wystup replied. "This is trying to put a bandaid on it."

A review of the eight-page resolution began with Fiscal Affairs Officer Harry Briggs explaining his efforts tracking down the information.

"I am questioning all of this so we can make sure when it comes time to do this year's budget that we're allocating funds correctly and that perhaps these overages and shortages will be greatly reduced," Kiyak stated. "I'm just questioning as to what the thinking was."

Briggs said 2011 budget worksheets showed the departments' requests were lowered by the previous administration. Another issue was employees being assigned between departments and their hours being billed where employees were not originally budgeted. Retirement cashouts in various departments also changed budget line totals.

Kiyak asked if the \$38,654 in fire department overtime above budget was due to not using volunteers.

Szukala said it would be higher in 2012 and suggested a periodic review of overtime reports by the committee.

"If we're not looking at them this is not going to change," she said.

Kiyak added DPW Director Tony Gugino has been asked to attend future meetings of the committee to discuss his department's overtime.

Woods said timing was a factor in some budget lines, when payments and bills are received and made. He suggested making budget modifications for personnel lines between departments as they are needed during the year.

Szukala said the city needs to purchase a new vehicle a year to replenish the aging fleet. Wystup said the city needs a capital program to provide for the purchase of new vehicles on a regular basis.

Council members questioned various lines in the resolution, looking for information that will help with the preparation of the 2013 budget.

"The bottom line is all of this has been done and it's just a seal of approval," Kiyak noted.

"Regardless of what the explanation is."

Woods asked if there was council support so Wystup could get going on the next step, with the goal of having the final audit product available sometime next week.

"I'm OK with approving it. I just want the explanations," Szukala said. " ... We're not going to be able to adjust 2013 until we understand 2011. We're really in a tough spot."

Mayor Anthony J. Dolce will present his first budget this year after being on the approval side as a council member the last eight years.

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