

Minutes of City of Dunkirk Finance Committee held on August 12th, 2013

Present: Councilman Mike Michalski, Chairperson
Councilwoman Stacy Szukala, Member
Councilwoman-at-Large Stephanie Kiyak, Member
Rich Halas, FAO
Mark Woods, City Treasurer
Ron Szot, City Attorney
Guests: Wally Gotowka & Susan Polichetti – Lawley Tradition
Gib Snyder- Observer

Opening: Chairman Michalski opened the meeting at 4:15pm.

Meeting Content:

Michalski turned the meeting over to Gotowka & Polichetti to discuss the city's insurance coverage.

Gotowka provided summary of coverage to the committee.

There is \$1 million per claim, with a \$6 million aggregate on the following:

Public official's policy – covers common council, mayor, EMT's, supervisors, fire/police chiefs (city employees) for wrongful acts.

Law Enforcement Liability – civil rights, wrongful imprisonment, false arrests, moonlighting, parades, fairs.

Auto Liability – (\$1 million coverage per person) There are seventy vehicles currently covered on policy. List of vehicles needs to be updated with insurance company's lists.

Liability on city owned property – list needs to be updated. Kiyak questioned how value of property is determined. An industrial appraisal needs to be completed on a regular basis (annually). Last appraisal was completed approximately 10 years ago in the city.

Halas stated water treatment plant coverage can adequately be determined by updating coverage amounts with the actual costs of the recent capital improvements as determined by the project engineers.

Kiyak questioned if coverage was based on replacement costs or only the amount invested/spent. Polichetti

stated it is the amount of money that has been assigned to that property. Kiyak questioned how difference in property's value (between replacement costs minus assigned coverage) is made up. Gotowka felt that is why city needs to meet with its insurance company on a regular basis to lessen shortfalls in coverage and find a balance between coverage and cost of insurance.

Polichetti stressed city needs to evaluate and re-examine its current coverage in order to shift costs and prioritize coverage. Gowtoka stated they have no problem suggesting recommendations to the city regarding coverage amount, however the final decision rests with council.

Inland Marine Coverage – essentially equipment coverage (Plows, pavers, jet skis). There is \$755,000 in coverage.

Crime Coverage - \$100,000 in coverage. Covers anyone handling money – tax collector (Mark Woods is bonded as an individual), treasurer.

Umbrella policy – provides another \$4 million in coverage.

Szukala questioned if city has an overall rating. City has had tremendous amount of claims brought against it. Michalski questioned what percentage of claims is actually paid out? Polichetti stated the city claim rate is good.

Halas questioned workmen's compensation coverage. Currently, city pays into coverage provided by Chautauqua County (self-funded plan). Polichetti was not aware of any municipalities that are not participating in the county's coverage. There is also a sizeable buyout to get out of this coverage.

Gotowka felt the next step in this process would be meeting with the department heads to review property & auto coverage. He also complemented the city's consistency with requiring groups to provide liability coverage when it comes to holding events within the city.

Discussion turned to street paving and if there will be any scheduled paving for the upcoming year. It was decided that this issue should be discussed at either the Public Works Committee meeting or council meeting with the Mayor and Tony Gugino

Meeting adjourned at 5:05 pm.

