

Minutes of City of Dunkirk Finance Committee held on July 28th, 2014

Present: Councilman Mike Michalski, Chairperson
Councilman Andy Gonzalez, Member
Councilwoman Stephanie Kiyak, Member
Stacy Szukala, City Council
Rich Halas, FAO
Mark Woods, City Treasurer
Ron Szot, City Attorney
Guests: Gib Snyder- Observer, Sue Chiappone – Buffalo News

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

Meeting Content:

Proposed Budget Transfers:

\$400 Maintenance of streets – sink hole behind Clarion

\$500 Parks – breakdown of equipment (weed whacker, lawn mower)

\$50,000 Water distribution system – unprecedented number of water breaks in city

\$300 Water distribution system – S. St. George work on Eagle St.

\$700 Parks – Boardwalk & parks expenses

\$1,000 Fire Dept. – Supplies

\$3,000 City Hall – boiler repairs. Committee had questions as to age of boiler or if repairs were to a new boiler (under warranty). It was decided to leave this particular transfer out of the resolution until further information is gathered.

SEC Rules:

Halas reviewed memo from Municipal Solutions regarding audited financial statements having to be submitted to SEC within six months ending the municipality's fiscal year. Halas sent Johnson & Mackowiak copy of memo to make sure they were aware of its existence. According to Halas & Woods, City is currently

operating within the SEC guidelines. Woods stated the audit could have begun earlier than it did and there were some excruciating circumstances which caused delays in this year's audit.

Budget Drops (06/30/2014):

Revenues (goal is 50%) – Fund I at 69%, Fund II at 47%, Fund III at 45%. Szukala noted that “Sewer Violations & Fines” is at \$200,000, is a billed amount only and has not actually collected. Szot clarified that sewer violations are a notice of an “alleged” violation. There are certain due process procedures in place and violations have to be proven and can be contested by the violator. According to Woods; \$24,000 has been budgeted for this line in 2014.

Szukala pointed out “Fish Cleaning & Boat Launch fees” was budgeted at \$15,000 for 2014. This revenue was subsequently forfeited with the leasing of the boat launch facility and will therefore not be realized.

Marina property lease was also invoiced but money not received, even though line is showing 100% of budget.

Expenses (goal is 50%) – Natural gas & electric bills across all three funds where running about 20% above budget. Michalski noted maintenance of streets overtime line is within acceptable levels at 20% of plan for the year. Kiyak stated this is due to a lack of activity within this department. The Fire Dept overtime line was also reviewed. The committee felt there should be no action taken at this time regarding transfers within this department.

Kiyak questioned how much overtime was typical in the Recreation Department to fulfill the duties of the position in the past as compared to today. Woods stated the OT lines for recreation would have to be researched for a comparative analysis. Gonzalez had also asked this question to city officials and was informed Tim G. was currently doing the work of three people in this position.

Halas reported he & the Mayor are asking all department heads to refrain from any unnecessary expenses due this year being so financially difficult.

Discussion turned to the purchase/lease of three trucks in DPW through the use of CHIPS money. Woods reported he is in discussion with NYS DOT reps to verify usage of CHIPS money for this purpose. Szukala & Kiyak both questioned why DPW was bringing this issue up so late in the year, making it an emergency issue, when it was discussed and budgeted for after the harsh winter.

Treasurer's Report:

A \$250,000 grant was received for the West-End water project during the period. Woods reported taxes collected are where they should be at this point of the year.

Next meeting will cover the review of city audit by Johnson & Mackowiak as well as how the Seawall project will be paid for via revenues from Fund I & III. Kiyak questioned shortfalls in Funds II & III. Woods stated sometime between now & the 2015 budget, the shortfall should be addressed.

Bonding on the seawall project is not yet ready according to Woods. City is waiting on word from project engineers as to the proper breakdown of the project cost allocation between funds II & III.

Kiyak questioned what is involved in increasing the sewer rate? Szot replied the time period for the resolution to change the local law presented to council, tabled for public hearing and submission to NYS would be approximately 45 days. All of which should be completed before the 2015 budget adoption.

Halas is working on the Fund 15 (Water Filtration/Distribution upgrades) details (expenditures, billings, project costs etc.) and should be reviewed by the Finance Committee in the very near future.

Meeting adjourned 5:30pm.