

Minutes of City of Dunkirk Finance Committee held on March 10th, 2014

Present: Councilman Mike Michalski, Chairperson
Councilman Andy Gonzalez, Member
Councilwoman Stephanie Kiyak, Member
Councilwoman Stacy Szukala
Rich Halas, FAO
Mark Woods, City Treasurer
A.J. Dolce, Mayor
Ron Szot, City Attorney
Keith Ahlstrom, Fire Chief
Guests: Gib Snyder- Observer, Sue Chiappone – Buffalo News

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

Meeting Content:

Proposed budget transfer within Fire Department:

Michalski introduced Ahlstrom to discuss possible budget transfer within his department. Ahlstrom explained that due to various disabilities within his department, money that was put aside for a new vehicle (\$25,000) within his department should be used instead for overtime (\$18,000) and the remaining money used for a new thermal imaging camera (\$7,000) to replace an older unit.

Szukala questioned Ahlstrom regarding pending union negotiations with the fire department, if it was possible the city not extend the overtime line? Ahlstrom explained all his men currently off the job was due to non-work related injuries or illness.

According to Ahlstrom, the overtime line was currently at 16-17% of its annual budgeted figure in February. Last year there was 612 overtime days (the highest year prior to that was 430 o/t days). Last year there was 65 o/t days in Jan, Feb & March. This year was at 87 o/t days. Ahlstrom felt that future personnel changes within the department should amount to a cost savings in salaries and possibly less disabilities.

Gonzalez felt if we were to transfer the money into overtime, they would be more apt to use it. Halas was unsure on the procedure of transfers to/from personnel lines.

\$12 million bond renewal (water plant upgrades):

Woods explained the process of bond renewals. Municipal Solutions provides a service to the city for achieving the lowest rate possible for borrowing by shopping rates among over 200 investors. Michalski questioned if we are in accordance with the city's procurement policy. Woods explained the contract with Municipal Solutions expires at the end of this month and this service would have to be put out via RFQ.

Conversation then turned to advantages/disadvantages of renewing annually (incurring fees every time in doing so) or going out long term (avoiding annual fees). Woods stated long term financing would come possibly next year. Kiyak questioned what determines if we go long-term or short-term. Woods stated the final amount and time frame of the project has yet to be determined, thus the need to stay short-term. Plus the city cannot go out to borrow on projects that have not yet been started (Phase II & III) and that possibly by late 2014, we would have a final figure to go long-term on the project financing according to Woods.

Kiyak questioned why \$12 million bonding does not come before council via resolution? Woods stated financing for the project had already been authorized by council authorization of the project in prior years.

Treasure's Report:

Four PILOT payments were received, most notably NRG. NYS Sales & Use tax was also credited at the anticipated amount during the month of February.

FAO Report:

Budget Transfers – Halas discussed two transfers for committee review (1) WWTP four new truck tires-\$501 (2) industrial vacuum cleaner for city hall - \$412.00.

WWTP- Halas spoke with Gus Maas to provide city official with a monthly project update.

HUD - Halas is working with HUD officials to correct past deficiencies in financial reporting. All four quarters of 2009 are complete and he is currently working on 2010.

Grants – bike path & CHIPS monies have still yet to be received by city officials. Michalski questioned if all sources of money (bike path grant & federal grant money) will come together in time for work to begin on seawall this year. Dolce feels the wall portion of the money will come through this month. The goal is to get the sea wall work done this year with the other amenities completed next year.

Motion made to accept Finance Committee meeting minutes of 2/10/2014 meeting by Kiyak, seconded by Gonzalez.

Cost / benefit of city authorized events:

Michalski presented information gathered by city clerk Nicole Joiner in which other municipalities generate revenue to help offset the costs associated with authorizing various events within the city and its properties.

Amherst is willing to pick up the first \$1,000 of expenses before they expect reimbursement of expenses. Batavia is much the same; however their limit is \$500. Jamestown has a fee schedule based non-profit / profit

status and the number of days of notification prior to the event (the earlier the notification the lesser the fee). Orchard Park has a \$250 refundable fee for cleanup and maintenance which acts as an incentive for the event sponsor to clean up or for damage.

Discussion turned to city / villages of same size and activities like the city of Dunkirk. Szot noted the Village of Fredonia provides absolutely no support what so ever to events they authorized. Woods inquired as to what Bemus Point for its concerts. It was noted Bemus holds their concerts on private property and an entrance fee is charged.

The committee felt this information was something that could be further researched for possible implementation in 2015. Szukala noted one possible course of action would be to ban coolers at the pier to promote the purchasing of vendor/city sponsored beverages on the pier.

Master card / Visa acceptance:

Michalski discussed the possibility of the city accepting master card/visa for payment of water bills and/or taxes. Michalski pointed out there would be a discount fee charged by the mc/visa provider, which typically amounts to 3% of the transaction amount – for every \$1000 paid by the property owner, only \$970 would be recognized by the city. A convenience fee could also be charged to the customer by the 3rd party to offset this lost revenue.

2014 fireworks contract:

Szukala discussed the fireworks contract coming up at the next council meeting. She felt the contract should be reduced from \$30,000 to \$25,000 due to reduced donations. Kiyak agreed, stating there were bigger issues the city was facing. Szukala stressed she did not want the show canceled, just a reduction in the amount spent.

Meeting adjourned 5:25pm.