

Minutes of City of Dunkirk Finance Committee held on May 20th, 2013

Present: Councilman Mike Michalski, Chairperson
Councilwoman Stacy Szukala, Member
Councilwoman-at-Large Stephanie Kiyak, Member
Councilman Andy Gonzalez
Mark Woods, Treasurer
Rich Halas, FAO
Guests: Gib Snyder & Greg Fox, Observer staff reporters

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

Meeting Content:

Old Business

Halas updated on "Due to / Due from". The city's books have been closed for 2012. Halas reviewed various line items, of which some are offsetting some of which are not and will have to be budgeted for in the future for payback.

Discussion turned to the ability to use the Due to/Due from paybacks to indirectly fund the proposed seawall project. Both Woods & Halas agreed the payback of due to/due from could not be used to fund the seawall project. Generally accepted accounting principles have to be followed which dictate the proper use of fund transfers and how they can be applied within the budget.

New Business

Bond Anticipation Note – Woods noted the city will be closing on the \$4.4 million for the water project. The low bidder was Jefferies Corp. at .69% for a one year term. Woods stated we stay short term because the rate is lower and we can continue short-term bowring for five years before have to go long term.

2012 Preliminary Financials -

Fund I – Revenues \$14.7M, Expenses \$14.3M (surplus of \$440,000).

Fund II – Revenues \$2.6M, Expenses \$2.5M (surplus of \$157,000).

Fund III – Revenues \$4.2M, Expenses \$3.5M (surplus of \$663,000).

Halas reiterated that these are preliminary numbers based on 2012 and should not be counted on in 2013 due to various factors such as industrial plant closings effecting the waste water fund.

Regardless of where these fund balances finished the year (2012), cumulatively these funds (Funds I, II & III) are running deficit balances from years of over spending and pending fund transfers which need to be paid back.

Insurance update – vehicles in police & fire depts. are showing only one vehicle adjustment. Public works will be forth coming and may need more time. Properties will also be forthcoming with adjustments at a later time. Water plant lake in-take & pump station came in at \$40M replacement value. Waste water treatment plant came in at \$85M replacement value according to Hill Engineering. Halas said there was going to be a conference call between city officials, Gus Maas and the city's insurance representatives.

Water Treatment Plant Budget – Phase I pending items include filter bed #6 and the water storage tank on Willowbrook Ave. Phase I came in at a \$258,000 surplus. Kiyak explained the surplus had been derived from utilizing in-house staff and other cost cutting measures according to her conversation with Tony Gugino. Szukala had questioned if overtime expenditures incurred from utilizing in-house staff was figured into those savings.

Additional work on filter bed #6 would have cost an additional \$53,000. Review of the Feletta contract, in which the retainer was not paid out, ensured that the pending work on bed #6 was completed, prior to paying the 10% retainer.

Szukala noted the additional Vineyard Drive storage tank would not have to be completed as part of Phase II due to the additional capacity of the Willowbrook storage tank.

Bed Tax Grants – ideas for additional festivals in the city during the Fall/Winter months was discussed and the possible grant opportunities available through the bed tax grants. The goal was to apply for the tourism grant prior to June 1st for one event.

Treasurer's Report - Szukala questioned the parking meter revenues. Woods said it should be reflected in the June report. NYSERDA reimbursement of a copy machine for the Police dept. was questioned.

Fiscal Affairs Officer Summary Report –

As of April 30th (goal 25%):

Expenses: Fund I 28%, Fund II 33.5%, Fund III 28.5%

Revenues: Fund I 58%, Fund II 31%, Fund III 27%

Michalski noted expenses in Fund II were on the high side, due mostly to the personnel (straight time) lines. Halas will research and thought it may be due to retirement cash outs in the department.

Emergency medical receipts (revenues Fund I) was increased from \$125K to about \$248,000 for the year from medical billing. This increase in revenues was questioned during earlier meetings.

Meeting adjourned at 5:12pm.

