

Minutes of City of Dunkirk Finance Committee held on April, 23, 2012

Present: Councilman Mike Michalski, Chairperson

Councilwoman Stacy Szukala, Member

Councilwoman-at-Large Stephanie Kiyak, Member

Councilman William Rivera

Mark Woods, City Treasurer

Harry Briggs, City F.A.O.

Ron Szot, City Attorney

Guests: Jim White

2012 MAY 22 AM 8:55

DUNKIRK, N.Y.

Opening: Chairman Michalski opened the meeting at 5:00pm.

Meeting Content:

A motion was made by Szukala to accept the minutes of the March meeting, seconded by Kiyak.

Briggs updated committee regarding the progress of independent auditors (Johnson & Mackowiak).

There were no budget modifications available for review at this time.

Revenues Fund I

Kiyak questioned Boardwalk lease payments, as to why there were no payments made during the current month. Woods stated all tenants were up to date. Szukala questioned nuisance abatement. Woods replied it represents any property related fines. Kiyak questioned why line was negative. Woods will run a detail on the line.

Szukala questioned \$6,000 for miscellaneous Police grant. (line currently at zero). Woods explained it was a timing issue which typically has to go through the State or County first.

Szukala questioned Public Works and Other Government; both were at 0% and 4% respectively. Woods explained the Public Works line will be reimbursed by the County and the Other Government was

reimbursement for snow removal of County roads within the city.

Szukala questioned the fireworks and festivals lines. Target for fireworks was around \$10,000 due to the carryover from the prior year. The festivals line was currently at zero, while budgeted for \$10,000.

Szukala questioned State Revenue Sharing. Woods stated NYS would reimburse the city \$170,000 in September and the balance on December 15th.

Kiyak question unclassified revenue and why it was negative. Woods explained it would have to wait for the auditors entries to zero out this line. Woods will run a detail on this line.

Fund II Revenues:

Michalski requested a report which will summarize where each fund stood regarding actual to budgeted percentages and net income (revenues less expenses) of each fund. Michalski stated such a report, which was done in the past, will give the committee a better picture of each fund now that we are 3 months into the year.

Fund III Revenues:

Kiyak questioned what actions the city can take with the Waste Hauling Fees essentially being non-existent even though \$155,000 was budgeted in 2012. Kiyak asked how this revenue could have been considered given the last activity was in May 2011. Woods recommended committee sit down with Tony Gugino and get his explanation. Woods was not aware of the inactivity of the account during 2012 budget meetings.

Michalski stated that during his discussions with WWT plant supervisor Sean Raynor, Cott had not been to our facility since March 2011. Michalski stated Gugino had received a letter from Cott giving the city a two week notice of their intentions to take waste elsewhere.

Woods felt the issue that needed to be addressed was where COTT was currently taking its waste and what rate are they being charged. Then evaluate if the city can offer it at a lower rate and get the revenue back.

Kiyak asked who the city's top ten revenue accounts regarding waste water & water filtration. Woods replied Cott, Fieldbrook, Nestle Purina, Brooks Hospital, Carriage House and the County Home. In addition to revenues, Kiyak requested a listing of delinquent accounts and an aging schedule.

Kiyak questioned what procedures the city is following regarding delinquent industrial accounts. Woods replied it would entail a discussion with the Mayor & a phone call to the business. Delinquent utility bills in general are sent to the customer and after that, any remaining amounts still owed are levied on the city tax bill. Zeroing out the water/sewer/tipping fee and added to the tax bill.

Fund I Expenses:

Szukala questioned why there were four city employees listed on the overtime report for the recently held Chautauqua County Rabies Clinic. Kiyak volunteered to question the Mayor / Tony Gugino as to why overtime was incurred.

Michalski questioned **Central Data Processing** at 56% of budget. Woods felt it may be a timing issue and will update committee.

Kiyak questioned **City Hall - Building Services** and if \$50,800 represented one person's salary to clean the building. Woods explained there were two individual cleaning city hall currently with the second individual's salary being split between the General Fund & the Water Fund. Kiyak felt spending a combined total salary of \$75,000 to clean city hall was too much. Szukala stated she would like to see this individual in Streets Dept. where labor was needed. Committee felt a discussion was necessary with the Mayor regarding this issue.

Michalski questioned Szukala on status of new street signs since \$5,000 was allocated for the expense. Szukala will verify status with Tony Gugino.

Animal Control was addressed regarding mileage reimbursement to the ACO and where specifically funds were coming from. Prior to discussing mileage issue, Szukala felt committee needed to discuss recent veterinarian bill of \$500 which was paid from the general fund for an injured dog. Currently there is no line to pay emergency medical bills incurred when stray animals are injured and the city must pay to have the animal treated.

The \$800 in mileage reimbursement would come from: \$400 Gas line, \$200 Spay & Neutered Program and \$200 Electric. A resolution would have to be drawn up to establish a Fuel line within the department. A separate line for Fuel versus a pay raise would be preferred by the committee so that the amount could be adjusted year-to-year without effecting salary. Receipts would have to be presented with a quarterly cap of \$200. The first payment would be made October 1, 2012.

Szot questioned timeline of new ACO contract (expires 06/30/2012), establishing new Fuel line and funding of line with budget modification. Michalski felt that establishing account via resolution should be done now with funding completed with other budget modifications from city audit. The new ACO Contract would need to be presented prior to 06/30/2012.

Szukala questioned **Snow Removal – Repair to Equipment**. Woods will run a detail report.

Personnel Services – Parks Department was questioned by Michalski as to why line was already at 56%. Woods will run a detail report.

Szukala questioned why the **Parks Department – Summer Help** line was already charged (\$739) so early in the year. Woods will run a detail report.

Szukala question Supplies & Maintenance – Rec. Center was at 392%. Woods explained the 21st Century grant via the high school will reimburse this line when submitted by rec. center.

Kiyak questioned festivals. Woods explained the process of collecting donations & paying for entertainment goes through the DLDC. Kiyak expressed there was concern among DLDC board members as to who (city or DLDC) manages the revenues & expenses incurred from promoting city events. Woods & Szukala confirmed that festival finances are managed by the DLDC.

Treasurer's Report:

Woods stated current tax collections were at \$1,022,141.66. This is \$180k – \$200k ahead of where the city was last year at this time or about 20% of the total tax levy (\$4.695M).

CAC Auditors Rotation Recommendations:

Michalski discussed the city's Procurement Policy for the purpose of soliciting bidders and dollar limits in regards to questions about the city appointing Johnson & Mackowiak as auditors for a period of five years. Jim White said the contract ran from \$35,000 to \$37,000 per year. Kiyak stated there are certain services that do not have to go out to bid and that Auditors were one of them. Woods agreed.

White stated while state laws do not mandate it, it is highly recommended by the NYS Comptroller's office as a best practice.

Michalski felt that although it was a good idea, this subject was more of a charter reform issue. Kiyak also felt that the State Auditors may have some recommendations from their current audit of the city.

Szukala felt we have to be careful in any future auditor policy such that we do not have to change auditors if not in the best interest of the city cost or performance meeting.

Meeting adjourned at 6:20pm