

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

Present: Councilman Mike Michalski, Chairperson
Councilwoman Stacy Szukala, Member
Councilwoman-at-Large Stephanie Kiyak, Member
Mark Woods, City Treasurer
Harry Briggs, City F.A.O.
Andelino Gonzalez, Councilman
AJ Dolce, Mayor
Ron Szot, City Attorney
Guests: Gib Snyder, Observer

Opening: Chairman Michalski opened the meeting at 5:03pm.

Meeting Content:

A motion was made by Kiyak to approve the minutes of the May meeting with a second by Szukala. Motion passed - all voting yes.

Michalski explained this meeting was significant because it represented the half way point of the budget process and the goal was 50% of the planned budget.

FAO Report:

Fund I revenues were at 69% due primarily to the NRG pilot payment received in earlier this year. Expenses came in at 42%. Fund II revenues at 45%, expenses 39%. Fund III revenues at 41%, expenses at 45%. Overall city budget is looking fairly good.

Fund I Revenues

Szukala questioned **school tax penalties**. Woods felt we will definitely not be meeting projected revenue amount of \$11,000 this year.

Boardwalk Lease Payments will be addressed & moved for the 2013 budget as per auditors. **Summer Camp** funds have been collected by Larisa Aldrich and will be posted soon. **Drug Task Force** revenue will come in September from Chautauqua County. **Public Works & Other Government** - a payment was received from a prior year however will be counted towards 2012. **Rental - Real Property** - \$20K is being waived as per council resolution (Chadwick Bay Marina) and will not be realized this year.

Szukala questioned the **Festivals** revenue line at 0% of its \$10,000 budgeted amount. Woods stated nothing has come in to date for this line and explained this line was from donations received for city sponsored events. Woods stated that the DLDC handles these donations and this revenue will not be realized in the city's budget. DLDC will realize these donations within their budget. Although a budgetary loss of revenue to the city, it is not an actual loss and this line will be addressed in the 2013 budget.

Miscellaneous Reimbursements (#2770) for \$10,000 was at 0% - Woods stated projected revenue is high and will likely not receive that money before year end. Payments were received in the past (2011) from health insurance on retirees.

State Revenue Sharing – payment for \$178K will come in Sept. with balance in December.

CHIPS Revenue – Szukala was concerned about being able to carry this money forward due to the fact the city was not doing any paving projects for the year. Woods stated we would need approval from NYS DOT. Dolce stated he was contacted DOT and will request something in writing regarding the approval.

Michalski then turned meeting over to Szot.

Szot informed attendees of a letter received in the Fiscal Affairs office about services performed about 30 months ago when the Masonic Temple burned down and there needed to be an emergency demolition done to extinguish the fire. A law firm is notifying the city of \$65,000 owed to the demolition company, despite the fact there is no documentation in any city departments (Fire/Building Inspector) regarding the approval of these services. Szot said he is in contact with the former building's owner with respect to their insurance. City is taking a "wait & see" approach at this time, but wanted council members to be aware of possible \$65K expense. Gonzalez questioned why it took so long to inform city for services performed 30 months ago. Szot said the timing is at issue as well.

Fund II & III Revenues

Industrial Rents & Municipal Rents in Fund III were questioned by Michalski. Woods explained Industrial Rents was a timing issue as to when the industries were billed in June and may be rectified when we examine the following months report ending 07/31. The same reasoning was given for the shortfall in Municipal rents as well.

Woods felt the city would realize higher water usage due to the warm summer in the next billing cycle ending July 31st which covers May, June & July.

Kiyak questioned Dolce for an update on the expected water rate increase. Dolce explained the new rates will go into effect in 2013, not 2012. Residents & industry would both be affected. Szukala was concerned about how the increase will affect the city's largest industrial user. Dolce said the city was looking at a blended rate to share in the increase.

Fund I Expenses:

O/T for Public Works was over budget. Szukala questioned Dave Manzella's overtime from his working on the 1st Ward water line project and how it was going to be paid for – from this line or a capital projects line. Woods wanted to get approval from the city's bond counsel as to how we can proceed to fund this line from the capital projects budget since Manzella is performing the engineering duties for the project. According to Woods, the city was looking to have either all or a percentage of Manzella's salary paid for by the capital budget.

Szukala questioned the three **Veteran's** line expenses – what was that money going towards other than the Memorial Day Parade since that is a separate expense. A **detail report** will be produced on each of these three lines by Briggs.

Personnel Services – Parks Dept. – Woods explained a **detail report** would have to be run since Tom Rozulmalski's salary was not originally budgeted.

Supplies & Maintenance for the Rec. Center was questioned by Szukala. Woods stated that three pitcher's mounds and a batting cage were charged for over \$5,000 to this line. **A further explanation on these expenses will be sought from either DPW or Parks.**

Festivals / Cultural expense line will be eliminated for the 2013 budget.

Repair & Maintenance to vehicles – Refuse collection was questioned by Szukala. **A detail report will be run on this line as well for further explanation.**

Kiyak questioned Briggs on status of her questions regarding the audit recently performed by Johnson & Mackowiak. Briggs stated he needed more time and would hopefully have them ready for the August meeting.

Meeting Adjourned at 6:30 pm.