

**City of Port Jervis**  
**Finance/Insurance Committee**  
**Minutes for Meeting April 15, 2013**

Present: Frank Bell, Robert Ritchie, Kelly Decker and Michael McCarthy. Also in attendance were: Stanley Siegel, Gerald Oney, Carl Hendrick, Russell Potter, Mayor, and Robin Waizenegger, City Clerk Treasurer.

Finance meeting opened at 7:25 p.m.

**1<sup>st</sup> Quarter Budget Review:** Mrs. Waizenegger reviewed with the committee a copy of her budget memorandum dated April 10, 2012. She noted the lower than average water billing for commercial and expressed her overall concern regarding the sluggishness of the revenue lines with respect to any economic recovery.

Mr. Siegel questioned the viability of offering a discount for early payment. After discussion the idea was deemed to be not practical at present given the inability of to gain any interest revenue on our cash balances.

The 3 month history of the mortgage tax was discussed as showing possible increase in the housing market which if the trend holds would be a good sign.

**4<sup>th</sup> Quarter Budget Review:** Mrs. Waizenegger reminded the committee that we will have to make budget line changes to bring the 2012 transactions on a line by line basis into alignment. There is no overexpenditure overall and that these would be line item adjustments only.

**Audit by O'Connor Davies:** The turnover of staff within the firm was discussed as having a negative impact on this year's audit. Mr. Oney advocated for going out to bid for our next available audit period. Mrs. Waizenegger lauded her staff for having all of the audit work ready in the face of the many absences in her staff over the past six months. There was discussion of the merits and disadvantages of one year versus multiple year bids. It was noted that on the last contract with O'Connor Davies there was a five percent reduction in price. There was discussion regarding other firms that would be able to handle our needs. Mrs. Waizenegger also reminded the committee that the 2012 financial will be more positive than anticipated due to the late receipt of additional sales tax for 2012.

**AIM reporting/AUD Reporting/PARIS Reporting:** Mrs. Waizenegger reminded the committee that the annual reporting cycle will be occurring in the next month.

She also informed the committee that the NYS OSC will be issuing their Fiscal Stress reporting results which is based on the annual reports. The OSC would not commit on how these results would be communicated. The ratings are 3 bad ratings and 1 good rating. The majority of entities will therefore have a negative rating. Mrs. Waizenegger fully expects the City of Port Jervis to be rated as having some degree of fiscal stress but is not sure how it will be announced.

**Old Business:** USDA Application materials have all gone to Andrew Weiss at GHD Consulting.

Mrs. Waizenegger informed the committee that there are new IRS regulations regarding arbitrage that will have to be adopted by Council before year-end.

Mrs. Waizenegger communicated to the finance members that Mr. Lopez would like to change the use of some 2009 Bond funds for the Raw Water Pumps instead of for engineering to replace watermains. There was also a discussion that Mr. Lopez would like to use \$40,000 of the relining/replace sewer monies which would be allowable as temporary pumping would be necessary during any replacement/relining work. Mr. Oney gave an overview of the sewer work and the delays with the camera contractor.

**New Business:** Mrs. Waizenegger informed the committee that she and several other department heads are scheduled to meet with a representative from Travelers for a risk assessment evaluation with respect to their possible bid on our insurance policies. It was noted that the past year has been relatively light with respect to claims and Mr. McCarthy noted that he thought it was a good sign that Travelers was entering the municipal market.

She also questioned the committee with respect to the events and peddler's licenses necessary for food sales. The committee's understanding is that separate peddler's licenses would be required for any sales of goods or food items. The committee also discussed the details of items that should be part of the contractual agreement with respect to revenue generated. It was noted that the remote control car vendor has requested to use the City's tax exempt id for purchases associated with the track construction which will need to be verified with the city attorney.

**Executive Session:** Committee went into executive session to discuss personnel issues and potential litigation at 8:20pm.

Meeting reconvened at 8:40 p.m.

Meeting adjourned at 8:41 p.m.

**Next Meeting:** Monday May 20, 2013 at 7 p.m. or immediately following DPW and the Fire/Emergency Management Committee meetings.