

City of Port Jervis
Finance/Insurance Committee
Minutes for Meeting September 25, 2014

Present: Committee Members Frank Bell, David Bavoso and Stanley Siegel (late arrival). Also in attendance were: Carl Hendrick, Gerald Oney, Kelly Decker(early dismissal), and Robin Waizenegger City Clerk-Treasurer.

Absent: Kevin Cunningham

Finance meeting opened at 6:00 p.m. by Frank Bell who referred to Mrs. Waizenegger for the first Agenda item. Mrs. Waizenegger in turn referred to Mr. Carl Hendricks who requested the first agenda item and he introduced Valerie Maginsky, CDA Director.

CDA: Mrs. Maginsky did a review of the history and present operations of the Community Development Association. Her presentation was accompanied by a 7 page position paper regarding same. Both Mrs. Maginsky and Carl Hendricks spoke about the value of the CDA to the City. She indicated that it will be difficult given funding constraints for the CDA to continue providing grant writing services and respond to information requests for the City of Port Jervis. To that end it is the CDA's intention to request monies within the 2015 City budget to assist the Agency in continuing it's endeavors.

Old Business: Mrs. Waizenegger indicated that she is receiving early submissions for the auditing services proposals. The due date is September 30, 2014. She requested of the committee who will be involved in any interviews of prospective firms. The committee discussed the issue and assigned Chairman Bell to conduct interviews with Mrs. Waizenegger during October to review with the committee. It was discussed that if we could set up interviews in the evenings several members could attend as well as Mr. Bell.

Mrs. Waizenegger noted that Future Homes paid via a wire payment the amounts as agreed for settlement of arrears on their PILOT agreements.

Mrs. Waizenegger noted that the NYSHIP health insurance raise is expected to be 6.8% which exceeds our tax cap amount by 80k.

New Business: Mrs. Waizenegger indicated that the budget is forthcoming and that she anticipates several sessions will be needed and that there will have to an emphasis on executive decisions due to the level of budget reductions that will be necessary to be fiscally viable.

Mr. Oney questioned the possible of raising revenue through the water rates as opposed to the proposed sewer fees. Mrs. Waizenegger explained that the water revenues must stay in the water fund whereas the sewer operations are in the general fund. The only way to use up an excess water revenue would be through the allocation of expenses. We already allocate appropriate expenses based on reasonable allocation methodologies. In addition to convert to metered water to attempt to gain additional revenues comes with the problem of the conversion from billing in advance of the usage period to after the usage period which would force a timing problem in that we would have to delay recognition of a full quarter of revenue. In addition equipment issues were also discussed and the fact that any rate settings would have to compensate for decrease in use once the water is billed on actual usage.

It was also discussed that the flat sewer fee proposal was purposeful, to avoid charging the commercial property owners as the water and taxes are both heavily weighted with respect to commercial properties.

Mrs. Waizenegger noted that both of the new hires accepted and will be starting on October 1st and 8th.

Public Comment: Mr. George Belcher spoke regarding the need for commercial property owners to keep their rents low to attract tenants.

Executive Session: None

Committee adjourned at 7:02 p.m.

Next month's meeting – October 23rd at 6:00 p.m.