

City of Port Jervis
Finance/Insurance Committee
Minutes for Meeting April 29, 2015

Present: Frank Bell, David Bavoso, and Kevin Cunningham. Also in attendance were: George Belcher, Robert Ritchie, Mayor Kelly Decker, CDA Director Valerie Maginsky and Robin Waizenegger, City Clerk Treasurer.

Absent: Stanley Siegel

Finance meeting opened at 6:00 p.m.

It was noted that our insurance broker is going to join the meeting via telephone at 6:30pm such that we may have to jump around on the agenda items.

Capital Review: Mrs. Waizenegger noted that she has not received adequate information to finalize the Capital Note issuance. There are two outstanding issues. One is the Building Department Computerization request and the Fire Museum roof.

The Mayor indicated that he has requested three bids from the fire chief and that David Riveria was supposed to attend tonight. Mayor suggests that either we have response in 15 days or we reallocate the monies.

Mrs. Waizenegger indicated that she has a need for monies in 2016 for a replacement server as IBM will no longer service her server as of next May. Mr. Bell recognized same.

Monies Requested: Mrs. Waizenegger indicated that at the last Council Meeting a resolution was approved without appropriating the required contribution of \$95,000 for the grant. Mayor Decker has suggested reallocating some of the 2013 Serial Bond monies earmarked for the Berme Road water line which we are not going to do. George Belcher questioned the fact that it was supposed to be a no cost grant. The Mayor indicated that originally was to be no cost but in fact that has changed and now a contribution is required. Consensus among members present is to reallocate from the Berme Rd monies.

Secondly there needs to be monies to continue the Whitewater Park Project. It was noted that the Tri-State Chamber of commerce was not successful in the first round of the ABC grant process.

Mrs. Maginsky reviewed where we are in the process of the Whitewater project and the additional work now necessary due to the requirement of the Army Corps of Engineer letter in the permitting process. She noted that some of this work has to be done to satisfy needs of the State of Pennsylvania for which we cannot secure any NYS funding. Total costs of additional requirements per detail given total \$77,225. There are also more costs that may not be anticipated which could easily drive the costs to \$100,000 without any additional work to be requested by the US Fish and Wildlife service which could add a bat and turtle survey. It was suggested that Valerie check with Delaware Valley School District to see if they as part of their school building project if any of these surveys have been completed already by them and could just be re-certified. Mrs. Maginsky noted that our previous mussel survey cannot be used for Pennsylvania as the surveyor is not certified in Pennsylvania.

Mayor Decker noted that we have undesignated funds of \$400,000 that will be coming from Energy in the Bank. Mr. Ritchie and Mr. Belcher suggested seeking monies from the Orange IDA and or Orange County Parks and Recreation. It was noted that existing grants have been extended from a time perspective and Mrs. Maginsky will reach out to them for any additions available as well as the Orange County Partnership and other Orange

County sources. She noted that our overall need for monies to get us up to construction will be \$200,000. It was discussed that there was no desire to seek funding from NYSDOT due to potential additional delays.

Mrs. Waizenegger notes that the City still has funds sitting from the old UDAG Grant and Loan program that could be used for any urban development project within the City at the Council's discretion. There is approximately \$80,000 of funds available from this source.

Mr. Bell asked Mrs. Maginsky if she was comfortable with setting the total need at \$200,000 she stated that \$225,000 would be better. Mrs. Maginsky stated that the next step is to sign the contracts to proceed with the work necessary for the Army Corps requirements. The committee discussed that we will proceed with the UDAG monies to be used if no other funding can be located but that the UDAG monies will be source of last resort.

Insurance Renewals: Mrs. Waizenegger reviewed the proposals received via e-mail which are a refusal from Allied World citing that it is too thinly priced for them to be competitive, a proposal from NYMIR which is a large premium increase with no downstream dam coverage and a Travelers renewal with a small decrease in premium, downstream dam coverage but with the contingency that we develop a corrective action plan for items noted in the most recent engineering review of the dams. In essence we really have only have one viable option which is Travelers but our broker will provide his input shortly.

Mr. Stubbs called in at 6:30 and provided his additional input. He stated that given the current market conditions with respect to dam coverage that it is critical to do the corrective action plan on the dams as finding any other carrier for dams is difficult. Mr. Stubbs also noted that additional sites have been added for flood coverage and that per Travelers new corporate terrorism is included with no option to delete it.

Mr. Stubbs inquired if we have the DEC certification back yet and was informed that we do not. Mrs. Waizenegger also provided the information that the engineer that did the dam review has subsequently been relieved of all duties with respect to the City and that the City has a different engineering firm as its official City engineer so the City may be evaluating having the work re-done.

Mr. Stubbs and Mrs. Waizenegger also cited Travelers excellence in actively working with us on claims administration on payments and denials.

Sewer Fees: Mr. Bell indicated that he has had feedback regarding the fact that the sewer fee reduction based on the Enhanced star exemption excludes single owner occupants that do not qualify for enhanced star. Mrs. Waizenegger indicated that the different basis did bring in new eligible units where there may be a senior couple with low income. She also indicated that the Star exemption with relation to income is verifiable through the assessor, whereas the single owner occupancy relies on the homeowner's statements and notice which requires more enforcement work. The committee asked if Mrs. Waizenegger could research the parties impacted. It was noted that in order to complete audit work she is not capable at this time of taking on any additional duties or projects at this time. The committee agreed to wait until it was feasible to review the data more closely and change it in the future as there may only be a small amount of affected individuals.

Old Business: Mayor Decker indicated that he will give the fire chief 15 days to respond regarding the roof to keep the item in the capital note.

Mr. David Riveria joined the meeting and put forth the fact that his office is working at a faster pace than before and detailed the inadequate record-keeping that current exists. He explained that he feels that he needs to fully

implement the computerization proposal in whole and not in part. Therefore, he is asking that his request be honored in its entirety and not reduced as proposed. He was asked if the data from the Assessor's system could be transferred and/or used. Mr. Riveria indicated that Mrs. Duryea's excel based data cannot be easily transferred to meet his needs and there will be a heavy data entry workload.

Mr. Riveria indicated that he does not feel that any partial implementation would not be beneficial to his operations. His total need with new PC purchases is estimated at \$35,000. Mayor Decker asked if we could do a plan to pay for this over two years and split it between this year's capital note and next year's. Mrs. Waizenegger indicated that we could not make a financial commitment without the funding behind it settled especially in light of the fact that it is an election year and priorities could change.

The committee will be re-evaluating the fire dept. request to try to provide the total system cost.

Data entry and systems maintenance with respect to all city systems was discussed as problematic. Mr. Ritchie expressed that a concern that the Council and central administration does not have adequate resources and knowledge to maintain continuity in the face of turnover or absence.

New Business: Mrs. Waizenegger noted that the internal audit will be delayed due to the on-going issues in her department associated with multiple staff turnovers. The turnovers have necessitated Mrs. Waizenegger to focus on on-going operations to the sacrifice of her own duties. She also reminded them that they will be receiving notice of reporting non-compliance.

Mr. Ritchie reminded the committee that due to the reduction in the sales tax sharing agreement we are facing a 200K deficit and he questioned what the City should be doing.

Mrs. Waizenegger indicated that the largest percentage of the City's budget is personnel and fringe costs and that both labor contracts are unresolved. She said that the City will need to make cuts but at the same time she personally believes that more staff is needed in her department to operate effectively and provide for succession planning. She also reviewed the massive amount of work that is done in the clerk's office inclusive of human resources, clerk, registrar, accounting and daily operations. She also reviewed the problems with staff recruitment in the current environment.

She also indicated her concerns about ability of the building department to implement and operate all of their systems and enforcement given the desired expanded activity and needs. Mrs. Waizenegger noted the need for enforcement methods that are clearer and more concise to help with our ability to administrate laws. In addition other entities are impacting our ability to perform our duties effectively such as the changes in the postal services that are creating delays in processing for us. She detailed four recent problems with the postal service with the committee.

Mrs. Waizenegger reiterated her need to withdraw from operations for the month of May to focus on the 2014 audit.

Mrs. Waizenegger also asked that the committee think about the need and process for future hiring in her department with respect to the Deputy position.

Public Comment: None

Executive Session: None

Meeting adjourned at 7:25 p.m.

Next Meeting: Thursday May 28th, 2014 at 6pm