

City of Port Jervis
Finance/Insurance Committee
Minutes for Meeting January 18, 2017

Present: Kristen Trovei, David Bavoso, Sarah Hendry, Lisa Randazzo, George Belcher, Stanley Siegel, Mayor Kelly Decker and Robin Waizenegger, City Clerk Treasurer

Absent: None

Finance meeting opened at 6:32 p.m.

GFOA Conference: Mrs. Waizenegger indicated that the annual conference is scheduled for March 30-31st. She will be attended for a day and a half of the 3 day conference. The committee asked her for an overview of the benefits of attending. She reviewed the benefits of the GFOA for information purposes, networking opportunities and the ability to meet various vendors of governmental services. Mrs. Waizenegger noted that a scholarship application has been made for the Deputy to attend as a new staff member for free. Mayor Decker inquired about sending the new Deputy City Clerk Treasurer without the scholarship as well. It was agreed as the conference cost is reasonable the committee recommends sending the Deputy as well with or without the scholarship.

Audit: Schedule reviewed. Mrs. Waizenegger noted that this will be the last year of our three year engagement. Therefore this committee will have to decide about renewing with Bonadio or doing a full RFP process. Mrs. Waizenegger explained that she is expecting a cost increase as firms tend to low bid when they are seeking a new client. The committee discussed the performance of this firm and Mrs. Waizenegger will also discuss with other firms the possible interest in our audit with competing firms.

With respect to GASB 45 this is also the last year of our 3 year engagement with USI as well. Mrs. Waizenegger indicated that she is extremely pleased with their work and professionalism and would recommend re-engaging them.

Reporting: Mrs. Waizenegger reviewed all of the reporting requirements due over the next 5 months in conjunction with the audit and explained same to the members.

Insurance Renewals: Mrs. Waizenegger indicated that the renewal of the flood insurance policies are in for processing. The applications for the VFIS coverage has been completed and submitted for the March renewal. The remaining policies are due for renewal in May and the applications have not been received for those. She completed a telephone risk assessment with our current carrier Trident which resulted in only one recommendation to the City which is to provide defensive driving courses to all employees who drive as part of their job due to the frequency of accidents. Mayor Kelly Decker did indicate that within the police department there is a penalty to the officer when he/she has multiple accidents of lost benefit time. The committee discussed the possibility of whether the City wants to shop around for a new brokerage firm with a naming of markets for completion. Mrs. Waizenegger expressed the fact that she is happy with the current broker who does bring us multiple offers.

Cash Flow: Mrs. Waizenegger noted that cash flow is tight and will remain so until collection of city taxes in April. She put out the Revenue Anticipation Note to bid with the banks with bids due in by 3pm January 24th for execution on February 1st.

2017 Borrowing: Mrs. Waizenegger presented to the committee the preliminary requests for the 2017 capital note, vehicle purchasing and serial bond. She explained the previous planning around vehicle purchases in combination with the issuances of capital notes as the City previously had put all vehicle purchases into these small notes. She noted that she had emailed all of the requests and backup. Mrs. Waizenegger stated that she does not expect any final decisions tonight as we will look at the items and determine what items we need more information on or anything that we may want to consider excluding or modifying based on our financial limits. She expressed concern about the fact that she did not receive any request other than a confirmation of the vehicle purchase for a chief vehicle from the fire department.

The committee proceeded to review each item and had concerns about the amount of the buyout for a vehicle. Mrs. Waizenegger offered that depending on cost continuing the lease might be an option. There were questions on the recreation message board, bleachers, child id system and sewer camera. All members present said that they would seek additional information during the committee meetings. Mr. Belcher expressed concerns about the sewer vac truck that is shared with Middletown and claims that we are bearing all costs of repairs. The mayor indicated that is a management issue that he will address with Mr. Farr. Mrs. Waizenegger will send edited list back out to all.

This year it had been planned to do up to \$100,000 on a Capital Note and approximately \$250,000 for vehicles. The list for vehicles is \$273,500 but it was agreed by all present that the purchases of all vehicles are necessary after reviewing the items requested.

The Mayor indicated that there are vehicles at the caretaker's house that need to be cleaned up.

Mrs. Waizenegger reviewed the analysis of retiring debt and she indicated that between 2017 and 2018 there is retiring debt which would free up approximately 2.8 million dollars of borrowing capacity without impacting the budget. After 2018 thru 2022 there is no more retiring debt. She noted that our bonding needs are much greater than that. Mrs. Waizenegger also provided the committee with a detail of approximate bond payments at different borrowing levels. The Mayor let the committee know, that with all existing contractual payroll obligations the tax rate will have to increase by 3% therefore whatever bonding we do will be an additional increase on top of that.

The committee discussed possible other budgetary factors including property development and the EIB contract.

Mrs. Trovei asked when we will need to make a final decision for the bond. Mrs. Waizenegger stated that she cannot go to market until the financials are done for 2016 which will be mid-May so we should have our decisions finalized by then.

The committee discussed every item on the serial bond requests in detail. There was a long discussion regarding the water metering system with regards to request to replace meters. This entire water billing system came into question and needs to be discussed in DPW.

A revised listing with comments will be circulated for discussion in other committees for additional information before any decisions are finalized. Mrs. Trovei added parking meters to the list for consideration.

The committee discussed current actions with respect to the right-of-way acquisitions for the bridge project and an issue with one property owner and decided to refer the issue to the full council under executive session.

Old/New Business: Mrs. Waizenegger emphasized the need to lobby our position against all of the additional costs that would be posed with the current court consolidation proposal. The additional costs of transporting prisoners back and forth while be substantial.

Mrs. Waizenegger tried to address the list of questions sent out by Chairperson Trovei. The questions regarding the Tri-state bridge and WWKP were addressed during discussions of the bond. There was however further discussion over the eminent domain process. The Mayor gave Council member Hendry the e-mail for RK Hite to pose questions of them regarding the property acquisitions.

With respect to rollover from 2016, Mrs. Waizenegger indicated that there is not a roll-over of funds but an increase or decrease in your fund balance as a result of operations. She is fairly certain that there will be an increase in fund balance but as the books remain open until February for search for unrecorded liabilities and audit.

Mrs. Hendry also indicated her desire to have a detail of overtime by department.

With regards to Tourism they finished the year with income in excess of expenses of \$14,438.50 which includes \$5,981.30 starting funds from last year. Mrs. Waizenegger noted that the dinner on the Delaware proceeds went into this account as opposed to recreation this past year. The Mayor noted that it will be the responsibility of the tourism board to fund the fireworks this year that was funded by Orange County in 2016. The Council will have to take action to establish an amount of funds appropriate for the Tourism Board to begin the year. It also was discussed that the tourism board has to focus more on promoting tourism versus running "profitable" or fund raising events. The Mayor discussed possible Xmas decorations. Mrs. Trovei discussed long-term marketing efforts.

The committee discussed that Planning Board fees need to be discussed at code and that all costs need to be borne by the applicants.

The question regarding putting contracts and salary listing information on the website was discussed and it was expressed that all of these items can be requested through the FOIL process so that commercial marketers do not have free access to all of our staff and vendors which is prohibited through the FOIL process.

Mrs. Waizenegger informed the committee that the AS400 server has been ordered and is scheduled for install in May.

Mrs. Waizenegger informed the committee that she will need to have proposed the local law to exceed the tax cap for 2018. Mr. Bavoso will move this through code committee.

Public Comment: None

Executive Session: Personnel.

Meeting adjourned at 9:30 p.m.

Next Meeting: Wednesday February 14, 2017 at 6:30 p.m.