



LEGISLATIVE BRANCH ▪ CITY OF BINGHAMTON

Hadassah Mativetsky, City Council President

Sarah Dinhofer, City Clerk

COUNCIL OF THE CITY OF BINGHAMTON

Committee Meeting Minutes: Finance

Work Session Room, 38 Hawley Street, Binghamton, NY 13901

3:30 PM, April 11, 2024

I. CALL TO ORDER

Called to order at 3:34PM by Chair Cavanaugh

II. ROLL CALL

Present: Robert Cavanaugh, Nate Hotchkiss, Michael Kosty

Also Present: Sarah Dinhofer (City Clerk), Michael Dundon (Councilmember), Chuck Shager (Comptroller), Ron Lake (City Engineer), Elliot Wagner (JSTP Superintendent)

III. DISCUSSION

Request for Legislation 24-73 Considered in Finance: Cavanaugh

A Bond Ordinance for the improvements of the TPS (Terminal Pump System) at the Joint Sewage Treatment Plant

- Wagner: States flushable/alcohol wipe use has increased significantly since COVID. Process at Terminal Pump System is channel grinder which grinds contents into slurry, but wipes are flexible – don't always get fully ground up and get wrapped around grinders. At least 2 mechanics are sent 1x/month to pull the wipes out, exposing them to sharp objects and dangerous circumstances. Then, slurry is pumped up to facility and ran through fine screens, which get clogged by wipes, causing necessary opening of bypass gate to avoid DEC fines from wastewater pouring onto ground or into river
- CM Cavanaugh: Asks how old current grinders are; Wagner responds 2-4 years old, however explosion of wipe use has been biggest impact. DC permit requires 60mil gallons pumped at minimum, but struggling to meet goal
- CM Cavanaugh: Asks about structural updates needed to accommodate new equipment; Wagner answers updates will be necessary: structural beam modification, intermediate floor work, etc. Wagner points out that with current equipment, 3-4 overtime workers have to come in every time it rains, incurring further costs. Lake notes belief that equipment will pay for itself within short time considering all factors
- Shager: Applying for WEA grant through EFC for 30% from NYS for joint project between Johnson City and Binghamton, which qualifies for hardship loan (0% interest for 28 years). Also able to use recent settlement money allocated to paying off debt associated with sewage plant.
- CM Cavanaugh: Asks if Johnson City must pass same bill for bond; Shager answers yes – will be considered following week

Request for Legislation 24-76 Considered in Finance: Cavanaugh

A prepayment to municipalities for credits based on the 2023 final estimated flows at 85% of estimated final flows in the amount of \$4,016,955.99 with the remaining to be paid upon ratification by sewage board of final bill

- Shager: States every year, municipalities pay treatment plant estimate of total costs incurred, then totals are reconciled in September of next year following sewage board completion of audit, then refunded back to municipalities. Currently, general fund has to loan sewer fund large total to cover bills; prepayment would allow City to pay off general fund and not owe money between lines

- CM Cavanaugh: Asks if this should be enshrined as yearly practice; Shager answers that would be best practice over a certain agreed upon amount, e.g. \$1mil

Comptroller's Quarterly Financial Report

Follow up session: § 5-32. Comptroller to provide financial information. The Comptroller will provide (i) all financial reports, audit reports, weekly revenue/budget reports, (ii) each fund's cash balance and interfund advances, and (iii) random audit results, to the Mayor and members of City Council on at least a quarterly basis via a shared internet portal site.

- CM Cavanaugh: Questions how it would be possible to reflect negative amount allocated if spending was being properly tracked. Shager responds overallocation may be reflected, but partial lost revenue will be returned to fund unspent, therefore actual funds are not overspent, just overallocated. Discusses additional spreadsheet error in calculation
- CM Cavanaugh: Further questions how overallocation would be appropriate, considering good accounting measures. Shager responds that a lot of work in budgeting is done through estimates, but cannot deny that mistakes were made. Clarifies that there is no more money to be allocated due to previous Council's overallocation
- CM Cavanaugh: Requests snapshot report of current spending vs. allocation within each previously allocated budget item. Shager answers can be ready by first meeting in May; if any data becomes available before then, it will be shared ahead of then
- CM Hotchkiss: Requests information regarding debt held by city vs. debt limit. Shager responds total debt is at about \$185mil with vast majority being held by sewer line. CM Hotchkiss asks about rates attached to various bonds; Shager responds every bond has been re-funded within last 5 years: varying rates between 2-4%. Estimates that City is at about 80% of total debt limit. Shager further discusses constitutional tax levy – currently at about 75%

IV. ADJOURNMENT

Motioned at 4:42PM: Hotchkiss

Second: Kosty

All in Favor