

**MINUTES OF THE MEETING OF THE COUNCIL OF THE CITY OF WATERVLIET  
THURSDAY, MARCH 15, 2018 AT 7:00 P.M.**

The meeting was called to order by Mayor Manning at 7:00 P.M.

Roll call showed that Mayor Manning, Councilman Patricelli, and Councilman McGrouty were present.

Also present from City Administration were: General Manager Jeremy Smith, City Clerk & Clerk to the Council Scott O'Reilly, Director of Finance Michael McNeff, Corporation Counsel Yorden Huban, and Police Chief Mark Spain.

Councilman Patricelli made a motion to dispense with the reading of the Minutes from the previous meeting, which Councilman McGrouty seconded. A vote was then taken to dispense with the minutes that passed unanimously.

Prior to the Reports of Officers and Committees, Albany County Executive Dan McCoy gave a "State of the County" presentation. During his report Mr. McCoy explained that Albany County has stayed under the tax cap for the last five years and that the County currently has over 60 Million dollars in reserves. He also pointed out that the County's sales tax revenue has held steady over the past few years but that it could potentially decrease as a result in the popularity of "online shopping." When a product is purchased online, the County is not able to collect sales tax on the transaction.

Mr. McCoy stated that one of the ways the County has been able to save money is through "shared services," with the various Towns and Cities within the County. He also thanked the City of Watervliet for their role in a partnership for various County sponsored youth athletic programs that take place at the Watervliet Dome and the possibility of the County investing more money into the facility to better showcase its usefulness. Mr. McCoy encouraged County residents to voice their opinions on any County programs they like or do not like so that he can better accommodate the needs of the residents.

He also announced that the County will be investing 60 Million dollars in the County nursing home which should be fully reimbursed by the Federal Government. Included in that investment will be the relocating of the 9-1-1 dispatch center to the same site as the County nursing home. Another recent investment of note was a 20-Million-dollar investment in the atrium at the Times Union Center in downtown Albany. These types of investments, Mr. McCoy explained, are done to increase the quality of life for the residents of Albany County.

When County Executive McCoy opened the floor for questions, Councilman Patricelli asked for clarification on the sales tax issue with online purchases. Mr. McCoy explained that, in most cases, the State of New York receives the sales tax revenue from online purchases but that many of the larger online retailers, like Amazon, do not charge sales tax. He also explained that this issue has been brought up in the State Assembly and Senate but there has been little movement thus far. Councilman Patricelli also asked what the City of Watervliet could do to support the County with their work involving the opioid epidemic. Mr. McCoy explained that continuing to educate people, especially young people about the dangers of opioids is one way to help with the ongoing problem. He also encouraged people to routinely clean out their medicine cabinets and dispose of any medications that are no longer needed or expired.

## REPORT OF OFFICERS AND COMMITTEES

### 2017 Financial Report

Director of Finance Michael McNeff presented a report on the City's year end finances for 2017. Mr. McNeff started off by outlining the various duties of the Department of Finance. He also laid out the different funds the City has, including General, Water, Sewer, Capital Projects, and Debt Services.

Director McNeff explained that the City's largest revenue source is Property Taxes which saw a small increase from 2016 to 2017 due to the two percent tax increase for 2017. Sales tax, which is also a large revenue source for the City came in just below the 2016 number. Mr. McNeff announced that 2017 saw a decrease in expenditures in the amount of three hundred six thousand dollars (\$306,000.00) from 2016. The City also saw a one hundred sixty-four thousand-dollar (\$164,000.00) increase in the General Fund balance. Also, after recouping the three-hundred thousand dollars (\$300,000.00) of fund balance that was appropriated for 2017 the final year end fund balance stood at four hundred sixty-four thousand dollars (\$464,000.00).

Mr. McNeff then gave a summary of the other two major funds (water and sewer). The water fund saw a one hundred nine thousand-dollar (\$109,000.00) increase in fund balance while the sewer saw an increase of forty-one thousand dollars (\$41,000.00) in fund balance, with a disclaimer assuming the City receives the past due sewer payment from the Watervliet Arsenal. These numbers added together come out to a three hundred fifteen thousand-dollar (\$315,000.00) increase in fund balance across the three major funds. He explained that these numbers are a vast improvement from 2016 which saw a reduction in fund balance that was close to eight hundred thousand dollars (\$800,000.00).

General Manager Jeremy Smith applauded Mr. McNeff for his diligence compiling this report. He stated that with Michael running the City's finances the City is and will continue to be on the right track moving forward.

Councilman Patricelli also commended Mr. McNeff for his efforts. He then asked if Mr. McNeff was willing to present this report to the Finance Committee sometime in April which Director McNeff responded that he would be happy to do so.

Councilman Patricelli then asked if the outstanding revenue due to the City from the Ambulance service was included in these numbers. Mr. McNeff stated that there is around one-hundred twenty thousand dollars (\$120,000.00) in outstanding revenue but that those numbers were not included his report. He also informed Mr. Patricelli that the City would be hiring a collections agency to recoup some of those funds. Councilman Patricelli suggested having the City's law student interns attempt to take these un paid cases to small claims court. Corporation Counsel Yorden stated that he would look into that possibility.

A copy of Mr. McNeff's full power point presentation is attached to these Minutes and are available for viewing in the City Clerk's office in City Hall.

## OLD BUSINESS

NONE

## NEW BUSINESS

**RESOLUTION NO. 9478** - The Council of the City of Watervliet hereby approves, ratifies and confirms the appointment of William Fahr (Member, expiration March 19, 2021), Paul Fahr (Member, expiration March 19, 2020), Mark Gilchrist (Member, expiration March 19, 2019), Jeremy Smith (Ex Officio Member) and Paul LaBoissiere (Ex Officio Member) to the City of Watervliet Tree Committee.

General Manager Jeremy Smith explained that the City Council had adopted a Local Law pertaining to trees and that said Local Law dictates the City appoint members to the "Watervliet Tree Committee."

Upon a motion from Councilman Patricelli which was seconded by Councilman McGrouty, the Resolution passed with a 3-0 vote.

**RESOLUTION NO. 9479** - The Council of the City of Watervliet hereby approves a Memorandum of Understanding between the Village of Green Island and the City of Watervliet, for the purpose of supplying equipment and vehicles along with the necessary operator(s) for lawful municipal purposes.

General Manager Smith explained that this is an annual shared services agreement between the City and Village of Green Island.

A motion was made by Councilman McGrouty to move on the Resolution. Councilman Patricelli then seconded the motion and the Resolution passed unanimously.

**RESOLUTION NO. 9480** - The Council of the City of Watervliet hereby accepts the proposal of Davey Resource Group, Inc., 1500 North Mantua Street, Kent, Ohio 44240, to provide consulting services for the Watervliet Urban Forestry Inventory Project and that Mayor Michael P. Manning be and he hereby is authorized and empowered to execute a contract between the City of Watervliet and Davey Resource Group, Inc.

General Manager Smith explained that the City received two bids, with Davey Resource Group being the lower bid of the two which was a determining factor. Mr. Smith recommended approving this Resolution to the City Council.

Councilman McGrouty asked if this project would include all trees located in the City. General Manager Smith then explained that only trees on City owned property and in the public right of way would be inventoried. Mr. Smith also pointed out that the project will be fully funded with a grant.

Upon a motion made by Councilman Patricelli, seconded by Councilman McGrouty, the Resolution passed with a 3-0 vote.

**RESOLUTION NO. 9481** - The Council of the City of Watervliet hereby accepts the bid from and awards the contract to Anjo Construction, Ltd., 794 Watervliet Shaker Road, Latham, New York 12110 in the amount of Two Million Three Hundred Eighty Nine Thousand Four Hundred Seventy Four and 00/100 Dollars (\$2,389,474.00) for the Comprehensive Water Systems Improvements Project, Task Order 1, Phase 2, the lowest responsible bidder in conformance with the specifications and that Mayor Michael P. Manning be and he hereby is authorized and empowered to execute a contract between the City of Watervliet and Anjo Construction, Ltd..

General Manager Jeremy Smith explained that the City received six bids for this portion of the project and that Anjo Construction was the apparent low bidder. Mr. Smith also stated that some of what was included in the specs for the project would not be necessary so that the actual cost of the project would likely be two hundred fifty thousand dollars (\$250,000.00) less than the bid itself, which would have the City right on budget, or slightly over the total budget of the project. If the City does go over budget on the project the grant that the City received has contingencies that would cover the difference. General Manager Smith also pointed out that Anjo Construction has done this type of work many times before and that the City received multiple recommendations from agencies who have used Anjo in the past. If approved, Anjo Construction will be present for a public meeting to lay out the time line for the project so that residents are kept in the loop.

Councilman McGrouty then made a motion to move on the Resolution which was seconded by Councilman Patricelli and the Resolution passed with a 3-0 vote

## **APPROPRIATIONS AND ACCOUNTING**

**RESOLUTION NO. 9482** – The Council of the City of Watervliet hereby approves the transfer of funds from certain under spent accounts to other overspent accounts in the annual estimate for the 2017 fiscal year, due to unforeseen circumstances.

General Manager Smith explained that these were the last of the year end transfers for 2017 and that they were budget neutral transfers.

Councilman McGrouty made a motion to move on the Resolution which Councilman Patricelli seconded and the Resolution passed with a 3-0 vote.

Prior to the opening of the Public Comment Period, Councilman Patricelli asked if the pot holes in the alley behind the old School One have been filled. General Manager Smith explained that after researching the matter, he learned the alley was actually a Street and that it will be paved this year.

Councilman Patricelli then brought up a potential issue with the City's "Ethics Complaint Form," that people can fill out if they believe a City official is in violation of the City's Ethics Policy. Mr. Patricelli asked if requiring people to put their name on the form would deter some from submitting their complaint. Corporation Counsel Yorden Huban informed Councilman Patricelli that to change the complaint form, the Ethics Law may need to be changed. Mr. Huban also stated that requiring a name with the complaint could allow for more credibility and make the complaint easier to investigate.

Councilman Patricelli then asked for an update on the open position of Grant Administrator. General Manager Smith explained that the City posted for the position and received ten applications. Of those ten, four interviews were conducted. After the interview process an offer was made and accepted by Leslie Foster and that she would begin on April 2<sup>nd</sup>. Mr. Smith also announced that there was a possibility of hiring one of the other three individuals who interviewed for the position. This candidate would be a budget neutral addition to the staff because it would be funded through other resources that the City has. Councilman Patricelli then noted that he was opposed to having this new hire in the budget for 2018 and that his concern with this particular hire was that Mrs. Foster's name came up in the public as being the person who would be hired for the position before the hiring process began. He also stated that although it may have been a coincidence he would like to ensure that all hiring's be credible and transparent. General Manager Smith stated that regardless of rumors, a three-member team scored each application that was received for this position. The top four scorers were then brought in for interviews which were also scored. Mrs. Foster had the highest score and was offered the position. Mr. Smith explained that any prior conversations about this open position did not include him and that he made his decision based on what he believed was best for the City of Watervliet.

Councilman Patricelli also announced that he had recently received an anonymous ethics complaint that had been delivered to him and a member of the Ethics Board and felt it was his duty to present it to the General Manager and Corporation Counsel. Corporation Counsel Huban advised Mr. Patricelli that the Board of Ethics had been contacted and a meeting had been scheduled to address this complaint the following week. Councilman Patricelli asked if the City Council would be adjourning into executive session to discuss this matter which Corporation Counsel Huban advised against because the complaint was brought to the Ethics Board directly and that a meeting of that board had been scheduled.

Councilman McGrouty asked Corporation Counsel Huban if he had looked into his question from the previous City Council meeting regarding a member of the City Council being able to Chair a local fundraiser. Mr. Huban explained that he did not have an answer for him yet.

## PUBLIC COMMENT PERIOD

**Bill Conroy – 517 4<sup>th</sup> Avenue** - Mr. Conroy asked if he was being “Black Balled” by the City. He stated he had been trying to get on the bid lists for CDBG Housing Rehabilitation jobs but, lately, has not been added. Mr. Conroy pointed out that he had done work for the City in the past. General Manager Smith stated that he would look into the issue and asked Mr. Conroy for his contact information so that he could add him to any future lists.

**Don Whitehead -1921 8<sup>th</sup> Avenue-** Mr. Whitehead asked if the finale on the flag pole at Veteran’s Park would be replaced before Memorial Day. Councilman Patricelli stated that he had reached out to Frank Soucy, who had previously brought up this issue, to inquire about which type of finale should be placed there but he has not contacted him yet.

Mr. Whitehead also asked if the City were to fill the position of Animal Control Officer, could that person also be used for parking enforcement. Police Chief Spain stated that the position is in the budget as a part time position and that they had run into problems in the past with assigning dual duties to the person in that position but that he would look into it.

With there being no further comments Mayor Manning closed the Public Comment period.

Councilman McGrouty then asked Police Chief Spain for an update on Mike McNally, the recruit the Police Department currently has in the Police Academy. Chief Spain explained that until he completes the academy, the City typically does not have much communication with recruits, unless there is an issue. Chief Spain explained that he has not heard from the Academy regarding anything about Mr. McNally, and that “no news is good news.”

Councilman McGrouty also asked Chief Spain about potentially reinstating the School Resource Officer considering all the recent school shootings throughout the country. Chief Spain explained that recently the Police Department has designated the schools as patrol zones for Officer Christopher Toleman. Officer Toleman will enter the school’s multiple times a day and has become a familiar face for the students and faculty. Chief Spain believes this is a good start for reasserting a police presence in the school but that he plans to move slowly because he wants to get it right.

A motion was made by Councilman Patricelli to adjourn the City Council meeting, which was seconded by Councilman McGrouty. The meeting was adjourned at 8:50PM.

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City Council Meeting Minutes  
March 15, 2018

**\*Next Meeting: April 5, 2018 7:00pm**

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Scott P. O'Reilly", with a long, sweeping flourish extending to the right.

Scott P. O'Reilly

City Clerk & Clerk to the Council

***City of Watervliet  
Finance Department  
2017 Report on Results of Operations***

Director of Finance

Michael McNeff

***Duties & Responsibilities***

- **Duties & Responsibilities of the Finance Department**
  - Responsible for the collection, receipt, and care & custody of all taxes and other monies due the City, except as otherwise by law
  - Responsible for investments of City funds as authorized by the General Municipal Law
  - Director of Finance shall deliver the annual financial report of the prior fiscal year to the Mayor and Council prior to May 1 of the following fiscal year, which includes:
    - (a) A statement of all receipts of the City, from all sources and of all accounts or revenues which may be due and uncollected at the close of the fiscal year
    - (b) A statement of the disbursements for all departments and agencies of City government during the fiscal year
    - (c) A detailed statement of the indebtedness of the City at the close of the fiscal year and the provisions made for payment thereof, together with the purpose for which it was incurred

### ***Operations & Responsibilities - Daily***

- Creation, mailing and collection of some 8,000 tax bills and maintenance of nearly 2,700 individual receivable tax accounts
- Process over 3,000 vendor bills each year
- Responsible for booking every dollar into City's ledgers for well over \$30 million in revenues & expenditures, resulting in over 13,000 journal entries annually
- Cash Management for the 14 City bank accounts, including over 150 bank reconciliations annually
- Oversee and manage over 250 budget line items

### ***Operations & Responsibilities - Periodic***

- Provide Council with monthly reports of all disbursements
- Quarterly, provide Council with budget to actual reports
- Annual report to Council on results of operations
- Submit annual financial report to NYS (AUD)
- On demand - provide detailed analysis to City Council, NYS OSC, Bond Counsel as well as the rating agencies – Moody's & S&P
  - Budget to actual reports
  - Cash Flow Projections
  - Multi-year planning analysis
  - Capital Planning

### Various Funds Included In The City's Financials

- Finance Department is responsible for maintenance and final submission of all the City's financials
- Financials are made up of the following funds:
  1. General Fund (A) – Accounts for all financial resources except those required to be accounted for in another fund
  2. Special Revenue Funds – Accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose
    - I. Water Fund (F)
    - II. Sewer Fund (G)
    - III. Community Development (CD)
  3. Capital Projects Funds – Accounts for financial resources to be used for the acquisition or construction of major capital facilities
  4. Debt Service – Accounts for the accumulation of resources for, and the payment of, general long term debt principal and interest

### Revenues General Fund 2017 vs 2016

City of Watervliet, NY General Fund Revenues				
	Actuals 2016	Unaudited 2017	2017 vs 2016	% change
<b>Revenues</b>				
Real Property Taxes*	\$4,147,982	\$4,229,620	\$81,638	1.97%
Real Property Tax Items	117,001	105,994	-\$11,007	-9.41%
Sales and Use Tax*	3,473,681	3,494,610	\$20,929	0.60%
Other Non-Prop Taxes	245,423	263,897	\$18,474	7.53%
Departmental Income	456,153	619,563	\$163,410	35.82%
Other Local Revenue	966,416	796,438	-\$169,978	-17.59%
State Aid* AIM	1,210,193	1,210,193	\$0	0.00%
State (other) & Federal Aid*	395,622	686,223	\$290,601	73.46%
Interfund Transfers	48,181	342,000	\$293,819	609.82%
<b>Total Revenues*</b>	<b>\$11,260,652</b>	<b>\$11,748,530</b>	<b>\$487,877</b>	<b>4.33%</b>

## Expenditures General Fund 2017 vs 2016

	General Fund Expenditures 2017 vs 2016			
	Actuals	Unaudited		
	2016	2017	2017 vs 2016	% change
<b>Expenditures By Function**</b>				
General Governmental Support	\$840,533	\$814,581	(\$25,972)	-3.09%
Public Safety	5,556,574	5,177,449	(\$379,125)	-6.82%
Health	99	0	(\$99)	-100.00%
Transportation	642,084	577,214	(\$64,870)	-10.10%
Economic Opp & Developmt	23,500	23,500	\$0	0.00%
Culture and Recreation	236,746	230,994	(\$5,752)	-2.43%
Home and Community Services	527,486	584,840	\$57,354	10.87%
Employee Benefits / Fringes	3,465,088	3,414,189	(\$50,899)	-1.47%
Debt Service	597,886	651,115	\$53,229	8.90%
Interfund Transfers	0	110,000	\$110,000	
Other				
<b>Total Expenditures (by Function)</b>	<b>\$11,890,016</b>	<b>\$11,583,881</b>	<b>(\$306,135)</b>	<b>-2.57%</b>

## Results of Operations General Fund 2017

**2017 shows an unaudited increase in General Fund balance of \$164K.**

*Please note that the 2017 budget had appropriated \$300k of fund balance.*

### Revenues Effect on Change in Fund Balance 2017 – General Fund

- Major Revenues Factors:
  1. Unclassified Revenue \$135,000 over budget (mortgage tax proceeds on 1545 Broadway closing = \$56,000, National Grid dig fees 2016 = \$50,000 & paving reimbursement National Grid = \$19,000)
  2. Police Department generated roughly \$114,000 over budget in traffic & parking fines in 2017 (PD active in traffic)
  3. Vacant Building Registration Fees were \$50,000 over budget
  4. Ambulance Revenue \$43,000 over budget (more calls)
  5. Code Enforcement fines were \$30,000 over budget (relevy of remediation charges-property maintenance)
  6. Sales Tax came in (\$88,000) under budget
- Net effect of above revenue items on Unassigned Fund Balance – An increase of \$284,000

### Expenditures Effect on Change in Fund Balance 2017 – General Fund

- Expenditures:
  1. Salary Lines were about (\$120,000) under budget in 2017 – Council, GM, Finance & Police & Fire Dept OT
  2. Health Insurance came in (\$48,000) under budget in 2017 – new health plan as well as open positions were budgeted for in 2017 but were never filled
  3. Employer Contributions for Police & Fire Retirement were (\$36,000) under budget – NYS Retirement investment performed well due to favorable market conditions
  4. Liability Ins. was over budget by \$30k
- Net effect of above expenditures vs budgeted increased Unassigned FB \$174,000

## Revenues\Expenditures – Water Fund 2012-2017

City of Watervliet, NY 2012-2017 Water Fund						
	Actuals					Unaudited 2017
	2012	2013	2014	2015	2016	
<b>Revenues</b>						
Real Property Tax and Tax Items	—	—	—	—	—	
Home and Community Services	2,841,403	2,868,257	2,876,385	2,781,202	2,751,951	2,784,441
Other (Permits, Fines, Sales, Misc.)	68,011	116,947	135,465	67,557	55,309	99,974
<b>Total Revenues</b>	<b>2,909,414</b>	<b>2,985,204</b>	<b>3,011,850</b>	<b>2,848,759</b>	<b>2,807,260</b>	<b>2,884,415</b>
<b>Expenditures</b>						
Special Items / Gen Govt Support	50	\$45,028	\$46,933	\$50,300	\$104,230	\$101,495
Home and Community (Water Dist)	1,252,436	1,290,017	1,385,245	1,253,314	1,461,145	1,338,811
Employee Benefits / Fringes	532,539	489,044	579,953	522,439	796,351	694,532
Debt Service	256,555	222,147	203,304	206,745	196,912	243,431
Interfund Transfers	772,000	866,000	939,844	1,004,844	320,192	396,844
<b>Total Expenditures</b>	<b>\$2,813,530</b>	<b>\$2,912,236</b>	<b>\$3,155,279</b>	<b>\$3,037,642</b>	<b>\$2,878,830</b>	<b>\$2,775,113</b>
<b>Surplus (Deficit)</b>	<b>\$95,884</b>	<b>\$72,968</b>	<b>(\$143,429)</b>	<b>(\$188,883)</b>	<b>(\$71,570)</b>	<b>\$109,303</b>

## Revenues\Expenditures – Sewer Fund 2012-2017

City of Watervliet, NY 2012-2017 Sewer Fund						
	Actuals					Unaudited 2017
	2012	2013	2014	2015	2016	
<b>Revenues</b>						
Departmental Income	\$1,055,806	\$1,048,165	\$1,064,032	\$1,121,596	\$1,077,345	\$1,226,999
Misc. (use of money, sales, etc.)	309	304	416	137	23	0
Interfund Revenues	0	0	0	0	0	0
Interfund Transfers	0	0	0	0	41,708	0
<b>Total Revenues</b>	<b>\$1,056,115</b>	<b>\$1,048,469</b>	<b>\$1,064,448</b>	<b>\$1,121,733</b>	<b>\$1,119,076</b>	<b>\$1,226,999</b>
<b>Expenditures</b>						
Other	\$28,007	\$28,000	\$28,000	\$25,000	\$38,015	\$39,080
Home and Community (Sewer Rents)	624,710	654,000	644,532	625,768	862,831	831,232
Fringes	64,314	65,464	75,827	69,591	196,095	184,635
Debt Service	88,948	115,071	114,472	113,489	115,438	130,216
Interfund Transfers	264,000	304,000	278,970	284,000	0	0
<b>Total Expenditures</b>	<b>\$1,069,979</b>	<b>\$1,164,535</b>	<b>\$1,141,801</b>	<b>\$1,117,848</b>	<b>\$1,212,379</b>	<b>\$1,185,163</b>
<b>Surplus (Deficit)</b>	<b>(\$13,864)</b>	<b>(\$116,066)</b>	<b>(\$77,353)</b>	<b>\$3,885</b>	<b>(\$93,303)</b>	<b>\$41,836</b>

## Major Fund Summary

City of Watervliet, NY 2012-2017 Major Fund Summary						
	Actuals					Unaudited 2017
	2012	2013	2014	2015	2016	
<b>General Fund</b>						
Revenues	\$11,327,973	\$11,825,326	\$12,325,668	\$12,630,994	\$11,260,652	\$11,748,559
Expenditures	\$11,426,064	\$11,821,145	\$12,279,955	\$12,552,965	\$11,890,016	\$11,583,881
Increase/(Decrease) in Fund Balance	(\$98,091)	\$4,181	\$45,733	\$78,029	(\$629,364)	\$164,657
<b>Water Fund</b>						
Revenues	\$2,909,414	\$2,985,204	\$3,011,850	\$2,848,759	\$2,807,260	\$2,884,415
Expenditures	\$2,813,530	\$2,912,236	\$3,155,279	\$3,037,642	\$2,878,830	\$2,775,113
Increase/(Decrease) in Fund Balance	\$95,884	\$72,968	(\$143,429)	(\$188,883)	(\$71,570)	\$109,303
<b>Sewer Fund</b>						
Revenues	\$1,056,115	\$1,048,469	\$1,064,448	\$1,121,733	\$1,119,076	\$1,226,999
Expenditures	\$1,069,979	\$1,164,535	\$1,141,801	\$1,117,848	\$1,212,379	\$1,185,163
Increase/(Decrease) in Fund Balance	(\$13,864)	(\$116,066)	(\$77,353)	\$3,885	(\$93,303)	\$41,836
<b>All Major Funds</b>						
Revenues	\$15,293,502	\$15,858,999	\$16,401,966	\$16,601,486	\$15,186,988	\$15,859,953
Expenditures	\$15,309,573	\$15,897,916	\$16,577,015	\$16,708,455	\$15,981,225	\$15,544,157
Increase/(Decrease) in Fund Balance	(\$16,071)	(\$38,917)	(\$175,049)	(\$106,969)	(\$794,237)	\$315,796

## Cash Position 2017

- Average daily cash balance in the General, Water & Sewer Fund bank accounts in 2017 was approximately **\$1,379,000**
  - All accounts = **\$2,178,593**
- Items to note relative to the average daily cash balance:
  - In 2017 the City issued a \$2.5 million Revenue Anticipation Note (RAN) in November 2017 to address the need for cash flow in same month
    - November is typically the month the City settles with Albany County for the county tax portion of the warrant; settlement amount is roughly \$900,000 plus unpaid taxes
    - The City also opted to prepay the Police & Fire and Employee Retirement annual contribution, which was about \$1.4 million, in 2017 to take advantage of offered discount
- If we remove the effects of the \$2.5 million RAN issued in November 2017 & the \$1 million in Nov '16 as well as the prepayment of NYS Retirement in mid December in both 2016 & 2017 the average daily balance in the General Water & Sewer accounts would have been roughly **\$938,998**; factoring in all accounts the balance would have been about **\$1,737,768**

## Reserve Balances as of 12/31/2017

Combined Balance Sheet As of December 31, 2017	Reserve accounts 2017			
	HRA	HRB	HRC	2017
	Equipment Reserve	Water Sewer Reserve	Accrued Liability	TOTAL
<b>FUND BALANCE as of 12/31/2017</b>	88,446.89	166,011.11	100,792.43	355,250.43

## City Debt Service

2018 Debt Service Budget Amounts							
Year of Issue	Bond Description	Principal Balance 12/31/2017	Payment Date	Total Principal	Total Interest	Total Payment 2018	Principal Balance 12/31/2018
2006	2.478 Public Improvement	1,190,000.00	2/16/2018 8/15/2018	150,000.00	45,993.76	195,993.76	1,040,000.00
2011	2.94 Public Improvement	2,160,000.00	2/1/2018 8/1/2018	160,000.00	100,160.00	260,160.00	2,000,000.00
2011	800k Retirement System	410,000.00	2/1/2018 8/1/2018	95,000.00	17,368.76	112,368.76	315,000.00
2011	2.255 Refunding	840,000.00	1/15/2018 7/15/2018	275,000.00	16,862.49	291,862.49	555,000.00
2016	2.508 Public Improve	2,405,000.00	2/15/2018 8/15/2008	100,000.00	60,590.00	160,590.00	2,305,000.00
		<b>\$ 7,005,000.00</b>					<b>\$ 6,225,000.00</b>

  

2018 Debt Service Budget								
General Fund Principal	General Fund Interest	Water Fund Principal	Water Fund Interest	Sewer Fund Principal	Sewer Fund Interest	Total Principal	Total Interest	Total Payment 2018
A9710.6000	A9710.7000	F9710.6000	F9710.7000	G9710.6000	G9710.7000			
\$ 490,106.00	\$ 158,634.50	\$ 198,090.00	\$ 46,425.26	\$ 93,804.00	\$ 35,905.25	\$ 780,000.00	\$ 240,965.01	\$ 1,020,965.01

## Projected Fiscal Stress Score 2017

Fiscal Stress Financial Indicator Components		2014	2015	2016	2017
Assigned Unappropriated and Unassigned FB	Total Assigned Unappropriated (accounts code 515) and Unassigned (code 917) Fund Balance: General Fund only	695,092.00	609,332.00	329,793.50	604,634.00
Total Fund Balance	Total Assigned Unappropriated (accounts code 515) and Unassigned (code 917) and code 924 for Enterprise Funds) Fund Balance: Combined Funds	1,292,728.00	967,376.00	312,115.79	577,503.00
Expenditures	Total Fund Balance: General Fund only	995,051.97	1,069,443.01	497,260.53	604,684.00
Revenues	Total Fund Balance: Combined Funds	1,532,727.87	1,455,996.07	708,340.43	577,503.00
Cash and Investments	Gross Expenditures (this includes transfers out): General Fund only	12,279,935.00	12,556,573.00	12,006,032.63	11,543,564.00
Current Liabilities	Gross Expenditures (includes transfers out): Combined Funds	16,602,045.00	16,712,063.00	16,105,401.35	15,544,210.00
Taxes Receivable	Total Revenues (do not include transfers in): General Fund	10,969,515.00	10,941,421.00	11,120,213.08	11,406,539.00
Debt Related	Total Revenues (do not include transfers in): All Funds (Excluding Capital Project Fund)	15,200,624.00	15,479,693.45	15,616,614.13	15,517,953.00
Personal Service and Employee Benefits	Gross Revenues (includes transfers in): Combined Funds	16,426,996.00	16,441,711.45	15,346,548.54	15,559,813.00
	Cash and Investments A (codes 200 to 223, 450 and 451): Combined Funds	1,321,922.00	1,066,834.00	331,370.70	1,447,475.00
	Cash and Investments B (codes 200, 201, 450 and 451): Combined Funds	1,351,456.00	1,066,833.00	335,165.70	1,451,120.48
	Current Liabilities (codes 600 to 626, 631 to 665): Combined Funds	1,669,789.00	2,226,553.00	2,676,834.13	3,115,214.62
	Taxes Receivable (codes 220, 250, and 255): Combined Funds	0.00	0.00	0.00	0.00
	Short Term Debt issued during the year (Revenue Anticipation Notes, Tax Anticipation Notes, and Budget Notes only): All Funds	-	-	1,000,000.00	2,100,000.00
	Budget Note issued during fiscal year: All Funds	No	No	No	No
	Debt Service Expenditures (Expenditure Object Code .6 and .7): All Funds except Capital Projects Fund	916,090.00	924,607.00	910,235.28	1,018,572.00
	Proceeds from current refunding bonds (code 5792): Debt Service Fund	0.00	0.00	0.00	0.00
	Personal Service and Employee Benefits Expenditure Object Codes .1 (Personal Services) and .8 (Employee Benefits): All Funds except Capital Projects Fund	11,056,779.00	11,516,452.00	11,030,541.85	10,770,413.00
Total Raw Score		13	15	20	18
Total Weighted Score		15.83	17.76	21.99	18.25
Percentage of 29 Possible Points Scored		54.6%	61.3%	75.8%	62.9%
Score Classification		Subsceptible Fiscal Stress	Moderate Fiscal Stress	Significant Fiscal Stress	Moderate Fiscal Stress

## Projections General Fund Revenues - 2018-2022

City of Watertlet, NY General Fund Revenues												
Revenues	Projected					Avg Annual Increase 2012-	Assumptions 2018-2022					
	2018	2019	2020	2021	2022		present	2018	2019	2020	2021	2022
Real Property Taxes*	\$4,853,066	\$4,950,127	\$5,098,631	\$5,251,090	\$5,409,138	2%	14.7%	2.0%	3.0%	3.0%	3.0%	
Real Property Tax Items	148,506	151,476	154,506	157,596	160,748	-7%	2.0%	2.0%	2.0%	2.0%	2.0%	PILOTs on the rise per schedule
Sales and Use Tax*	3,569,395	3,610,783	3,713,598	3,787,870	3,883,628	2%	2.1%	2.0%	2.0%	2.0%	2.0%	Historical trend
Other Non-Prop Taxes	263,897	263,897	263,897	263,897	263,897	0%	0.0%	0.0%	0.0%	0.0%	0.0%	Held constant
Departmental Income	631,955	644,594	657,456	670,632	684,148	1%	2.0%	2.0%	2.0%	2.0%	2.0%	aggressive PD & Code
Other Local Revenue	612,267	624,611	637,106	649,848	662,945	-1%	3.0%	3.0%	2.0%	2.0%	2.0%	Historical trend
State Aid* ADM	1,210,193	1,210,193	1,210,193	1,210,193	1,210,193	0%	0.0%	0.0%	0.0%	0.0%	0.0%	ADM in 2016, constant thereafter
State (other) & Federal Aid*	686,213	696,323	686,213	686,213	686,213	62%	0.0%	0.0%	0.0%	0.0%	0.0%	Any increase in Fed or state aid is
Interfund Transfers	100,000	100,000	100,000	100,000	100,000	-25%	0.0%	0.0%	0.0%	0.0%	0.0%	Held constant - Debt transfer from
<b>Total Revenues*</b>	<b>\$11,075,601</b>	<b>\$12,271,907</b>	<b>\$12,521,640</b>	<b>\$12,777,853</b>	<b>\$13,040,720</b>	<b>50</b>	<b>4%</b>	<b>3%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	

## Projections – General Fund Expenditures 2018-2022

City of Watervliet, NY		2018-2022											
General Fund Expenditures		General Fund Expenditures											
		Projected					Avg Ann Increase 2012-	Assumptions 2018-2022					
		2018	2019	2020	2021	2022	2012-	2018	2019	2020	2021	2022	Description
<b>Expenditures By Function**</b>													
General Governmental Support	\$863,456	\$915,265	\$951,874	\$989,849	\$1,029,546	1%	6.0%	6.0%	4.0%	4.0%	4.0%	increase 2% above trend in 2018	
Public Safety	\$5,177,449	\$5,255,110	\$5,333,937	\$5,410,616	\$5,549,428	3%	0.0%	1.5%	1.5%	2.0%	2.0%	per proposed contracts	
Health	\$0	\$0	\$0	\$0	\$0	-100%	0.0%	0.0%	0.0%	0.0%	0.0%	Historical trend	
Transportation	\$600,303	\$624,315	\$649,287	\$675,259	\$702,269	2%	4.0%	4.0%	4.0%	4.0%	4.0%	Historical trend	
Economic Opp & Developm	\$24,205	\$24,931	\$23,679	\$26,449	\$27,243	0%	3.0%	3.0%	3.0%	3.0%	3.0%	COL	
Culture and Recreation	\$233,304	\$235,637	\$237,993	\$240,373	\$242,777	-2%	1.0%	1.0%	1.0%	1.0%	1.0%	Historical trend	
Home and Community Services	\$608,254	\$632,263	\$657,365	\$684,460	\$711,547	1%	4.0%	4.0%	4.0%	4.0%	4.0%	Historical trend	
Employee Benefits - Trnges	\$3,550,756	\$3,692,787	\$3,840,498	\$3,994,119	\$4,153,885	1%	4.0%	4.0%	4.0%	4.0%	4.0%	Historical trend	
Debt Service	\$648,740	\$711,410	\$771,135	\$829,566	\$895,036	-4%						Per debt schedule - incr in 2018	
Interfund Transfers	\$30,000	\$30,000	\$30,000	\$75,000	\$50,000	2%	0.0%	0.0%	0.0%	0.0%	0.0%	Held constant	
Other	\$0	\$0	\$0	\$0	\$0	2%	0.0%	0.0%	0.0%	0.0%	0.0%	Includes contingency	
<b>Total Expenditures (by Function)</b>	<b>\$11,756,446</b>	<b>\$12,142,016</b>	<b>\$12,568,269</b>	<b>\$12,765,510</b>	<b>\$12,981,729</b>	<b>1%</b>	<b>-2.6%</b>	<b>1.5%</b>	<b>3.3%</b>	<b>3.5%</b>	<b>1.5%</b>		

## Fund Balance Projections 2018-2022 General Fund

	2018	2019	2020	2021	2022
<b>Surplus (Deficit)</b>	<b>\$319,155</b>	<b>\$129,891</b>	<b>(\$46,629)</b>	<b>\$22,343</b>	<b>\$58,991</b>
<b>Budgetary Reserves and Other Net Assets*</b>					
Fund Equity, Beg. of Year	\$608,374	\$927,530	\$1,057,421	\$1,010,792	\$1,033,135
Fund Equity, End of Year	927,530	1,057,421	1,010,792	1,033,135	1,092,126
Reserved Fund Balance	0	0	0	0	0
<b>Unreserved Fund Balance</b>	<b>\$927,530</b>	<b>\$1,057,421</b>	<b>\$1,010,792</b>	<b>\$1,033,135</b>	<b>\$1,092,126</b>

## 2018 Cash Flow Projections

General\Water\Sewer Projected Cash Flow 2018		
	Cash at Beginning of Period	Cash at End of Period
Jan-18	1,548,201.46	6,347,920.73
Feb-18	6,347,920.73	3,508,368.91
Mar-18	3,508,368.91	2,660,136.09
Apr-18	2,660,136.09	2,763,767.61
May-18	2,763,767.61	2,751,045.84
Jun-18	2,751,045.84	2,572,170.65
Jul-18	2,572,170.65	2,637,064.02
Aug-18	2,637,064.02	2,010,874.03
Sep-18	2,010,874.03	1,556,009.00
Oct-18	1,556,009.00	1,223,640.23
Nov-18	1,223,640.23	49,899.44
Dec-18	49,899.44	657,458.99

## Major Fund Summary

City of Watervliet, NY 2012-2017 Major Fund Summary						
	Actuals					Unaudited 2017
	2012	2013	2014	2015	2016	
<b>General Fund</b>						
Revenues	\$11,327,973	\$11,825,326	\$12,325,668	\$12,630,994	\$11,260,652	\$11,748,539
Expenditures	\$11,426,064	\$11,821,145	\$12,279,935	\$12,552,965	\$11,890,016	\$11,583,881
Increase/(Decrease) in Fund Balance	(\$98,091)	\$4,181	\$45,733	\$78,029	(\$629,364)	\$164,657
<b>Water Fund</b>						
Revenues	\$2,909,414	\$2,985,204	\$3,011,850	\$2,848,759	\$2,807,260	\$2,884,415
Expenditures	\$2,812,530	\$2,912,236	\$3,155,279	\$3,037,642	\$2,878,830	\$2,773,113
Increase/(Decrease) in Fund Balance	\$96,884	\$72,968	(\$143,429)	(\$188,883)	(\$71,570)	\$109,303
<b>Sewer Fund</b>						
Revenues	\$1,056,115	\$1,048,469	\$1,064,448	\$1,121,733	\$1,119,076	\$1,226,999
Expenditures	\$1,069,979	\$1,164,535	\$1,141,801	\$1,117,848	\$1,212,379	\$1,185,163
Increase/(Decrease) in Fund Balance	(\$13,864)	(\$116,066)	(\$77,353)	\$3,885	(\$93,303)	\$41,836
<b>All Major Funds</b>						
Revenues	\$15,293,502	\$15,858,999	\$16,401,966	\$16,601,486	\$15,186,988	\$15,859,953
Expenditures	\$15,309,573	\$15,897,916	\$16,577,015	\$16,708,455	\$15,981,225	\$15,544,157
Increase/(Decrease) in Fund Balance	(\$16,071)	(\$38,917)	(\$175,049)	(\$106,969)	(\$794,237)	\$315,796

# Fiscal Stress Score Changes



Office of the NEW YORK STATE  
**COMPTROLLER**

## Fiscal Stress Monitoring

### System Enhancements For Counties, Cities, Towns and Villages

The following tables summarize enhancements to the Fiscal Stress Monitoring System. These changes apply to all scores calculated using 2017 fiscal year end data and later (first release in January, 2018). In general, the modifications to the financial indicators are limited in scope. The environmental indicator enhancements are more extensive, improving the accessibility of this data for the public while preserving the original concepts.

Critical Area	Description of Change
Fund Balances	Indicator 1: Remove the combined funds points for assigned and unassigned fund balances, and instead add points when a CCTV has less than or equal to 2% assigned and unassigned fund balance in its general fund.
	Indicator 2: Remove the combined funds points for total fund balance, and instead add points when a CCTV has less than or equal to 2% total fund balance in its general fund.
Operating Deficit	Indicator 3: Remove the points for a single large deficit in the current fiscal year.
Short-Term Cash Flow Borrowing	Indicator 7: Remove the points for issuance of a budget note in the current fiscal year.

For more details about the System, see the Fiscal Stress Monitoring System webpage.  
[www.osc.state.ny.us/localgov/fiscalmonitoring/index.htm](http://www.osc.state.ny.us/localgov/fiscalmonitoring/index.htm)

## Results of Operations 2017 vs 2016 Variances General Fund

Variances between 2016 and projected 2017

Description	Revenues 2016	2017 Projections	Variance 2017 vs 2016
Real Prop Taxes	4,147,992.00	4,229,619.62	81,637.62 just under 2% tax increase
Real Prop Tax Bnfs	117,693.00	105,994.08	(11,697.00)
Non-Property Taxes	2,719,104.00	3,755,507.60	99,403.00
Departmental Income	456,163.00	533,679.87	77,526.87 remediation
Intergovernmental Chrgs	294,199.00	273,672.40	(69,473.40) traffic fines
Use of Money & Property	341.00	83.19	(257.81)
Licenses & Permits	210,398.00	228,201.78	17,813.78
Fines & Forfeitures	353,229.00	50,444.02	(292,647.50) TBS transfer diff of (-200k) in 2017
Sale of Property	50,000.00	0.00	(50,000.00) Stewarts sale in 2016
Miscellaneous	148,169.00	382,065.97	213,896.97 1% on 2543 mortgage 5%, Nat Grid 2016 dig fees 50k + 13k for paving reimb
State & Fed Aid	1,935,815.00	1,624,416.39	(18,601.39)
sub total revenues	\$ 11,212,471.00	\$ 13,456,021.74	\$ 1,941,150.24
Interfund Transfers	48,181.00	342,600.00	293,819.00 2016 had (-160k) adjust for 2015 post, 2017 had 42k transfer from Water
<b>Total Revenues 2016</b>	<b>\$ 11,260,652.00</b>	<b>\$ 13,798,621.74</b>	<b>\$ 2,537,969.74 Total Variance - Revenues</b>
<hr/>			
Description	Expenditures 2016	2017 Projections	Variance 2017 vs 2016
General Govt Support	840,553.00	842,961.33	2,408.33 salaries
Public Safety	5,556,574.00	5,177,531.00	(379,043.00) 100% less in PD DT, 38k less in PD salaries, 40k less in PD -Accts \ FD OT less 35k
Health	99.00	0.00	(99.00)
Transportation	642,084.00	577,214.16	(64,869.84) salaries
Economic Assistance	23,500.00	23,499.41	(.59)
Culture & Recreation	236,746.00	230,993.65	(5,752.35)
Home & Community Services	527,486.00	560,450.98	32,974.98
Employee Benefits	3,465,027.00	3,414,188.90	(50,838.10) hith - new plan
Debt Service	597,686.00	647,315.25	49,229.25 increase due to 2016 issue
Operating Transfers Out		110,000.00	110,000.00
<b>Expenditure Totals 2016</b>	<b>\$ 11,830,015.00</b>	<b>\$ 11,507,963.68</b>	<b>\$ (322,051.32) Total Variance - Expenditures</b>
<b>Change in Fund Balance 2016</b>	<b>\$ (569,363.00)</b>	<b>\$ 168,658.06</b>	<b>\$ 738,021.06 Total Variance 2017 vs '16</b>

