



Binghamton-Johnson City
JOINT SEWAGE BOARD



Eugene Hulbert, Sr.
Gary Holmes
Edward Crumb

Stephen Andrew
George Kolba, Jr.
Ron C. Davis

FINAL COPY

**MINUTES OF A SPECIAL MEETING OF BINGHAMTON -
JOHNSON CITY JOINT SEWAGE BOARD**

Tuesday, November 24, 2015
Conference Room, Office Building, JSTP

Members Present: George Kolba, Jr., Chairman
Eugene Hulbert, Sr., Vice Chairman
Edward Crumb
Ronald Davis
Steve Andrew

Members Absent: Gary Holmes

Also Present: Cathy Young, Superintendent
Charles Pearsall, Business Manager (arrived at 4:03 PM)
Bruce King, Village of Johnson City Trustee
Alfred Paniccia, Jr., Esq., Co-Counsel
John Perticone, Esq., Co-Counsel (left at 5:28 PM)
Gerald Kennicutt, City of Binghamton Assistant Comptroller
(arrived at 4:03 PM; left at 5:28 PM)
Ray Standish, City of Binghamton, Acting Engineer
Laura Lee Perkins, Transcriptionist

Guests: Tom Surowka, CEBS, NFP Corporate Services (NY), LLC
(left at 5:27 PM)

Chairman George Kolba called the meeting to order at 3:59 PM. Five (5) Board Members and legal counsel were present. Sign-in sheet passed for signatures.

Catherine P. Young announced that the State Auditor will not grant an extension for the Board's response; the response due 11/25; we are still waiting for NYS-OSC's documents responsive to our FOIL request.

Catherine P. Young, Superintendent
Binghamton-Johnson City Joint Sewage Treatment Facilities
4480 Vestal Road, Vestal, New York 13850
Phone: 607-729-2975 Fax: 607-729-3041
Email: bjcwwtp@stny.rr.com

Edward Crumb stated that the Auditor spent 311 hours and his assistant spent 76 hours, for a total of 387 hours, on the audit. They were given full access to Plant records for the years 2012 through 2014 with no exceptions. Mr. Crumb indicated that the auditing principal SHOULD have understood the wastewater treatment industry, but did not. He also stated that the audit team only looked at costs; not recoveries and offsetting revenues. This does not portray a fair picture of the Plant's finances. Further, with respect to the NYS-OSC's concern about chemical costs, it was noted that the engineering design, construction, and new chemical usage for the chemically-enhanced primary treatment (CEPT) process was required under the Consent Order with the DEC.

Eugene Hulbert stated that we are the only Plant on the New York portion of the Chesapeake Bay Watershed discharging into a Class A waterbody and asked who was the Engineer that calculated what the Plant's Class A flow ratings are in comparison to other Plants in New York State.

Steve Andrew stated they were not making fair comparisons.

All Board Members present expressed a willingness to sign the response letter to NYS-OSC.

Steve Andrew made a motion for the Board to go into Executive Session to discuss collective bargaining negotiations, including health benefits coverage.

Eugene Hulbert seconded the motion

Motion carried 5/0/1 (GH)

The Board went into Executive Session at 4:14 PM

Tom Surowka exited the meeting at 5:27 PM

John L. Perticone exited the meeting at 5:28 PM

Gerald Kennicutt exited the meeting at 5:28 PM

Steve Andrew made a motion for the Board to exit Executive Session.

Ronald Davis seconded the motion

Motion carried 5/0/1 (GH)

The Board exited Executive Session at 5:49 PM. No action was taken during the Executive Session.

Edward Crumb made a motion for the Board to accept the Lifetime Benefit Solutions 4/27/15 proposed schedule of fees plus a one-time implementation fee of \$450.00 for a Health Reimbursement Account (HRA) Plan effective January 1, 2016; \$2.95 per enrolled employee/retiree per month fee; to include the preparation of annual forms and instruct the Chairman to sign an agreement subject to approval by Co-Counsel Alfred Paniccia.

Ronald Davis seconded the motion

Ronald Davis also thanked Steve Andrew and Catherine P. Young for their work on this matter

Motion carried 5/0/1 (GH)

Edward Crumb made a motion for the Board to accept the Excellus Rate Sheet for the Simply Blue Plus Bronze 4 high-deductible group health insurance policy effective January 1, 2016 and instruct the Chairman to sign the same.

Ronald Davis seconded the motion

Motion carried 5/0/1 (GH)

Edward Crumb made a motion for the Board to encumber in the 2016 Budget, on budget line J9060.58000C (Health Insurance) an estimated health reimbursement account (HRA) Purchase Order in the amount of \$261,845.00 for plan administration costs as well as HRA benefits of up to \$5,400.00 per year per enrolled individual (after payment of the group health insurance policy's \$600.00 per person per year deductible), not to exceed \$10,800.00 per year for a multi-person enrollment and, further, to encumber in the 2016 Budget, on budget line J9060.58002C (Health Insurance - Retiree) an estimated health reimbursement account (HRA) Purchase Order in the amount of \$29,755.00 for plan administration costs as well as HRA benefits of up to \$5,400.00 per year per enrolled individual (after payment of the group health insurance policy's \$600.00 per person per year deductible), not to exceed \$10,800.00 per year for a multi-person enrollment.

Ronald Davis seconded the motion

Motion carried 5/0/1 (GH)

Edward Crumb made a motion for the Board to accept the Excellus Medicare Advantage Blue PPO Copay Plan group policy renewal proposal effective January 1, 2016 and authorize the renewal of the Medicare Advantage Contract, directing the Chairman to sign the same.

Ronald Davis seconded the motion

Motion carried 5/0/1 (GH)

Edward Crumb made a motion for the Board to accept the Excellus Medicare Supplemental F with Simply Rx prescription drug benefits group policy proposal effective January 1, 2016 and authorize the renewal of the Medicare Supplemental F/Simply Rx Contract, directing the Chairman to sign the same.

Steve Andrew seconded the motion

Motion carried 5/0/1 (GH)

Edward Crumb made a motion for the Board to approve the 2016 Health Benefits Program Notices with amounts not to exceed those presented and distribute the same to employees and eligible retirees.

Steve Andrew seconded the motion

Motion carried 5/0/1 (GH)

Steve Andrew made a motion for the Board to approve and ratify the 2016-2019 CSEA employment contract dated 11/19/15 with changes as read.

Ronald Davis seconded the motion

Motion carried 5/0/1 (GH)

Edward Crumb made a motion for the Board to present Requests for Legislation to the Owners in support of enterprise accounting, as requested by the Board's independent auditor and coordinated with the Fiscal Officer, as follows:

[C/Bgm] ORDINANCE
entitled

AN ORDINANCE MODIFYING THE 2015 BINGHAMTON-JOHNSON CITY JOINT
SEWAGE BOARD BUDGET TO ENHANCE TRANSPARENCY
AND SUPPORT ENTERPRISE ACCOUNTING.

WHEREAS, the City of Binghamton (the "City") is a joint owner of the Binghamton-Johnson City Joint Sewage Treatment Plant (the "JSTP") with the Village of Johnson City (the "Village"); and

WHEREAS, the JSTP is operated and maintained by the Binghamton-Johnson City Joint Sewage Board (the "Sewage Board") under a series of inter-municipal agreements between the City and the Village; and

WHEREAS, the Council and the Board of Trustees of the Village approve the Sewage Board's budget; and

WHEREAS, the Sewage Board's independent auditor has recommended that the financial books and records of the Sewage Board be modified to support enterprise accounting in order to comply with New York State guidance and demonstrate to the public in a single budget ledger, with its own audited financial statements, total costs for wastewater treatment services that are recovered through annual charges made to Municipal Users; and

WHEREAS, in consultation with the Fiscal Officer (City of Binghamton Comptroller) the Sewage Board has proposed revenue neutral modifications to its 2015 budgets to implement enterprise accounting in a way that reflects the total annual operating and maintenance costs of the Binghamton-Johnson City Joint Sewage Project recovered through annual charges made to Municipal Users,

NOW, THEREFORE, the Council of the City of Binghamton, duly convened in regular session, does hereby ordain as follows:

Section 1. That upon approval of a majority of the combined voting strength of the Council and the Board of Trustees of the Village, the Joint Sewage Board Fiscal Officer is authorized and directed to create in the 2015 Joint Sewage Board Appropriations budget the following three new budget lines:

J8130.54000.JG	REIMB VILLAGE LOCAL SYSTEMS COSTS
J8130.54000.JZ	REIMB CITY LOCAL SYSTEMS COSTS
J9740.57000	REIMB OWNER DEBT SERVICE

Section 2. That the Council approves the following modifications to the 2015 Joint Sewage Board budget:

a. that 2015 Estimated Revenue budget line J.42390 ("Governmental Entity Fees") be increased by \$6,846,290.00 (to \$15,469,613.00);

b. that appropriations in the 2015 Joint Sewage Board Appropriations budget be increased in the aggregate amount of \$6,846,290.00, to be added to the newly created appropriations lines as follows:

in the amount of \$ 562,695.00 to: J8130.54000.JG
(REIMB VILLAGE LOCAL
SYSTEMS COSTS)

in the amount of \$2,964,285.73 to: J8130.54000.JZ
(REIMB CITY LOCAL
SYSTEMS COSTS)

in the amount of \$3,319,309.27 to: J9740.57000
(REIMB OWNER DEBT
SERVICE)

and that upon approval of these budget modifications by a majority of the Council and a majority of the Board of Trustees of the Village, the Joint Sewage Board Fiscal Officer is authorized and directed to make and journal such budget modifications.

Section 3. That this ordinance shall take effect immediately, except as otherwise provided above.

[JC] RESOLUTION

entitled

A RESOLUTION MODIFYING THE 2015 BINGHAMTON-JOHNSON CITY JOINT SEWAGE BOARD BUDGET TO ENHANCE TRANSPARENCY AND SUPPORT ENTERPRISE ACCOUNTING.

WHEREAS, the Village of Johnson City (the "Village") is a joint owner of the Binghamton-Johnson City Joint Sewage Treatment Plant (the "JSTP") with the City of Binghamton (the "City"); and

WHEREAS, the JSTP is operated and maintained by the Binghamton-Johnson City Joint Sewage Board (the "Sewage Board") under a series of inter-municipal agreements between the Village and the City; and

WHEREAS, the Board of Trustees of the Village and the Council of the City of Binghamton approve the Sewage Board's budget; and

WHEREAS, the Sewage Board's independent auditor has recommended that the financial books and records of the Sewage Board be modified to support enterprise accounting in order to comply with New York State guidance and demonstrate to the public in a single budget ledger, with its own audited financial statements, total costs for wastewater treatment services that are recovered through annual charges made to Municipal Users; and

WHEREAS, in consultation with the Fiscal Officer (City of Binghamton Comptroller) the Sewage Board has proposed revenue neutral modifications to its 2015 budgets to implement enterprise accounting in a way that reflects the total annual operating and maintenance costs of the Binghamton-Johnson City Joint Sewage Project recovered through annual charges made to Municipal Users,

NOW, THEREFORE, the Board of Trustees of the Village of Johnson City, duly convened in regular session, does hereby resolve as follows:

Section 1. That upon approval of a majority of the combined voting strength of the Board of Trustees of the Village and the Council of the City of Binghamton, the Joint Sewage Board Fiscal Officer is authorized and directed to create in the 2015 Joint Sewage Board

Appropriations budget the following three new budget lines:

J8130.54000.JG	REIMB VILLAGE LOCAL SYSTEMS COSTS
J8130.54000.JZ	REIMB CITY LOCAL SYSTEMS COSTS
J9740.57000	REIMB OWNER DEBT SERVICE

Section 2. That the Board of Trustees of the Village approves the following modifications to the 2015 Joint Sewage Board budget:

a. that 2015 Estimated Revenue budget line J.42390 (“Governmental Entity Fees”) be increased by \$6,846,290.00 (to \$15,469,613.00);

b. that appropriations in the 2015 Joint Sewage Board Appropriations budget be increased in the aggregate amount of \$6,846,290.00, to be added to the newly created appropriations lines as follows:

in the amount of \$ 562,695.00 to: J8130.54000.JG
(REIMB VILLAGE LOCAL
SYSTEMS COSTS)

in the amount of \$2,964,285.73 to: J8130.54000.JZ
(REIMB CITY LOCAL
SYSTEMS COSTS)

in the amount of \$3,319,309.27 to: J9740.57000
(REIMB OWNER DEBT
SERVICE)

and that upon approval of these budget modifications by a majority of the Board of Trustees of the Village and a majority of the Council of the City of Binghamton, the Joint Sewage Board Fiscal Officer is authorized and directed to make and journal such budget modifications.

Section 3. That this resolution shall take effect immediately, except as otherwise provided above.

Steve Andrew seconded the motion
Motion carried 5/0/1 (GH)

Edward Crumb made a motion for the Board to approve the over/under payments with the State; money belongs to Owners - \$140,884.34 to City of Binghamton; \$185,725.06 to Village of Johnson City

Ronald Davis seconded the motion

Eugene Hulbert, Sr. wants the motion to stipulate the entire amount
Motion withdrawn

Edward Crumb made a motion for the Board to authorize and approve that the Fiscal Officer remit the \$410,896.14 received from FEMA and the State on 9/29/15 for 2006 flood damage to the Owners in their respective shares of ownership, and that the Board authorize and direct that the Fiscal Officer pay to the Owners the sum of \$140,884.34 previously received by the Board as an overpayment for 2006 PW-03952, in the following shares:

\$ 77,204.62 City of Binghamton
\$ 63,679.72 Village of Johnson City
\$140,884.34

Steve Andrew seconded the motion
Motion carried 5/0/1 (GH)

Steve Andrew made a motion for the Board to adjourn the meeting
Ronald Davis seconded the motion
Motion carried 5/0/1 (GH)

Meeting adjourned at 6:13 PM

Respectfully submitted,

Laura Lee Perkins
Transcriptionist

cc: Board Members
Mayor Rich David, City of Binghamton
Mayor Greg Deemie, Village of Johnson City
City Clerk, City of Binghamton
Village Clerk/Treasurer, Village of Johnson City
John Perticone, Esq.
Alfred Paniccia, Esq.
Chuck Shager, Fiscal Officer
Catherine Young, Superintendent
Brown & Brown Empire State
Haylor Freyer & Coon
Robert Bennett, P.E., Village of Johnson City, Engineer
Ray Standish, P.E., City of Binghamton, Acting Engineer
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