City of Hudson Common Council Finance Committee
Minutes of Regular Meeting
June 18, 2024

In attendance: Councilmember Rich Volo, Chairman; Councilmembers Vicky Daskaloudi, and Lola Roberts; Treasurer Heather Campbell
Absent: Councilmembers Shershah Mizan and Margaret Morris

Chairman Volo called the meeting to order at 5:22 p.m. at City Hall. It was livestreamed on YouTube at Hudson City Zoom Meetings.

BANs and Bonds

Ms. Campbell reported on the sale of bond anticipation notes, which generated $3,840,463. They included $487,624 for the combined sewer overflow project on Front Street, $1,852,839 for New York Power Authority streetlights and $1,500,000 for Union Street sewer work.

Bond anticipation notes (BANs) generated $7,522,397, which included $2,572,397 for the downtown revitalization initiative's connectivity project and $4,950,000 for the Ferry Street bridge.

The net interest cost rate for the bonds was 3.8502% and 3.9150% for the BANs. The city will have $11,475,843.39 on June 20. Funds to go out on June 21 will total $45,224,699.65.

Ms. Campbell said Standard and Poors assigned an A+ rating to the new $3.8 million general obligation bonds and affirmed its A+ underlying rating on the city's existing general obligation debt. The ratings letter was posted on the city website.

2023 Actuals

The 2023 annual financial report was filed with the state Comptroller's Office and posted on the city website.

Ms. Campbell said a highlight of the 2023 budget was an increase in cash due to an increase in lodging tax revenues. A decrease in operating cash reflected an increase in capital due, due state and federal, and a slight increase in accounts payable.

There was a decrease in restricted cash. The city building reserve was moved to the capital account for Americans with Disabilities Act improvements at City Hall and relocation of the code enforcement office.

Ms. Campbell suggested that officials start thinking about establishing new reserve funds for upcoming projects and purchases, such as a new pumper truck for the Fire Department.

City, county and school taxes receivables were flat but were offset by collection of receivables from previous years.

There were increases in money to capital, school and the retirement system and a decrease in the unallocated fund balance due to $2.8 million in interfund loans that were moved to funds not in spendable form.

An increase in the total fund balance largely reflected a $500,000 prior period adjustment to recognize a grant revenue from disbursement request. The actual operation increase was $60,000.

2024 Budget Actuals

Ms. Campbell said parking revenues were at 38 percent of budget through May. Building permits and fees were at 48 percent of budget, which she said was in line where they should be at this point in the year. Sales, mortgage and lodging tax were at 22 percent of budget. Mortgage tax totaled $103,000 through May, at 46 percent of budget. Lodging tax was only at 12 percent of budget and nothing new would be seen until the next filing period.

Operational

The 2023 audit was set to start on July 15.

Conversion of payroll to ADP continued. The office also was working on adding onboarding capabilities. Conversion of general ledger software and utility building was likely in the fourth quarter of this year or the first quarter of 2025. Ms. Daskaloudi asked if there had been any movement on handling of grants. Ms. Campbell said she obtained a Civil Service job description for a grant administrator and passed it on to the mayor. Common Council President Tom DePietro said administrative fees and responsibilities could be part of grant contracts.

Ms. Campbell told members that four resolutions would be put before the full Council: a budget amendment for additional cots for city hall improvements and relocation of the code enforcement office, a budget amendment for municipal insurance, a budget amendment to fund crosswalks and curb cuts to achieve ADA compliance and an interfund loan to capital for the downtown revitalization initiative's connectivity project.

She told members that the fund balance policy had to be reviewed, renewed and adopted. She said the city also should consider new capital reserve funds for upcoming investments.

Mr. Volo said vendor fees would be discussed at the next meeting.

The meeting was adjourned at 5:55 p.m.