

City Council of the Mayor and Council of New Castle
Special Council Budget Workshop Meeting
Town Hall – 201 Delaware Street
Monday – June 11, 2012 – 6 p.m.

Present:

Council President William Barthel
Councilperson John Cochran
Councilperson John Gaworski
Councilperson Ted Megginson
Councilperson Teel Petty

Also present: Treasurer Janet Carlin, City Administrator Cathryn Thomas, Finance Director Marian Delaney

Full Budget Review

President Barthel said at this point the Council has a budget with a roughly \$300,000 deficit.

Finance Director Delaney went through the budget line by line. The City did receive the Riverbend taxes with penalties. The current budget numbers have been updated through May 31, 2012.

The consensus of Council was to keep the projected property tax transfer for the proposed budget at \$100,000.

Finance Director Delaney said there is more than \$200,000 in delinquent taxes.

Councilperson Cochran said the County just waived the penalties and got a bunch of tax money in. The City might want to consider it. It was a 30-day or 60-day amnesty period.

A brief discussion was held about adjusting policies and fees for the recreation program.

State funding for Separation Day was kept at \$32,000.

A discussion was held on the Police overtime rising each year. Overtime budget was dropped to \$60,000 from \$70,000.

A brief discussion was held on the funding for the summer bicycle patrols and how many hours per week will be budgeted for next year. Also a discussion about where they are patrolling.

Administrator Thomas said the City owns three postage meters. A small one at the Administration building, along with one each at the Police Department and the Trolley Barn. The City could consider eliminating one of them.

Finance Director Delaney said the City uses MSC for the big mailings such as taxes. She will have a member of the staff research the costs of the three postal machines.

On funding for the Beautification Committee, President Barthel recommended taking money to bring in a professional landscaper to advise them, as they requested, paid for from the Western Gateway Fund, and reduce the amount of funding for plant materials to \$2,500 from \$3,500. That was Council's consensus.

On funding for the Tree Commission, their request includes \$10,000 for plantings. President Barthel asked why the City would be doing additional planting when it should be doing maintenance.

Administrator Thomas said the Tree Commission request is for \$39,500, which includes the \$10,000 for planting requests.

The consensus of Council was to contribute \$10,000 to go along with the \$10,000 provided by the Trustees. The Tree Commission will be notified that new plantings are the lowest priority.

A discussion was held on wood carpet for the playground and using \$6,000 in funds from the sponsored parks fund. A total of \$30,000 will be used from MSAF funds for storm drains.

For the concerts, the City will cover the labor but not make any cash contributions. For the Senior Center, the contribution was reduced to \$5,000 from \$7,500. Arasapha funding is \$1,500. The Library contribution was reduced from \$12,000 to \$5,000.

Administrator Thomas said Council will need to decide on the amount for the contingency line. She said \$15,000 is a small amount for this budget, and the tighter the rest of the budget is the more the need for using contingency funds may arise.

Mayor Donald Reese arrived at 8:02 p.m.

A discussion was held on the Planning Commission budget and the Comprehensive Plan update. The consensus was \$7,500 for general expenses and \$5,000 to start the Comprehensive Plan. That brings it down to \$13,000 from the \$20,000 requested.

Administrator Thomas said the shortfall for the proposed budget after the review is \$205,000, which does not include any contingency funds. It also does not apply any funds from unexpended fund balance.

Finance Director Delaney said the City could consider using Municipal Street Aid Funds (MSAF) for work that Public Works does on streets. It does require keeping detailed records which are subject to State audit.

Administrator Thomas said the City over the past six years has used MSAF for street work and drainage work because there is so much work to do. There are a variety of other items it can be used for.

A discussion was held on types of things MSAF can and cannot be used for.

President Barthel said Council should plan on adding \$15,000 to the contingency line. That puts the budget at \$220,000 short. That means if Council applies \$150,000 from unexpended funds it will need to come up with \$70,000.

Councilperson Megginson made a motion to adjourn the meeting into an executive session for a personnel matter and collective bargaining. Councilperson Cochran seconded the motion. The motion passed unanimously. The meeting was adjourned at 8:32 p.m.

Respectfully submitted,

Michael Dickinson
New Castle City Clerk