

**City of New Castle Delaware
City Council Budget Workshop at Town Hall
201 Delaware Street, New Castle
Wednesday, May 15, 2019– 6:00 p.m.**

Call to order: 6:00 p.m.

Roll Call

Councilperson Suzanne M. Souder
Councilperson Russell P. Smith
Council President Linda Ratchford
Councilperson Michael M. Platt
Councilperson Valarie W. Leary (6:44 pm)

Also present:

William Barthel, City Administrator
Kathy Walls, City Finance Coordinator

City Administrator William Barthel walked through his proposed budget for fiscal year 2020, which was in a handout provided to Council members, including the following points:

- For the Public Works Department, the proposal includes a new garbage truck, at approximately \$200,000, and another dump truck, at approximately \$50,000. A seven-year loan at 4% was calculated, putting \$41,300 into this year's budget.
- The Police Department budget includes 18 Officers, as well as security cameras and monitoring for the Police station. He is hoping to get a grant for cameras at three locations, for \$22,316. Monitoring for all of the cameras is budgeted at \$9,600.
- One Tahoe is in the Police Department budget, at three years, for \$12,644, with a total projected cost of about \$35,000.
- City Administration will probably need about five new computers, at \$730 apiece, for a total of \$3,650.
- Requests from various groups total \$25,600; including \$1,000 for the Historical Society, \$1,000 for the library, \$750 for Arasapha, \$1,000 to the Senior Center, \$1,000 for beautification, and \$1,000 for Goodwill.
- Mr. Barthel will double-check on the age of the garbage truck that is to be replaced, and will bring that information back to Council. Repair costs on that truck represent a good portion of the total \$25,000 spent.
- In response to a question from Councilperson Smith, Mr. Barthel advised that unspent budgeted dollars are not carried over to the following year.
- The increase in the Range Supplies budget is partially due to the need to replace ammunition, for training.
- The Debt Service amount under Public Safety, of \$45,200, includes the three-year lease for the Tahoe mentioned earlier. The intention is to eventually convert completely over to the Tahoe's, as there have been high maintenance costs related to the Dodges.

- The budgeted amount for uniforms for seasonal Police Officers assumes two seasonal Officers.
- The decrease in Public Services Professional Development and Travel is due to a special training that Jeff Bergstrom had the previous year.
- Code Reference Materials includes code supplements that Jeff Bergstrom may still try to get in this year.
- The Public Services Phone Service increase is partially due to a new line that had to be run, for operation of the gate at Broad Marsh. Unused lines have been pulled, and the city is switching carriers. The increase would have been greater, if not for those changes.
- Janitorial Services under Public Services is lower because the decision was made to use the service less, due to a price increase.
- Radio Repairs is increased do to expected updates and replacements.
- Handicapped Curb Cuts are about 60% to 70% completed. Delaware Street is not included in the budgeted figure.
- A majority of the budget for Trees goes toward planting new trees.
- Under Capital Outlays Equipment and Vehicles, the decrease in budget amount versus what was spent last year is due to the \$30,000 down payment on the street sweeper.
- The \$31,000 for the pier is restricted funds.
- The garbage truck that was budgeted for last year was not purchased.
- The Debt Service to the Trustees is a General Obligation Bond that the Trustees are repaying.
- The Storm Drainage line item includes \$30,000 for catch basin repair. More bills are still coming in for this year's expenses under this category.
- The Advertising line item is for meetings advertisements.
- The increase in the River Ride Festival actual is due to Delaware City no longer processing the payments involved, as well as the income, which is also increased in the budget. Those now go directly through the City of New Castle.
- The Economic Development Activity \$38,000 spent was to hire a consultant, and was budgeted.
- The \$3,198 under Economic Development was for expenses related to bringing in the Tall Ship Lynx. Bike race funds were used for this.
- The increase in projected Transcription Services expenses is related to the Mayor planning to put together various groups. The expenses previously went over budget related to the additional Board of Adjustment hearings and HAC.
- Regarding the zero entry for Fees Goodwill Riverbend, the city receives \$3,500 for any property that is sold at Riverbend, and Goodwill gets \$500 out of that. No income is anticipated from that, in this budget.
- It was clarified that "Control Total" lines are subtotals only, and can be ignored for purposes of reviewing individual budget line items.
- The budgeted amount under Admin Expense is related to such expenses as the holiday party, sympathy flowers, etc.

- The I.T. line item is for software support. ADP is \$12,600, Edmunds is \$12,600, FormSite is \$300, and the web consultant is \$3,600. The web consultant is to bring in somebody to proceed with making improvements to the city's website and systems, such as online payment processing and "look and feel" items.
- Professional Fees for Board of Adjustment are related to costs for additional hearings and legal fees.
- County Sewer Assessment is the city's sewer utility bill.
- Cap Reserves Buildings is the contingency for potential significant repair needs to city buildings, such as if major heating and a/c work is needed at the Police Station. \$5,000 per building are budgeted, specific to each building's maintenance and repairs. Significant repairs are budgeted for as a lump sum of \$30,000 between the buildings, allowing for some flexibility.
- DFIT (Delaware Founders Insurance Trust) is the worker's compensation fund program. It incorporates 22 or 23 municipalities.
- HR Other Legal is for legal expenses related to employment-related issues, and does not include the City Solicitor. An additional \$2,480 is budgeted for legal assistance with the upcoming franchise audit and renewal negotiations.
- Contractual Services under Planning Commission is for such expenses as AECOM.
- Comp Plan Update is to finish the work that remains. An extension to December is going to be requested.
- The \$1,000 Professional Development in Board of Health is for the training that the City Administrator is trying to set up for June or July of this year. HAC, the Board of Health and the Planning Commission each have \$1,000 budgeted toward this.

Under Assumptions on Revenue:

- Special Trash is fees for larger items, etc.
- State Courts is the part of the fines that the city receives. Mr. Barthel will find out how those amounts are determined by the state.
- Tax Penalties and Delinquent Tax Collections have gone down because a lot of those have been collected, and some properties are being taken out of those categories.
- Code Violation Penalties are down due to enforcement being improved.
- Franchise Fees are what the city is receiving from Comcast and Verizon.
- Budgeted amounts for fees do not reflect any planned increase in those fees. This may be looked at by Council, after the budget process is completed. A Stormwater Fee tax is something that may also be discussed later.
- Establishing a Mayor's Court could increase the returns to the city from speeding ticket fine receipts, and possibly others.
- Regarding the revenue total at just over \$6 million budgeted, and about \$4.9 million of that being realized so far; another MSC payment will be coming and another \$56,000 will

be coming from the Trustees. The biggest difference in this budget item is that the restricted loan money for Delaware Street is budgeted to come in this year.

Council members will be reviewing the proposed budget, to include seeing whether some expenses can be reduced, as well as what the city wants to give for grant requests.

This proposed budget has zero left over to potentially be given out.

Councilperson Platt would like to know what Goodwill's thoughts are, related to how the proposed \$1,000 donation might be used.

Councilperson Smith commented on the difference between a grant that is provided to a charitable organization as opposed to a grant provided to an organization that provides a service to the city.

Council members now have an opportunity to review the proposed budget and ask questions, between now and the next meeting.

The next budget meeting is already scheduled for May 23.

Another budget meeting will be scheduled for June 13 at 6:00 PM, as well as June 19 at 6:00 PM and June 24 at 6:00 PM.

The Motion to adjourn was made by Councilperson Souder, seconded by Councilperson Leary and passed unanimously. Council adjourned at 8:00 pm.

Respectfully submitted,

Brian Whitaker
Clerk of the City of New Castle

Next Regular Meeting Date: June 11, 2019

Posted: 05/07/19