

**City of New Castle Delaware  
City Council Budget Workshop  
Monday, June 15, 2020  
3:00 p.m.**

**Present:** Council President Linda Ratchford  
Councilperson Valarie Leary  
Councilperson Suzanne Souder  
Councilperson Michael Platt  
Councilperson Russell Smith

**Also Present:** William Barthel, City Administrator  
Mayor Michael J. Quaranta  
Kathy Walls, Finance Coordinator  
Janet Carlin, City Treasurer  
Diane Delgado, Finance Clerk  
Chief David Majewski

Council President Ratchford called the meeting to Order at 3:00 p.m. Roll Call followed.

Council President Ratchford noted that each of the Council members had a conversation with one of the non-profits to determine whether funding could be postponed for their organization. She added that the proposed Budget is very conservative due to concerns with the economic recovery from the Corona virus.

**Non-Profit Requests**

Goodwill Fire Company – Chief David Majewski of the Goodwill Fire Company expressed his understanding of the Council’s position for proposing a conservative Budget. He added that if their request can’t be honored at this time, he hoped that their request can be re-evaluated in the fall.

Council President Ratchford asked for an updat on what is happening in Dover, and any alternatives he might consider. Chief Majewski noted that the Secretary of the Delaware Volunteer Firemen’s Association communicated information that cuts in funding can be expected for the next fiscal year; however that is not a certainty at this time and more information will be available when the State Budget is approved. Council President Ratchford noted that from a City standpoint, the State has indicated they will fund at the standard level of Municipal Street Aid and increase Community Transportation funds that go to each Legislator.

Chief Majewski stated that waiting until the fall to determine if funds are available is not an issue for the Fire Company. He added that their Budget relies on a number of funding sources to provide the adequate level of staffing, and that the additional funding from the City helps fund their part-time staffing program to keep additional staff in the Fire House 24/7.

Council President Ratchford asked if there are other options for Fire Company funding and noted that the City does not have impact and fire protection fees that are solely for the Fire Company at

this time. Chief Majewski noted many long-term plans for new construction are for multi-unit complexes that have the potential to add a significant demand on the services provided by the Fire Company. With regard to donations from tenants to the Fire Company, he noted that many residents are not aware that the Fire Company is a combination Fire Department with both volunteer and career Firefighters and is not funded by the City, County or State. Council President Ratchford noted that there are no confirmed plans for construction of complexes at this time and that there is a height restriction.

Councilperson Platt clarified that grant funds will be used to pay part-time staff, and Chief Majewski confirmed that was correct, explaining that there are eight full-time Firefighter/EMTs that work a 24/72 schedule and an additional 24-hour and 8-hour shift each day that is filled by part-time staff to ensure one driver/operator is in the building at all times. Councilperson Platt expressed his concern that if future Councils cannot make a contribution the City will be responsible for any subsequent layoffs and opined that Council should not be put in that position. Chief Majewski stated there would be no layoff of part-time staff and explained that part-time staff understands their position is dependent on the Fire Company's Budget. He added that the Fire Company does an annual Fund Drive that raises between \$40,000 and \$50,000 each year, and the Ladies Auxiliary does several fundraisers annually as well. Council President Ratchford noted that under Delaware Law whatever funds the City gives does not affect the amount the Fire Company receives from the County.

New Castle Library – Councilperson Souder stated that she spoke to Ms. Julie Kirk, Director of the Library and she advised that they have no immediate needs and are fine waiting until the fall for a decision on funding.

New Castle Community Partnership – Councilperson Leary stated that the Partnership's request is a matching grant and explained that if the City purchases new trash cans the Partnership will match that expenditure. Councilperson Leary did not know if the Partnership requested funds from the Trust.

Senior Center – Councilperson Platt stated that the Senior Center can wait until the Fall; however they would prefer not to do so because all their fundraisers were cancelled. During discussion it was noted that the Senior Center is not currently open and their Wellness Programs could change due to restrictions. It was also noted that the Governor's Health Advisor stated masks and social distancing will continue "for the foreseeable future". The Governor's latest modification does not speak specifically to Senior Centers.

New Castle Historical Society – Councilperson Smith communicated in an email that the Historical Society does not need immediate funding.

Council President Ratchford stated that at the last Budget Workshop it was noted that funding was approved for the Arasapha Garden Club due to their need to place the order for wreath greens by August 1<sup>st</sup>; however, she suggested that no funding be assigned for the Senior Center until the mid-year Budget review.

**Possible Motion, Discussion and Vote on Resolution 2020-15, to Set 2021 Fiscal Year Tax Rate and Adopt the 2021 Fiscal Year General Fund Budget and Grant Budget. (Council President Ratchford – posted 05/28/2020.)**

**Discussion**

Changes to the Budget – Ms. Walls stated the changes in Expenses and Revenues agreed to at the previous Budget Workshop increased Expenses to \$5,997,873 and increased Revenues to \$6,001,476 leaving a \$3,603 surplus.

Rivertown Event – Council President Ratchford asked about funds leftover from the Rivertown Event and City Administrator Barthel explained that last year’s sponsor has indicated the event may be limited to a Bicycling Event and the Concert cancelled. Mr. Dave Baylor, the City Manager of Delaware City, will update the City Administrator after the Delaware City Council meeting; however, he was not very enthusiastic about an event this year. The City Administrator will keep Council updated.

Councilperson Souder suggested that money left over from the 2019 Rivertown Event earmarked for Biking or Tall Ships could be utilized for immediate needs for signage or Biking in the spring, or the money could be put in reserve.

Property Tax Transfers – Council President Ratchford ask for a review of how the City arrived at the Property Tax Transfer revenue figure. During discussion City Administrator Barthel explained that after a review of the escrowed vs non-escrowed property taxes, the unemployment rate projections, and recommendations from a local real estate agent, the decision was made to reduce the Property Tax Transfer Revenue line by 55.56%, which Council reduced to 50%. He noted that State unemployment numbers will not be available until the third week of June. A discussion of property transfers in 2019 vs 2020 was held.

Priority Items –City Administrator Barthel reviewed the priority items noting they can be reassessed mid-year if funding is available.

Police Department – Council President Ratchford noted that the Police Department is authorized for 18 Officers but is currently staffed at 17. City Administrator Barthel agreed and added that Chief McCabe has some ideas for a community outreach position in addition to the 18<sup>th</sup> Officer. During discussion the City Administrator stated that he is not aware of any senior Officers considering retirement at this time and noted that the Mayor, Council and City are very supportive of the Police Department.

Property Taxes – City Administrator Barthel stated that the City should have a fairly good idea of property tax revenue by the middle of August, but will have a better idea by September when taxes are actually due. He recommended that Council wait until the end of September for a mid-year Budget meeting.

Council reviewed a comparison of Building Permits from May 2019 and May 2020 and discussed whether to increase projected revenue for Permits in order to fund items that have been

cut or are being postponed. During discussion it was stated that it is Council's legal duty to approve a balanced Budget before the end of the fiscal year without compromising the fiscal health of the City. Council President Ratchford stated that a full Budget review will be conducted mid-year when more data is available to reassess the Budget and reallocate funds if appropriate.

Councilperson Platt made a Motion to accept the proposed Budget as presented. Councilperson Souder seconded the Motion. Council President Ratchford stated that there will be a full Budget Review in September.

After discussion of the \$3,603 surplus, it was agreed to reduce the Unreserved Fund Balance Carry Forward budget line to \$75,260.00.

Ms. Walls stated that the proposed 2021 Budget is balanced at:

Expenses	\$5,997,873.00
Revenue	\$5,997,873.00

During further discussion, Ms. Walls noted that the Rivertown carryover is in a separate fund included the Carry Forward budget line.

Council President Ratchford read Resolution 2020-15.

Council President Ratchford called for a vote on Resolution 2020-15.

Council President Ratchford – Aye  
Councilperson Leary – Nay  
Councilperson Platt – Aye  
Councilperson Smith – Aye  
Councilperson Souder – Aye

Council President Ratchford declared that the 2021 Budget has passed with a vote of four in favor and one opposed.

There being no further business to discuss, Council President Ratchford called for a Motion to adjourn. Councilperson Leary made the Motion and it was seconded by Councilperson Souder. On vote the Motion was unanimously approved and the meeting ended at 4:03 p.m.

Respectfully submitted,

Kathy Weirich  
Stenographer