

**BUDGET AMENDMENT WORKSHOP
JANUARY 15, 2014 – 2:00 P.M.
TOWN HALL**

I. CALL TO ORDER

The meeting was called to order by President Correll at 2:00 P.M. Present: Commissioners Paul Kovack, Sharon McDowell, Lawrence Tassone and Town Manager Jesse Savage.

II. QUORUM PRESENT

President Correll reported a quorum was present to discuss an amendment to the FY-2014 budget, despite the absence of Commissioner Mervine. It was noted that Commissioner Mervine reviewed the budget with Town Manager Savage previously, due to his expected absence from today's workshop.

III. REVIEW AND DISCUSSION OF PROPOSED FY-14 BUDGET AMENDMENT

Town Manager Savage reviewed each department highlighting changes. The Operating Budget is increasing by \$131,970. The main reason for the increase is the purchase of 105 S. Main St.

ADMINISTRATION DEPARTMENT

Income

- 3001 – Building Permit increase – anticipate 40 settlements at Heritage Shores. Original estimate – 30 settlements.
- 3005 – Small increase in taxes, based on new construction.
- 3008 – Transfer tax is always an unknown – increased expectation from \$175,000 to \$190,000.
- Remaining categories will likely be stable.
- 3300 – Did not need to bring in reserve funds of \$21,800. We anticipate an increase in income of \$17,500 in the Admin. Department.

Expense

- President Correll commented on the lack of a bill from Waste Management for our recent Clean-Up Day. Credits were received from Senator Pettyjohn and Representative Wilson for the landfill, but our previous trash provider charged the Town for man-hours; Waste Management has not done that.
- 4060 – Donations – The final check for the Nanticoke Memorial Hospital donation (\$5,000 total) has been cut. This concludes the Town's commitment to that particular hospital project.
- 4160 – Pension costs decreased due to forfeitures. (It takes 6 years to be fully vested and several employees left before they were vested.)
- Expenses in this department have been cut by approximately \$7,000.

POLICE DEPARTMENT

- 3020 – Fine figures are higher than expected, but budget number was left alone.
- 3033 – Sp. Duty Overtime – Increases are generally due to grant funds. \$15,000 was placed on the SRO line item (which may not be funded next year) and \$10,000 for Athletic Events. (Officers receive \$40/hr. and the Town receives \$5/hr. – \$45 total.)
- There is an approximate \$31,000 income increase in this department.
- 4015C – Capital Outlay – financing the vehicles saved money.

- 4111 – Equipment Purchase and Rental monies moved out of this category were replaced by grant monies.
- 4181C – Court standby costs reduced due to use of the camera system.
- 4181D – Overtime – Special Enforcement reduced – less usage.
- 4240 – Vehicles – Largest expense. Expenses high this year due to miscellaneous incidents out of our control. +\$20,000 should get the department through the year. 3 older vehicles have been removed from the fleet; therefore the fleet is newer. One is to be sold; another is in the shop. A 3rd vehicle was to be purchased by the SPCA; however, they no longer need it. Sell 2 and save one for back-up (2003, 2005, 2005).

STREET DEPARTMENT

- 3030 – State Grant Funds – will likely have to fight for a Municipal Street Aid Grant this year.
- 3300 – Reserve monies reduced, due to a lesser expense for snow plow/salt spreader.
- 4190 – Snow Removal – some monies removed.
- 4205 – \$800 was added for tree removal on Delaware Ave.
- 4240 – Vehicle Expense – the 30-35 year-old backhoe needed \$6,000 in repairs (a brand new one will cost \$100,000).

WASTEWATER DEPARTMENT

- 3017 – Miscellaneous Fees increased due to EDU penalties/re-connects, etc.
- 3300 – Increased from \$50,000 to \$135,000 to pay for 105 S. Main St. (Banks property) The plan is to offset the expense with the anticipated income from Dollar General. The Reserve Fund will be replenished when the sale goes through.
- 4015 – Capital Outlay includes 105 S. Main St.
- 4020 – Chemicals – Able to spray; line item reduced.
- 4110 – Engineering Fees – increased due to WW line leaks and the easement.
- 4116 – Permits – increased due to a renewed permit.
- 4170 – Repairs/Replacements increased by \$43,000 due to breakdowns. It includes a \$24,000 leak that was found. The leak will pay for itself in 2-3 years, due to lower flows. Apparently Sussex Conservation hit the pipe 15 years ago and there is no recourse possible. There have also been raw pump and RBC repairs.
- 4220 – Electric – Able to reduce usage due to the energy curtailment system.
- 4222 – Gas – boiler is working correctly now.

WATER DEPARTMENT

- 3071 – Water Meter Fee – increased due to additional customers.
- 3072 – Meter Pits – increased due to additional permits.
- 3300 – Appropriated Funds – able to lower, due to increased revenues throughout the budget. Impact Fees brought into the line item will not be needed.
- 4110 – Engineering Fees – doubled due to leaks and drainage issues at the H.S. water tower. Concerning the frozen connector, they by-passed the circulation pump. The tank cannot drain completely due to an incorrect design – the last 8-10 ft. does not drain. Caldwell Tanks and the engineer missed it. Toward the end of the 10-year contract we will have problems painting it.

Commissioner Kovack asked if residents would have water while they drain it, put in a proper valve and fill with water again over 2-3 days. Town Manager Savage advised he has been told that is possible. It was clarified there is no risk in not being able to drain the tower completely, but there would be a problem if we need to paint the inside or do repairs. We are investigating whether Caldwell is liable. (The Town signed off on the final tank inspections when it was built.)

President Correll questioned any reduction in electric rates with the changes the Town made. Adding new equipment and other variables make it difficult to gauge; however, expenses are steady and not increasing, which is positive.

Mill St. Paving Project – currently surveying the area. When the storm drain project is complete, they will begin the Mill St. project; funds are available. There has been one problem with the small store at 420 Market St. The way the new road is currently constructed, the drainage will flood the store's parking lot. Town Manager Savage needs owner permission to improve his parking lot as part of the project. The last section of fence also needs to be removed, as it will be in the middle of the road.

IV. POSSIBLE ADOPTION OF FY-14 BUDGET AMENDMENT

Motion to adopt the FY-14 Budget Amendment – Tassone; 2nd – Kovack; motion carried.

V. REVIEW AND DISCUSSION OF TOWN CODE CHAPTER 21 EMERGENCY SERVICES FUNDING

Town Manager Savage advised currently the Town collects emergency services funding from January 1 through December 31 and donates the money to the Bridgeville Fire Company each year. According to the Town Code, each January the Town Manager must determine the amount of money collected during the year and any emergency service provider can submit a request for the funds. The provider must identify how they intend to spend the money and verify within three months that they spent the money on what their application said they would spend the money on, or the money is returned to the Town. Qualifying groups in our area include the State Police, Fire Company and Bridgeville Police, which are all emergency service providers. This Ordinance has been in effect since 2003; however, the Commissioners have not followed the directions to the letter.

Commissioner Kovack commented this topic was discussed 2-1/2 years ago when Fire Company President McCarron was also a Town Commissioner.

Town Manager Savage is asking for direction; he is inclined to go by the Town Code concerning disclosure and proposes that the Town annually announce the amount of EMS money that is available and require the Fire Company to submit a grant request, rather than simply giving them the money at the yearly dinner.

Commissioner Tassone questioned whether there are higher sources requiring us to distribute the money in this fashion. Town Manager Savage advised it is only our Town Code whose directions we have not been following. Taxpayers' dollars are involved and the Town must be aware and responsible for the use of the money.

Town Manager Savage brought up another issue involving EM funds. He advised the Police Department needs a new building and he would like to fund it in a similar manner as the Town of Georgetown funds their police. They split their EM funds between the Police Department and the Fire Department. He would like to at least off-set the cost of a new building by doing that; either by splitting what we collect now or by increasing the EM fee we charge on building permits. Per the code, we are allowed to charge $\frac{1}{2}$ of one percent and currently, we are charging only $\frac{1}{4}$ of one percent. Increasing the charge to $\frac{1}{2}$ would not decrease funds that go to the Fire Company; it would create an additional source of revenue for a new police building. When the new building is paid off, the Town could reduce the fee to $\frac{1}{4}$ of one percent again. This would be a viable source of revenue without raising taxes. New growth would pay for the new Police Department building.

The Commissioners discussed briefly a possible location for the new building. The Town Hall area was mentioned, as well as moving closer to Heritage Shores, due to the fact that, at build-out, Heritage Shores will be much larger than the older part of Bridgeville. Town Manager Savage would like to create a committee to investigate an appropriate location for a new police building. If the committee were to decide to locate a new police building elsewhere, he would suggest moving all Town services to that same location. He believes residents should be able to go to one central location for all services. All departments could interact easily and secretarial staff could cover for different departments. It was mentioned that the sewer plant would be on its own at its current location.

A new Ordinance to increase the EM funds would not be necessary, as the current Code already allows up to $\frac{1}{2}\%$ to be collected.

Commissioner Kovack reported he understands the Fire Company has received approximately \$250,000 from the Town in the past years and we don't really know where that money has gone; on the other hand, we would know where the money is going if we funded a new police building with an additional $\frac{1}{4}\%$ from the EM Fund.

President Correll believes it would be important to meet with the Fire Company and make them aware of the proper EM funding rules: (1) Identify what the money is being used for and (2) Comply with the deadline to use the funds. Town Manager Savage recommended if they didn't have a project ready for funding, the money could stay in the fund until the next year.

The Commissioners generally agreed to put these suggestions into motion: (1) hold the Fire Company to the Code; (2) discuss funding requirements with them and (3) increase the EM fees on building permits to $\frac{1}{2}$ of one percent. This money would go into the Capital Fund.

VI. DISCUSSION OF ELECTION BOARD REPLACEMENT

Town Manager Savage advised Election Board member Mr. Bill Hartzell is incapacitated due to an illness and needs to be replaced in anticipation of the upcoming Municipal Election. The Commissioners were advised of this vacant position before today's meeting.

Commissioner Tassone recommended the Commissioners choose an individual from Heritage Shores, since the development is not currently represented on the Election Board. Mr. Richard Glover, a retired Marine, was suggested. Town Manager Savage advised Commissioner Mervine was going to talk to

Mr. Jeff Scott about the position; however, Commissioner Mervine has not gotten back to him about Mr. Scott's availability.

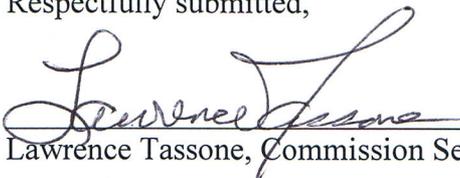
Commissioner Tassone believes Mr. Glover is highly qualified and would do a good job; he also stays in Bridgeville for the winter, which is the time of our yearly election.

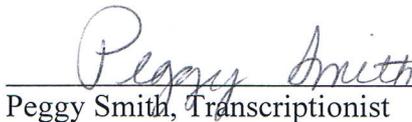
Motion to approve the Election Board appointment of Mr. Richard Glover – Kovack; 2nd – McDowell; motion carried.

VII. ADJOURNMENT

Motion to adjourn the meeting – McDowell; 2nd – Kovack; motion carried. The meeting was adjourned at 2:49 P.M.

Respectfully submitted,


Lawrence Tassone, Commission Secretary


Peggy Smith, Transcriptionist