

**FY-16 BUDGET WORKSHOP
APRIL 29, 2015 -10:00 A.M.
TOWN HALL**

I. CALL TO ORDER

The meeting was called to order at 10:00 A.M. by President Pat Correll. Present: Commissioners Sharon McDowell, Kevin Carson, Jay Mervine, Lawrence Tassone and Town Manager Jesse Savage.

II. QUORUM PRESENT

President Correll reported a quorum was present to discuss the FY-2016 Budget. No questions were taken from the floor during this meeting, as there was no Public Hearing scheduled.

III. REVIEW OF FY-16 BUDGET

Town Manager Savage advised the Department Heads will be coming in to discuss their budgetary needs during the course of this meeting.

Administration Department

- Blank line items in all departments are based on payroll and will be filled-in later.
- Grass Cutting Expenses will be moved to the Street Department for FY-16.
- Code Enforcement/Clean-up is enforcement of sidewalk improvements/demos/liens on dilapidated properties, etc. Homeowners have received violation notifications.
- Commissioner Carson suggested enlisting a paving contractor to do multiple sidewalks for reduced rates and offer the paving opportunity to homeowners. All new homes must have sidewalks.
- SCAT/DLLG – increased due to higher prices and increased attendance.
- Donations – includes \$2,000 to continue a 5-yr., \$10,000 commitment to Nanticoke Hospital.
- Economic Development increase – funding for a Downtown Master Plan Charrette.
- Purchase/Rental Equipment – New computer for part-time or full-time Clerk (further discussion later in meeting). Problems with downstairs copier mentioned – new purchase would cost \$7,000-8,000.
- Liability insurance increase \$600-700 next year (previous year: \$4,000-5,000 increase). No Worker's Comp increases, other than generated by the payroll.
- Town Hall back door will be replaced in current year budget.
- Tree Planting/Removal – Town will remove an unsightly tree on the north side of Town Hall.

Police Department

Chief Longo and Lt. Parker were in attendance to discuss the FY-16 Police Budget.

- Travel line item (mileage reimbursement) is no longer necessary, due to take-home vehicles.
- Until a new Police Department is built, there will be continued repair/replacement costs.
- The court video machine has been advantageous, as the officers do not have to appear in court.
- The Town pays officers overtime for traffic details, with the understanding that the fines revenue must cover the hours worked by the officers.
- K-9 donations offset expenses.
- New uniforms were ordered this year; therefore FY-16 uniform expense was reduced.

Street Department

Superintendent Passwaters was in attendance to discuss the FY-16 Street Budget.

- Grass cutting expenses (\$1,500) are being moved to the Street Department.
- Maintenance-Bldg/Grounds/Tools – higher than other departments and includes paint for curbs, signs/posts, etc. Reminder: five new streets will be turned over to Town maintenance at Heritage Shores. This line item also includes the new parking lot at the corner of Market and Mechanic Sts.
- Two handicap spaces in front of the Methodist Church are faded. The parking lot is shared with the Town; therefore, the Town can re-stripe them.
- Repairs/Replacement includes potholes, which is a never-ending responsibility.
- Overtime-Weather category increases in FY-16 due to snow removal for newly-accepted streets; an increase from 9-11 miles of roadway. Heritage Shores streets are wider and there is more blowing snow. The Town will need one employee dedicated to the Heritage Shores roads for snow removal.
- Snow Removal line item includes salt, equipment upkeep, etc. Anticipate needing 25-50 tons of salt for the new streets alone.
- There is an ongoing effort to remove trees in danger of cracking sidewalks, etc. Dogwoods and purple plum trees are preferred for replacement, as they are not strong enough to lift the sidewalk/curb. Trees will no longer be planted in the devil strip at Heritage Shores.
- Uniform Expenses –Town has provided new uniforms for Public Works employees and is trying to provide appropriate pants.
- Utilities-Electric line item includes 47 new and more costly streetlights/poles at Heritage Shores – \$22/month each. Older portion of Bridgeville – \$12.88/month each. There is a large discrepancy between the \$200 light poles at Heritage Shores and the \$20 poles placed in the rest of Bridgeville. 1999 Town dump truck will need to be replaced at some point.
- Commissioner Carson questioned the need for a third battery for the portable speed detection unit. The Police Department is responsible for the unit; however, the Street Superintendent helps keep it running. There are 2 batteries for the unit, switched as necessary. Would like to pursue solar-powered in the future.
- The disturbance of roads at Heritage Shores, due to continued development, was discussed.

Wastewater Department

Superintendent Collins was in attendance to discuss the FY-16 Wastewater Budget.

- Spray discharge costs approximately half compared to stream discharge; however, the department must budget for the worst-case weather scenario. The Town budgets high and generally reduces it at the mid-year evaluation. (A list of current Debt Service Loans is an attachment to the original minutes.)
- Stream discharge involves twice as much in testing fees as spray discharge.
- I and I (Inflow/Infiltration) issues will require additional engineering fees in the new budget year.
- The high amount of chlorine used in the process and its expense was discussed.
- The major cost of sludge disposal tends to be at the end of the budget year.
- The sludge would need further treatment to be sold for fertilizer. Clean Delaware sprays sludge on some of its fields. It was suggested looking into a farm that would take the sludge for free.
- Leases/Maintenance Agreements – Town Manager Savage has maintained \$10,000 in the budget for the Wheatley Farm; however, the lease is up in December and a letter of intention not to continue the agreement in its current form has been sent. If the lease expires, Mr. Wheatley could increase the price for a future lease on the property. The pathway to using this property is prohibitive: 2 years for approval, including a funding package, Referendum process, etc.
- Repair/Replacement is a catch-all category. Replacement of aging items is planned; however, emergency items take precedence.

- It was noted that Greenwood pays 30% on a number of these line items in the wastewater category.
- Overtime – Other” includes weekend chores split between the 4 Public Works employees.
- The WWTP participates in an energy curtailment system that gives the Town a rebate for going on generators for up to 2 hours during high energy usage. The Town has several back-up generators.
- Town Manager Savage advised if the Town can hire another full-timer to assist during the busy times, he believes the current 2 employees in the Wastewater Department are adequate. He would like to hire a Water Operator, with the understanding that other departments could request his services from Water Superintendent Kimball 1-2 days a week. The applicant would need at least a Water license and the Town would offer a minimum of \$30,000 in salary, based on experience.
- President Correll also advised the Town needs additional assistance at Town Hall.

Water Department

Superintendent Kimball was in attendance to discuss the FY-16 Water Budget.

- Water Department chemicals are fairly standard on a weekly basis.
- The company installing the SCADA emergency alarm system is expected to begin the first of May. The wells, water tower, wastewater plant, etc. will have alarms to warn of problems with the systems.
- Equipment includes new water meters, which are funded mostly by building permits.
- President Correll advised a resident had our Town water tested, believing it might not meet standards and discovered it is excellent drinking water.
- Flow meters in the well need to be calibrated, which increases the Maintenance-Bldg/Grounds/Tools category. The Commission discussed the possibility of purchasing one new calibration tool (\$600). Town Manager Savage suggested waiting until the end of the budget year; there is some miscellaneous money in this line item and if appropriate, they will purchase one or two new tools.

It was noted that Commissioner Carson excused himself from the meeting at 11:33 A.M.

- Money is included to purchase a new computer in the Office Supplies category.
- With a possible new employee in this department, there will be additional monies needed for overdue repair/replacement of worn equipment.
- Vehicle needs concerning a new employee were considered. The Town’s dump truck may not be able to handle daily use. The Suburban runs well and would be adequate to hold tools. The Town will have to offer benefits to the new employee; however, with the loss of part-timer Bruce Williamson, money will be available.
- It was noted this department tends to have additional overtime in the winter due to frozen pipes.

Insurance

- Town Manager Savage met with our health insurance provider re: health benefits/costs in FY-16. The Town has historically covered the full cost of the PPO plan for the employee only. The increase for next year is \$132/mo. (19-20%) vs. this past year’s increase of \$11-12. When Town Manager Savage was first employed, employees were told that at some point in the future the Town would stop underwriting the increases and the employee would be responsible for the balance of the cost of health insurance. This is an option for the approximately 18 current Town employees.
- It was suggested giving the employees an increase in their benefits (paying the \$132 health insurance cost) rather than a raise or a cost-of-living (COLA) increase; however, the Town is on a pay scale that increases 2% each year and the Commission decides yearly whether to offer a COLA increase. If the employee were required to cover the insurance increase, they would be paying approximately \$1,600

of their health insurance. A 2% + COLA increase would not cover that insurance increase for the employee/year. Per Town Manager Savage, most of the local Towns cover employee health fully and some cover families.

- Town Manager Savage suggested the Town contribute a maximum of \$800 for any health insurance plan; future increases would be paid by the employee. Past policy has been that all employees take the PPO plan; however, it might be helpful to let the employees change to a lower plan and possibly add their families on the plan, as well. Town Manager Savage believes it would be dis-advantageous to spring this on the employees this coming year.

Salaries

- Per the pay scale, the Town requires an Evaluation Board to approve promotions, which previously consisted of Town Manager Savage, President Correll and Commissioner Kovack; however a change must be made. There are four promotions to consider in the Police Department. There is a recommendation for a new job classification for the Town Clerk and an amendment of the classification for the Water Superintendent.
- The Evaluation Board will consist of President Correll, Town Manager Savage and Commissioner Mervine.
- President Correll suggested the canine unit should be evaluated in greater depth.
- It was noted that the Town must have an operating budget submitted by the first Tuesday in June.

Water Meter Fee

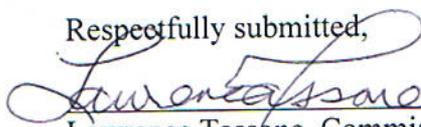
- Currently the water meter fee defrays the cost of water usage itself, not the cost of the water meter. It was determined in the future, it will be called a "service fee."

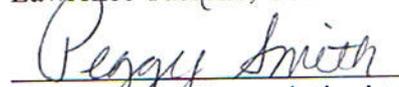
Pay Scale

- Yearly decision concerning a possible cost of living adjustment (COLA). The 2014 consumer price index (CPI) was 1.6%. For employees to stay abreast of rising costs, they would need a 1.6% increase in wages. This would be in addition to a 2% increase that is built into the Town's current pay scale. It was clarified that the 1.6% COLA is optional.
- Commissioners Tassone and Mervine agreed that if this is the last year the Town will pay the full insurance cost for employees, there should be no COLA this year.
- It was suggested that an employee meeting be called to inform them all at the same time of the upcoming change in insurance benefits next year. Town Manager Savage would also like to return to employee luncheons, as have been done in past years.
- Town Manager Savage requested that the Water Superintendent be increased one pay grade to 11 and there was general acceptance from the Commissioners. He doesn't consider it a promotion; however, it is well justified. A new Water Operator will be sought and hired at pay grade 1.

There was general acceptance of the proposed budget by the Commissioners. Motion to adjourn – Tassone; 2nd – McDowell; motion carried. The meeting was adjourned at 12:19 P.M.

Respectfully submitted,


Lawrence Tassone, Commission Secretary


Peggy Smith, Transcriptionist