

MINUTES OF THE BUDGET WORKSHOP OF THE CITY OF SEAFORD MAYOR AND COUNCIL

April 4, 2016

6:00 PM

Mayor David Genshaw called the Budget Workshop to order with the following present: Councilwoman Grace S. Peterson, Councilwoman Leanne Phillips-Lowe, Councilman William Mulvaney, Councilman Dan Henderson and Councilman Orlando Holland. City Manager Dolores Slatcher, Assistant City Manager Charles Anderson, Director of Finance & HR June Merritt, IT and Economic Development Manager Trisha Newcomer, Director of Public Works Berley Mears, Electrical Engineer Rick Garner and Acting Chief of Police Gary Flood were also present.

Mayor Genshaw opened the meeting at 6:05 pm and requested Director of Finance & HR Merritt begin with the FY 2017 Budget presentation. City Manager Slatcher stated that the presentation only included expenditures at this time. Revenues are still being worked on and should be ready in approximately three weeks.

Director of Finance & HR Merritt stated that this workshop's presentation only covers departments within the General Fund. The following departments were reviewed: Executive, Administration, Economic Development, Information Technology, Code, Fire, Recreation, Parks, Pool, and Streets. During the review of each department the total requested for the FY 2017 Budget was compared to the FY 2016 Budget. The major variances within each department were discussed as follows:

Executive: There was an overall decrease from the FY 2016 budget to the FY 2017 budget of approximately \$13,000. The Special Projects and Assistance Fees line item had decreased by \$25,000 because of the completion of the Nanticoke Senior Center Generations Campaign. Mayor Genshaw requested the Seaford District Library fee be adjusted to \$7,500 from \$1,500. The Capital line item was increased for the purchase of iPads for Council and a Communications line item was added this year to record the cost of internet service for the iPads.

Administration: There was an overall decrease from the FY 2016 budget to the FY 2017 budget of approximately \$400,000. This decrease is because the Operating Transfer to the Golf Fund has not yet been included. Councilwoman Phillips-Lowe asked if the names on the Education/Tuition Reimbursement line item were actual or if they needed to be adjusted. The names were correct but the years need to be updated. The Professional Fees line item reflected an overall increase of \$2,500 due to an increase in the GASB 45 Services because a full evaluation rather than a roll-forward of the information is necessary and a decrease in the Audit Services due to the request for proposals. The Capital line item was another area that had a significant increase, \$50,000. This line item includes a new vehicle for the City Manager, new phone equipment for City Hall, three new receipt printers, and a computer station/kiosk in the lobby for online/credit card payments for a total Capital request of \$68,400. If a loan is used for the purchase of the City Manager vehicle, the debt service and loan proceeds will need to be included in the budget. Also, the Director of Finance & HR is looking into an alternative to the computer station/kiosk, so that may be able to be removed once all of the information is known.

Economic Development & Information Technology: This department has been split into two separate departments.

Economic Development: There was an overall increase from the FY 2016 budget to the FY 2017 budget of approximately \$66,000. This increase is due to adding a Public Relations staff position, dues and subscriptions required for the Downtown DE membership, the implementation costs for the Conceptual Vision Plan agreement and a vehicle that is necessary to attend various community meetings and training. One item that will need to be added is the cost of health insurance for the Public Relations position, could be an additional \$19,000. This position would be full-time and be responsible for maintaining social media, marketing, and acting as the public information officer.

Information Technology: There was an overall increase of \$76,865. This department did not exist on its own last year. The increase is due to making the IT Coordinator a full-time position and the Capital line item includes a computer for this position. Most of the operational expenses were taken from the Economic Development budget.

Code: There was an overall increase from the FY 2016 budget to the FY 2017 budget of approximately \$125,000. The Professional Fees line item increased due to a GIS Mapping Project and a Comprehensive Plan Update. There is statutory pressure to update the Comprehensive Plan by 2018 and this update will require input from the public and the Planning & Zoning Commission. The GIS Mapping would make work more efficient by not having to pull out the paper documents. The City is already behind in having this technology available. The City would like to work with the State to get this done. The majority of the increase is in the Property Demolition line item. Depending on funding these demolitions will need to be prioritized, but not all of these properties will be demolished in this budget year. The SC Cummings building demolition should be moved to the Electric Distribution budget as part of the cost of the new substation project.

Fire: The funding for this department is essentially the same as the prior year. City Manager Slatcher stated that we have not met with the Fire Department to receive their input, but based on prior years budgets we developed a budget for them. Director of Finance & HR Merritt stated that she decreased the building and grounds maintenance account by \$1,300 since the City has spent below on that line item for the last three years. There was some discussion around needing to replace the generator at the Fire Department. Assistant City Manager Anderson said that he received an estimate for approximately \$225,000 and that we had looked into some grant funding for this purchase, but had not secured any funding. Director of Public Works Mears stated that he believed we could possibly get another year or two out of the existing generator.

Recreation: There was an overall increase from the FY 2016 budget to the FY 2017 budget of approximately \$7,000. Many of the special events that were handled by the Economic Development Manager are being shifted to the Superintendent of Parks & Recreation. Therefore, the costs of these events have been shifted to the Recreation Department. Some of these events include the Cancer Walk, American Heart Go Red, Light It Up Blue, Live for Chocolate and Caroling in Gateway Park. There is a need for another vehicle in this department once the Superintendent is hired. Assistant City Manager Anderson and City Manager Slatcher both stated that since there are additional funds in the FY 2016 Budget, they are looking at purchasing this vehicle before the FY 2017 Budget.

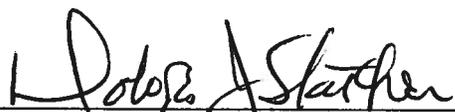
Parks: There was an overall increase from the FY 2016 budget to the FY 2017 budget of approximately \$25,000. This increase is attributable to the Capital line item requests of which most is the repair, grading & seeding of one of the soccer fields in the amount of \$20,270. Another request is for a Soccer/Football All-In-One Goal Post for Soroptimist Park in the amount of \$5,250. Councilman Henderson asked why this department is consistently overspending their budget. The explanation for the FY 2016 & FY 2015 Budget is the Parks Maintenance Storage Building. It was not budgeted. City Manager Slatcher stated that a loan was to have been obtained. Director of Finance & HR Merritt stated that she did not obtain a loan for it. It was stated that additional research into years prior to 2015 would have to be done in order to answer Councilman Henderson's question with accuracy. Councilwoman Phillips-Lowe asked what was the Middleford Road Beautification Project listed in the Buildings & Grounds Maintenance line item? Director of Finance & HR Merritt responded that it was funds for maintaining the hanging baskets and planters on the Middleford Road bridge next to the hospital.

Pool: There was a minimal overall increase from the FY 2016 budget to the FY 2017 budget of approximately \$1,700. Assistant City Manager Anderson had met with the Seaford Community Swim Center representative, Scott Pickenpaugh. The SCSC intends to make a donation of approximately \$7,500 this year. The SCSC has approximately 500 memberships. They have increased their rates for this next swim season. Assistant City Manager Anderson stated that there were some items in need of repair and that he would get that information to the Director of Finance & HR.

Streets: There was an overall decrease from the FY 2016 budget to the FY 2017 budget of approximately \$90,000. This decrease is attributable to the Backhoe that is being purchased in the FY 2016 Budget. The debt service for this purchase will need to be included in the FY 2017 Budget. Director of Public Works Mears stated the backhoe is expected to be delivered around the end of April. Councilwoman Phillips-Lowe asked about the Leaf & Limb Facility capacity and the work that is scheduled in the Contractual Services line item. Director of Public Works Mears showed some pictures and gave explanations of the work that is expected to take place.

Director of Finance & HR Merritt asked if there were any other questions. There were none.

Mayor Genshaw adjourned the meeting at 7:40 p.m.



Dolores J. Slatcher, City Manager