

TOWN OF SOUTH BETHANY TOWN COUNCIL BUDGET WORKSHOP MEETING MINUTES FEBRUARY 26, 2016

MEETING CALLED TO ORDER

Mayor Voveris called the February 26, 2016, Town Council Budget Workshop Meeting to order at 10:00 a.m.

ATTENDANCE

PRESENT: Council Members Sue Callaway, George Junkin, Tim Saxton, Wayne Schrader, Carol Stevenson, Frank Weisgerber, and Mayor Pat Voveris; Town Manager Melvin Cusick; Chief Troy Crowson; Finance Director Renee McDorman; Code Enforcement Constable Joseph Hinks; and Administrative Assistant Pam Smith

PUBLIC COMMENT PERIOD

There were no comments from the public.

DISCUSSION OF A DRAFT ORDINANCE REGARDING CHAPTER 145, ZONING

Charter and Code Committee Chair John Fields reviewed the draft ordinance. Charter and Code Committee Member Bob Cestone assisted. The Code Enforcement Constable answered questions from the Town Council. Frank Brady of Miken Builders handed out examples of house heights relative to Base Flood Elevation (BFE) in the VE Zone.

There was discussion. In the end no changes were made other than typos. The first reading of the ordinance will be at the March 11, 2016, Town Council Regular Meeting.

DISCUSSION AND POSSIBLE VOTE ON ADOPTION OF 2016 SUSSEX COUNTY TAX ASSESSMENTS

A motion was made by Councilman Saxton, seconded by Councilman Junkin, that the Town of South Bethany elect to use the assessment and any supplementary assessment listing established annually by the Sussex County Board of Assessment for FY 2017 property taxation purposes. It will be the Sussex County assessment that exists as of March 1 of every year. The motion was unanimously carried.

FY 2017 DRAFT BUDGET REVIEW

Council had copies of the FY 2017 Draft Budget. Councilman Saxton stated that in the Budget and Finance Committee's review of the draft budget the committee did not turn down any of the Town committees' budget requests. Councilman Saxton stated that there was a late Town committee request that the Budget and Finance Committee did not address because it came in after the Budget and Finance Committee completed their review. Councilman Saxton said he thinks this late request should go back to the Budget and Finance Committee for their review. Councilman Saxton noted that the item has long term expenses associated with it. Councilman Saxton stated that he feels strongly that long term expenses should go through the Budget and Finance Committee before they get to Council.

Councilman Saxton stated that the Chief of Police, the Finance Director, and the Town Manager did a very good job preparing the draft budget. Councilman Saxton said the Budget and Finance Committee did not make changes to the draft budget but the committee did have good productive discussions about a few topics. Councilman Saxton said the Budget and Finance Committee did a good job and he congratulated them for being willing to talk about some very difficult issues. Councilman Saxton stated that this is a good budget.

Councilman Saxton reviewed the FY 2017 Draft Budget. During the review the following was discussed:

- Page 14, Reserve Account Budget Recommendation: 1) Delete "Leave" from "Accrued Liabilities/Separation Bonus/Leave". 2) Council discussed and there were no objections to changing "Beach Replenishment/Beach Maintenance" to "Special Projects". 3) After discussion, Mayor Voveris suggested and there was a consensus to fund "Accrued Vacation/Sick Leave Balances" at 50% of the total liability since it is unlikely all employees will leave at the same time. There was a consensus to put the other 50% into "Special Projects".
- In explaining the FY 2017 Draft Budget spreadsheet columns, Councilman Saxton noted that there was a column titled "Treasurer/Mayor Recommendations" which represents adjustments made from a meeting with the Treasurer, Mayor, and Chief of Police. Later in the meeting Mayor Voveris clarified that the "Salaries" line items were not discussed at that meeting.
- Page 2, Trash – Single Stream Recyclables Income: Councilwoman Callaway referred to the 2015 Community Survey where some property owners asked for more recycling pickups. After discussion, Mayor Voveris said this would be a survey assignment for Council to discuss.
- Page 3, General & Administrative Salaries and Page 5 Department of Public Safety Salaries: The Budget and Finance Committee's recommendation is to give No COLA, give a Step for eligible employees, and give a 2.5% one-time payout for anyone not eligible for a step. In addition, Councilman Saxton recommended studying the pay scale for the FY 2018 budget. In a straw vote, Council Members Junkin, Weisgerber, Callaway, and Saxton chose the Budget and Finance Committee's recommendation, Council Members Schrader and Stevenson chose giving 2.5% Step for eligible employees and .7% COLA for all employees, and Mayor Voveris abstained because her choice was not represented on the draft budget spreadsheet.

During discussion Mayor Voveris made the following points when speaking to the compensation increases for the 3 employees at the end of the Step Chart: 1) She felt the increases should not be a one-time payout but rather all employees treated the same with the increase being added to their base pay, 2) She understood the need to look at compensation numbers if increasing the years on the Police Department chart but more importantly it would appear discriminatory if all employees did not have a pay scale that was covered over a 25 year period. The Town Hall staff chart was increased by Council from 20 years to 25 years at a point when an employee reached the end of the chart and could not receive an annual increase. The situation is now the same in the Police Department and the chart should be projected out to 25 years, and 3) By using a pay out and not adding an increase to base pay, employees stay exactly where they are in their earnings and if in fact the Step Chart was moved out after study these employees would have lost a year for advancement. Their pension would also not have seen an increase.

- Page 3, G & A Printing/Graphic Art: Mayor Voveris said she initially requested \$2,000 to be added to the Printing/Graphic Art line item, however, at that time the Finance Director and the Town Manager recognized that the 2015 Community Survey was included in the FY 2016 Budget and would not be an expense in the FY 2017 Budget. Therefore the FY 2017 Proposed Budget for this line item has only been increased by \$1,000. Mayor Voveris said this is a perfect example of the fiscal responsibility of the Town Staff. Mayor Voveris said she has served on a lot of councils and has heard that "if it is there it will be spent". Mayor Voveris said she wanted to point this out because this is a perfect example of how it is not always "if it is there it will be spent".
- Page 5, Department of Public Safety: 1) During discussion there were no objections to using the amounts in the Treasurer/Mayor Recommendations column. (Regarding the DPS Salaries line item, Mayor Voveris was in favor of the \$4,000 cut in overtime due to the Police Department being at full staff, but she reiterated that her choice for Salaries was not

represented on the draft budget spreadsheet). 2) The Finance Director commented that the Chief of Police this morning gave an updated total price for the two Ford Police Interceptor vehicles. The total cost for the two vehicles, which includes all the supplies needed for the vehicles and labor for installation, is changing from \$68,000 to \$73,318. Councilman Saxton said the additional funding will come out of the Capital (ARM) Reserves.

- Page 7, Community Enhancement Committee Line Items: 1) CEC South Bethany Welcome Signs – After discussion it was agreed to leave the FY 2017 Proposed Budget at \$5,000. 2) CEC South Bethany Historical Photo Display – It was agreed to change the FY 2017 Proposed Budget from \$1,000 to \$500. 3) Christmas Lights – It was agreed to change the FY 2017 Proposed Budget from 0 to \$3,000. 4) CEC South Bethany Street Lights – It was agreed to change the FY 2017 Proposed Budget from 0 to \$6,000.
- Regarding the Town donation of \$1,000 to the South Bethany Historical Society, Councilman Saxton said the Historical Society did not want the donation the Town had in last year's budget and they don't want a donation from the FY 2017 Budget. The Town Manager asked for clarification as to whether or not the Historical Society wants the \$1,000 donation that is in the Town's FY 2016 Budget.
- Page 8, Public Relations Committee (PRC): Councilman Saxton said that the Budget and Finance Committee voted to recommend to Council that the Town approach the South Bethany Property Owners Association (SBPOA) to take over some of the PRC activities. After discussion Council agreed to leave the FY 2017 Proposed Budget as is and not approach the SBPOA to take over some of the PRC activities.
- The Finance Director and Councilman Saxton will make the changes discussed and balance the FY 2017 Proposed Budget. This will be presented to the public at the March 11, 2016, Public Meeting on FY 2017 Draft Budget. Council will also be able to make changes at the March 24, 2016, Town Council Budget Workshop Meeting.

DISCUSSION AND POSSIBLE VOTE TO APPROVE ORDERING TWO NEW POLICE VEHICLES INCLUDED IN THE FY 2017 BUDGET

A motion was made by Councilman Junkin, seconded by Councilman Saxton, to approve ordering two new police vehicles included in the FY 2017 Budget. The motion was unanimously carried.

Councilman Saxton added that the monies for the vehicles must be spent in FY 2017.

PUBLIC COMMENT PERIOD

There were no comments from the public.

ADJOURNMENT

A motion was made by Councilman Saxton, seconded by Councilman Junkin, to adjourn the February 26, 2016, Town Council Budget Workshop Meeting at 1 p.m. The motion was unanimously carried.