

**TOWN OF ELSMERE
COUNCIL-FINANCE COMMITTEE MEETING MINUTES
June 13, 2024
5:00 p.m.**

CALL TO ORDER: Mayor Thompson called the meeting to order at 5:00 p.m.

PLEDGE OF ALLEGIANCE:

MOMENT OF SILENCE:

ROLL CALL:

MAYOR	ERIC SCOTT THOMPSON	PRESENT
1 ST DISTRICT	JANE MCDANIEL	PRESENT
2 ND DISTRICT	SALLY JENSEN	PRESENT
3 RD DISTRICT	MARY STEPPI	PRESENT
4 TH DISTRICT	CHARLES MCKEWEN	PRESENT
5 TH DISTRICT	JOANN I. PERSONTI	PRESENT
6 TH DISTRICT	DAWN DIBIASO	PRESENT

Town Solicitor, James McMackin – Present
Chief of Police, Laura Giles – Present
Town Manager, Steven Martin – Present
Finance Director, Valarie Strzempa - Present

PUBLIC COMMENT:

Leonard Bukowski of 237 Locust Avenue (assisted by his son) stated he has lived in Elsmere for 65 years and is asking for some help with a neighbor issue and a foul odor emanating and flowing into his own home. The odor is now coming from his basement up into the house from the house next door. Mr. Bukowski explained that he can no longer run an air conditioner because of the smell. The smell is even outside, and he cannot sit out there. Mr. Bukowski has reached out to Councilwoman Mary Steppi, Code Enforcement, Animal Control numerous times, and the Elsmere Police Department, all of which confirmed there is a very bad odor and he even extended an invitation to all of Council to come to his home to experience the situation.

At this time, Mr. Bukowski's son added that it has escalated to a point where the man next door has even threatened to retaliate against his parents, and it seems nothing can be done which is frustrating.

Mayor Thompson explained that sometimes our hands are tied depending on the circumstances, however Mayor Thompson then added that there may be legal assistance they could seek from a few attorneys to which he provided them a phone number for.

Councilwoman Steppi added some backstory, stating that in May, the Bukowski's requested her to come down to their home, but was informed that Code Enforcement had already been involved since January. A quick synopsis, the neighbors next door have four German Shepherds.

Two of them do not leave the house. They essentially are using the house as a toilet and the odor he is speaking of is related to the dogs not going in the yard. They don't get let out for exercise. New Castle County Councilman Brandon Toole is also involved now as well. Councilwoman Steppi further stated that while tenants have rights, this issue will only get worse before it gets better. All parties need to get involved and unite for a resolution. This is a long-term resident.

Code Officer Nicole Facciolo interjected with the latest update, stating that she has recently come in contact with one of the sisters that is a partial owner of the property. They are working with us to remove their brother from the home. The family want him out as much as we do and are going to help us try to get something done.

Mr. Bukowski's son stated he installed cameras this week with the hope of capturing something to keep building case.

SWEARING IN:

At this time, Ms. Jane McDaniel was sworn into office as 1st District Councilwoman and joined the council for the meeting.

APPROVAL OF MINUTES:

Minutes of the May 9, 2024, Council Meeting.

ACTION: A motion was made by Councilwoman Personti to approve the minutes of the May 9, 2024, Council Meeting one correction to reflect that Mayor Thompson was not absent at the meeting but arrived late. The motion was seconded by Councilman McKewen.

VOTE: 7-0 All-in-Favor Motion Carried

OLD BUSINESS: None

NEW BUSINESS:

Introduction for First and Second reading of Ordinance 673:

An ordinance to subdivide the property known as 905 New Rd (Corpus Christi Gymnasium) from the church property into a single tax parcel.

ACTION: A motion was made by Mayor Thompson to approve the First and Second reading of Ordinance 673. The motion was seconded by Councilwoman Personti.

A brief discussion was held to discuss the fiscal impact of the subdivision, determining that this may cause an increase as opposed to a decrease.

VOTE: 7-0 All-in-Favor Motion Carried

Introduction for First and Second reading of Ordinance 674:

An ordinance to subdivide the property known as 115 Forrest Avenue into two tax parcels.

ACTION: A motion was made by Councilwoman Personti to approve the First and Second reading of Ordinance 674. The motion was seconded by Councilwoman Steppi.

Councilwoman Personti added for the record that she was present at the Planning Commission meeting for this ordinance, and she has not received any correspondence from any residents for or against this.

VOTE: 7-0 All-in-Favor Motion Carried

Consideration of approving the Elsmere Police Department's new pay scale.

Mayor Thompson stated that a special council meeting was held in April designated just to this. Is there any new or additional information for us to consider?

Chief Giles replied yes, she provided the Town Manager with the new pay scale. The old pay scale was only a 2% increase, which is why there was a savings, and this new one has 3% built in. After running numbers, last year's highest increase was 17.76%, and the lowest was 5.08%. With the new proposed increase, the lowest is 9.4%, and the highest would be 48.73%, however that officer goes from Patrolman to PFC. Chief Giles also stated she is in need of some sort of input by Council as to whether we're going to have 11 officers or 12 officers.

Mayor Thompson stated he believed the previous presentation was based on 11.

Chief Giles confirmed but stated she has different variables and that if we're going to stay with the approved pay scale she would try and get 12 to fill that spot although she doesn't believe she can because part of this pay scale is about recruitment and retention.

Mayor Thompson asked if there is a motion to approve the 2024 pay scale as presented?

ACTION: A motion was made by Councilwoman McDaniel to approve the Elsmere Police Department Pay Scale.

The motion failed to receive a second.

Chief Giles then asked what pay scale are they going off of?

Mayor Thompson replied the 2024 that you presented at the special meeting.

Chief Giles replied that it wasn't voted on, so.

Mayor Thompson confirmed, but stated that's the one that we have that was presented.

Chief Giles questioned if that means they then would go with the pay scale that is from 2023? If Council didn't approve the pay scale presented in April's Special Council Meeting. There were no motions made at that meeting.

Mayor Thompson stated that maybe he misunderstood because he thought the 2024 was being presented.

Chief Giles replied no, it is not.

Mayor Thompson replied that then we're working off of the 2023 pay scale.

Chief Giles replied no, because the July 1, 2024 only had 2% in it, and from what she understands, the Town is getting 4.5%. So, she added 4.5% to 11 or 12 officers with their approved pay scale from July 1st, 2023.

Mayor Thompson stated that he misunderstood, his assumption was that the other one that was at 3% and then steps.

Chief Giles replied that they were only 2%.

Councilwoman Jensen added for clarification, the non-police employees are getting up to 4.5%, and that is based on performance.

Chief Giles stated yes, the officers have the same performance-based thing. However, all the officers have gotten favorable reviews, so they would all be eligible for the 4.5%.

In conclusion, the Police Department will operate on the 2023 pay scale with a performance-based increase of up to 4.5%.

ACTION: The above motion made by Councilwoman McDaniel to approve the Elsmere Police Department Pay Scale was withdrawn.

The Mayor, Council and Finance Committee will review, discuss and consider approving the Fiscal Year 2023 – 2024 Revenue, Operating and Capital Improvement Budgets.

Town Manager Steven Martin gave a brief overview of the proposed Revenue, Operating and Capital Improvement Budgets:

1. This budget is fully balanced.
2. The "Long Term Planning" budget which is part of this operating budget is based upon the following:
 - a. The funds allocated to this department and its sub-categories shall be placed into the "Town's Long Term Planning Account".
 - b. Expenditures from any of the sub-categories would require specific approval from the Mayor and Council.

- c. These line items would not be considered capital items and would require the approval of a simple majority of the Mayor and Council for expenditures from the line items.
 - d. Any funds remaining in these line items at the end of the fiscal year will remain in the line item and be carried over into the next fiscal year. Any remaining amount will not be included as a part of the accumulated surplus of any fiscal year.
3. In addition to the amount budgeted for the "ORIGINAL POLICE PENSION PLAN ALLOCATION" the amount received from the State of Delaware shall be combined with the budgeted amount and be deposited in that pension plans assets.
 4. Finance Department: The Town Manager is authorized without the prior approval of the Mayor and Council to direct the Finance Department to create additional line item(s) when he deems such action necessary or required in order to properly and accurately account for and report the financial activity and position of the Town, provided doing so will not increase or decrease any amount approved by the Mayor and Council in this budget. This section shall not apply to the Department of Public Safety.
 5. Public Safety Department Funding Source: In accordance with Title 22, Section 1601 (c) of the Delaware Code, the primary funding source for the Public Safety Department's approved Operating cost shall be the revenues realized by the collection of the Town of Elsmere's Realty Transfer Taxes. Should these funds be depleted the remaining approved expenses shall be funded out of the Town's General or other funds.
 6. This budget proposes a property tax increase of \$109.23 per base unit which results in additional revenues of \$305,188.62, yielding a surplus of \$157,568.34. This tax increase is to provide necessary funding for this year and next year's budget for line items such as the new trash contract and a significant increase in health and property/business insurance. This is a safeguard in the event that New Castle County rolls out their new assessment in property taxes, further prohibiting the Town of Elsmere from proposing a tax increase.

At this time, Chief Giles stated that the amount listed above would now be incorrect due to the change in the Police pay scale.

Town Manager Steven Martin agreed, explaining that now that it is based off of 4.5% verses the 3%, the budget is not fully balanced and the surplus of \$157,568.34 will now be reduced by the Police Department's salaries.

Chief Giles added that we are now going off of 12 officers as opposed to 11 officers, now the Police Department budget will increase by \$19,851.00 and it is not just salaries, but will also be healthcare, medical, training, firearms.

7. This budget includes a performance-based increase for all non-police employees of up to 4.5%.
8. This budget includes a proposed pay scale amendment for the Department of Public Safety.
9. This budget continues to fund the Town's various public events (weather permitting).
10. This budget continues to fund the long-term planning line items which help off-set large costs.
11. This budget absorbs the significant increase of \$48,043.00 to the Trash, Recycle and Yard Waste Contract with Republic Services.
12. This budget accounts for the additional auditing services needed for our Federal Awards such as ARPA and DOJ Grants.
13. This budget does not include any proposed capital expenditures.

Town Manager Steven Martin wanted to note that the budget was prepared utilizing actual figures from May and projected out to June to come up with a more streamlined budget. At this time, he and Chief Giles began presenting the significant increases or decreases in the proposed budget tab by tab. During the presentation, Town Manager Steven Martin noted that inflation has caused prices to increase which, in turn, shows that some expenses in this budget significantly increased as well for items such as healthcare costs, gas, electric, and some contract agreements. During this presentation, the following amendments were made to the Proposed FY 2024 – 2025 Budget as follows:

1. Reducing the annual contribution to the Elsmere Fire Company from \$10,000 to \$5,000.
2. Increase the Rental License Income from \$215,000 to \$265,000 due to an oversight in the cost of obtaining rental licenses being raised in December of 2023.
3. Change Future Project Allocation to \$157,568.34.
4. Eliminate Salary Enhancement Allocation line entirely in the amount of \$25,000.
5. Include a 4.5% salary increase for 12 officers in Public Safety in the Salary line for a total of \$967,899.00.
6. Increase Public Safety's Holiday line to \$33,000.00
7. Increase Public Safety's Payroll Taxes line to \$27,168.00
8. Change Public Safety's Police Pension Expense line to \$108,575.00
9. Change Public Safety's Healthcare line to \$193,605.00
10. Change Public Safety's Training line to \$8,000.00
11. Change Public Safety's Firearms line to \$9,500.00

12. Change Public Safety’s Medical Costs line to \$5,000.00
13. Change Public Works Other Income line to \$100.00 and change Gain on Fixed Assets line to \$17,900.00 to reflect income from the sale potential of Public Works vehicles and trailers.
14. Change Public Works’s Maintenance/Streets line to \$67,500 to reflect the revenue collected from rental licenses.
15. Reduce the Administration Department’s Legal – Sheriff Sale Costs line to \$0 since this is reflected as a reimbursable.
16. Adjusted Future Planning Line item to reflect \$145,631.34.

ACTION: A motion was made by Mayor Thompson to approve the FY 2024 – 2025 Revenue, Operating and Capital Budgets as amended during this meeting. The motion was seconded by Councilwoman Steppi.

VOTE: 7-0 All-in-Favor Motion Carried

Consideration of approving Resolution 24-01:

A resolution setting the municipal tax rates for the Fiscal Year 2024 – 2025.

ACTION: A motion was made by Mayor Thompson to approve Resolution 24-01 for setting the municipal tax rate for the Fiscal 2024-2025 Year. The motion was seconded by Councilwoman Jensen.

VOTE: 7-0 All-in-Favor Motion Carried

Consideration of approving Resolution 24-02:

A resolution adopting the New Castle County property tax assessment for the use of the Town of Elsmere for its 2024 – 2025 Fiscal Year.

ACTION: A motion was made by Councilwoman Personti to approve Resolution 24-02 to adopt the New Castle County Property Tax Assessment for the use of the Town of Elsmere for its 2024 – 2025 Fiscal Year. The motion was seconded by Councilman McKewen.

VOTE: 7-0 All-in-Favor Motion Carried

DEPARTMENTAL REPORTS:

Code Enforcement

Code Enforcement Officer Nicole Facciolo gave a brief overview of the Code Enforcement Monthly Report and received no questions.

- Councilwoman Jensen complimented Code Officer Nicole Facciolo on the details provided in the written report.

Finance Department

Finance Director Valarie Strzempa gave a brief overview of the Finance Department Monthly Report and received no questions.

Public Safety

Police Chief Laura Giles gave a brief overview of Public Safety Monthly Report and received no questions.

Public Works

Public Works Maintenance Worker Thomas Harrison gave a brief overview of the Public Works Department Monthly Report.

- Councilwoman Steppi extended thanks for addressing the dumping complaints around Silverbrook Gardens.
- Councilwoman Jensen asked if the damage noted on the playground equipment was done by normal wear and tear or some sort of vandalism?
- Maintenance Worker Thomas Harrison replied that he was told an adult male was observed on the equipment and could have caused the bolts to become loose.

Town Manager

Town Manager Steven Martin gave a brief overview of the Town Manager's Monthly Report:

- Update on the Direct Congressional Spending application that was vetted over a period of two weeks by State Representative Lisa Blount-Rochester. Received a call a week before last indicating that we made it to the second step. We also received information from Senator Chris Coons that we made it to the second step. We should hear something by August. If we get through that, we're smooth sailing towards being granted \$3.6 million for the storm water project. We should be putting the smaller projects out to bid by October or November. These larger projects will not go out to bid likely until the early part of 2025 but confidence is growing that we are going to get funding. Senator Chris Coons' office and Representative Lisa Blount-Rochester's office have been in contact almost weekly. This is the first time Delaware has submitted a stormwater plan for any Congressional funding.
- Thanked the staff and EPD for putting together the budget.
- Mayor Thompson asked when the ARPA funded projects will begin?
- Town Manager Steven Martin replied they will begin sometime in October or November.
- Councilwoman Jensen asked if we are still sterilizing Town Hall since on the ARPA

Report, there is still money left in the Fogging Expense line?

- Town Manager Steven Martin replied that we stopped fogging for now.
- Councilwoman Jensen then asked since there is still \$9,000 left, can we move that to Infrastructure for street repairs?
- Town Manager Steven Martin replied yes we can, but he would prefer to wait in the event that no cases arise.
- Councilwoman Jensen then asked about the remaining funds in the ARPA Legal Services line, can we move that to Infrastructure for street repairs?
- Town Manager Steven Martin replied yes, we no longer need those services and they can be moved.

PUBLIC COMMENT: None

STATEMENTS BY THE MAYOR AND COUNCIL:

Councilwoman Personti thank everyone for their work on the budget, recognizing that each budget is difficult.

ADJOURNMENT:

ACTION: A motion was made by Mayor Thompson to adjourn. The motion was seconded by Councilwoman Personti.

VOTE: 7-0 All-in-Favor Motion Carried

These minutes summarize the agenda and other issues discussed at this Council Meeting. Votes are recorded accurately. The audio recording of this meeting will be available at Town Hall for a period of two years from the date these minutes are approved. The audio recording may be reviewed at Town Hall by appointment and in accordance with the Freedom of Information Act.



ERIC THOMPSON
MAYOR



SALLY JENSEN
SECRETARY