

**TOWN OF ELSMERE  
COMBINED COUNCIL AND FINANCE COMMITTEE  
MEETING MINUTES  
JUNE 11, 2020  
TOWN HALL  
5:00 p.m.**

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

**OPENING STATEMENT:** Mayor Eric Thompson read an opening statement.

**PLEDGE OF ALLEGIANCE:**

**MOMENT OF SILENCE:**

**ROLL CALL:**

MAYOR	ERIC SCOTT THOMPSON	PRESENT
1 <sup>ST</sup> DISTRICT	MARIANNE SKIPSKI	PRESENT
2 <sup>ND</sup> DISTRICT	SALLY JENSEN	PRESENT
3 <sup>RD</sup> DISTRICT	ROBERT KACPERSKI	PRESENT
4 <sup>TH</sup> DISTRICT	CHARLES MCKEWEN	PRESENT
5 <sup>TH</sup> DISTRICT	JOANN I. PERSONTI	PRESENT
6 <sup>TH</sup> DISTRICT	BRIAN HURST	PRESENT

Town Solicitor, James McMackin – Present

Town Manager, John Giles – Present

Chief of Police, Laura Giles – Present

Finance Committee Paul Chalfant – Absent

Finance Committee Ronald Russo – Absent

Finance Committee Steveni Keeley – Present

Councilwoman Personti asked if there were any issues with the fact that there is not a quorum of the Finance Committee present during the meeting.

Town Solicitor Jim McMackin stated that he does not believe it is an issue, however, he will verify the Town's code as the meeting progresses.

**PUBLIC COMMENT:** None

**APPROVAL OF MINUTES:**

Minutes of the May 14, 2020 Council Meeting.

**ACTION:** A motion was made by Councilman Hurst to approve the minutes of the May 14, 2020 Council Meeting with no corrections. The motion was seconded by Councilman McKewen.

**VOTE:** 7-0 All-in-Favor Motion carried

**OLD BUSINESS:** None

**NEW BUSINESS:**

Consideration of appointing the following members to the Planning Commission. If appointed, their terms will expire as listed below.

- a. Mr. John Jaremchuk – Expires June 1, 2023
- b. Mr. Scott Shelton – Expires June 1, 2023
- c. Mr. John Pockets – Expires June 1, 2021

**ACTION:** A motion was made by Councilman Hurst to appoint Mr. John Jaremchuk, Mr. Scott Shelton and Mr. John Pockets to the Planning Commission with terms to expire as discussed. The motion was seconded by Councilwoman Personti.

**VOTE:**        7-0     All-in-favor                Motion carried

Consideration of appointing Ms. Shirley Posey to the Board of Election. If appointed, her term will expire on June 1, 2021.

**ACTION:** A motion was made by Councilwoman Personti to appoint Ms. Shirley Posey to the Board of Election with a term to expire on June 1, 2021. The motion was seconded by Councilman Hurst.

**VOTE:**        7-0     All-in-favor                Motion carried

Consideration of a request from the Town Manager to transfer \$92,568.00 from Long-Term Planning Future Project Allocation to the General Fund.

Town Manager John Giles stated that these were funds which were received last fiscal year which had no specific project at the time. Unfortunately, it has become necessary to use this funding to balance the budget. The significant reason was the \$148,000.00 increase to the garbage contract this year.

**ACTION:** A motion was made by Mayor Thompson to transfer \$92,568.00 from the Long-Term Planning Future Project Allocation to the General Fund. The motion was seconded by Councilwoman Skipski.

**VOTE:**        7-0     All-in-favor                Motion carried

At this time Finance Committee member Ronald Russo joined the meeting.

**DEPARTMENTAL REPORTS:**

Code Enforcement

Town Manager John Giles presented the following items from the written report and asked if there were any questions:

- a. The department issued 53 citations. 36 were corrected with the initial warning, 14 received fines and 3 remained pending at the end of the month.

- b. 5 properties were deemed public nuisances and received fines.
- c. The department requested that the Public Works Department abate 4 properties.
- d. The Town's Permit Revenue was down significantly this month because May was the free permit month for select outdoor repairs.

### Finance

Town Manager John Giles reported the following items from the written report and asked if there were any questions:

- a. The department received \$34,685.22 in Transfer Tax for the month of May. This puts us at \$20,000.00 over what we budgeted to bring in this year for transfer taxes and we still have the month of June.
- b. We have completed all the security measures at the bank and believe that all accounts are now secure.
- c. We anticipate that we will end the year with \$28,000.00 more in revenue versus expenses.

### Public Safety

Chief Laura Giles stated that she has filled the vacant position within the Police Department with a recruit. His name is Josh Rosa, he is a member of the Elsmere Fire Company and is currently a constable at the hospital and is 24 years old. His academy will begin on June 22<sup>nd</sup>.

### Public Works

Town Manager John Giles presented the following information from the written report and asked if there were any questions:

- a. The department patched 34 potholes during the month.
- b. The street sweeper was run in District 4.
- c. The department completed 4 abatements at the request of the Code Enforcement Department.
- d. The dumpsters at Vilone Park have been removed due to the continuous excessive dumping that has been occurring.
- e. The portable toilets in Vilone Park and Fairgrounds Park have been removed due to the cleaning requirements under the COVID-19 guidelines and the fact that the parks are closed.

Councilman Kacperski asked if there was an update on the sinkhole at 108-109 Linden Avenue.

Town Manager John Giles stated that he has received a bid from Paoli Services to determine the issue.

Councilman Hurst stated that the Public Works department is the most visible department of the Town and that the Town has been looking great.

#### Town Manager

Town Manager John Giles presented the following information from the written report and asked if there were any questions:

- a. We still have two vacancies on the Pension Committee and one vacancy on the Land Bank.
- b. I want to get the Council's consent to take the proper steps to cancel the Elsmere Police Secondary Pension Plan, as well as the Town of Elsmere Employee Retirement Plan. The money needed to move the current officers to the State Plan is in the proposed budget.

Councilman Hurst asked what the cost would be to keep the officers in the Secondary Plan. Would it be more or less than the \$18,000.00 to move them to the State Plan?

Town Manager John Giles stated that it would be less. The required salary match for the Secondary Plan is only 7.5% but the State averages around 15%.

Chief Laura Giles stated that if the employee leaves, we would still get the funding back because the pension contributions are included in their training agreements.

Town Manager John Giles stated that furthermore this transfer will cut out \$6,000.00 a year in fees for these plans.

Councilwoman Personti asked if this topic could be discussed at the July meeting. She stated that she is not entirely opposed but would like to have a more in-depth discussion.

Mayor Thompson stated that the Town has received correspondence from Mr. Richard Herold regarding his displeasure with the Senior Center leaving the Town and that he would like Council to see what they can do to stop the move or stop them from using the name Oak Grove Senior Center.

Town Manager John Giles stated that because they are a separate entity. They have complied with the provisions of their lease agreement for termination and have indicated that they hold no animosity towards the Town but that the new space is laid out better for their programs.

## **NEW BUSINESS (CONTINUED):**

The Town Manager will present to the Mayor and Council, as well as, the Finance Committee the Fiscal Year 2020-2021 Revenue, Operating and Capital Improvement budgets for review, comment and approval.

Town Manager John Giles gave the following opening overview of the proposed budget:

### **What the FY 2020 – 2021 Budget Does:**

1. This budget proposal begins with a balanced budget.
2. The budget contains a \$92,568.00 general fund commitment. This commitment is taken from the \$92,568.00 in the Long-Term Planning Future Projects allocation. The council would vote to transfer the funds from the Long-Term Planning to the General Fund and then vote to allocate those same funds from the general fund to balance the budget.
3. This budget calls for the transition of ALL police officers to the State of Delaware Pension. Currently officers which are not certified and go through the academy are placed into the Secondary Police Pension Plan for 5 years before transitioning into the State of Delaware Plan. This would eliminate the need for multiple plans and simplify annual contribution calculations.
4. This budget includes salary increases for all employees under the approved wage compensation plans.
5. This budget creates a new department named Council Operations. The line items in this department account for expenses which are directly attributed to the Mayor and Council and brings those expenses into their own department. None of these line items are new expenses, they are just being accounted for in a new way.
6. This budget addresses and compensates for a \$145,391.00 increase to the annual trash contract.
7. This budget addresses the loss of income generated from the Senior Center in the amount of \$24,260.00
8. This budget continues to fund the 5 core Long-Term Planning Line items which were established in the FY 12-13 budget year.
9. This budget creates a new line item in the Administration Department for Civil Remediations. This line item is intended to cover expenses of remediations of larger abatements the Town may need to complete on a residential property such as a large tree removal in which the property owner would sign a repayment contract for the remediation.

10. This budget creates a new line item in the Administration Department for Pension Expenses. These are expenses related to the Mass Mutual Secondary Police Pension and Employee Retirement Plans which have expenses that cannot be charged to the pension itself.
11. This budget creates a new line item in the Finance Department for Banking Services. These expenses represent the costs associated with the annual amounts paid to the bank including standard banking fees, fraud protections and monitoring services.

**What the FY 2020 – 2021 Budget Does Not Do:**

1. This budget does not include any funding for any events during the 2020/2021 budget year. With the significant increase in the garbage contract and the unknown repercussions of the current pandemic, it is unlikely that the restrictions on gathering size will be increased enough to justify holding any public events in the upcoming budget year.
2. This budget eliminates the funding of the new Future Project Allocation in the Long-Term Planning Department. This line item was created during the FY 19-20 budget to balance the budget after paying off the HVAC Loan early.

Mayor Thompson asked if there were any questions regarding the revenue budget.

Councilman Kacperski asked if the Town Manager was confident on the projected amount to be received via transfer tax over the next year.

Town Manager John Giles stated that he was not, he believes that we will likely receive more than what he is budgeting.

Councilwoman Personti asked about Code Violations and when the funding would move from violations to Special Tax Liens.

Town Manager John Giles stated that if the property owner has not paid the fees within 30 days it is moves to a special tax lien and the funding is no longer counted as a violation.

Councilwoman Personti asked why there was a reduction in the Franchise Fees.

Town Manager John Giles stated that the expanded explanation can be found on page 56 of the budget presentation. The projected revenue is based on what we have received this year and we are seeing a decline in those fees.

There were no other questions for the revenue budget.

Mayor Thompson asked if there were any questions regarding the Administration Department Budget.

Councilwoman Personti asked if we have received any final numbers for the business insurance because there appears to be a significant reduction.

Finance Director Steve Martin stated that the reduction is caused by two factors. The first being that the Town has updated its inventory and replacement cost values which had not been done over the last 5 years which resulted in a savings. The second is that we have changes the allocation percentages among the 5 departments which caused some departments to increase and some departments to decrease.

Councilwoman Personti asked a similar question regarding the significant increase to Workers Compensation again.

Finance Director Steve Martin stated that it has been determined that in the past there was a lack of reporting of the grant funding overtime expenses during the contract projections which causes the audits to come back with significant increases. This year we ensured that these funds were included when we received our estimates from the insurance company.

There were no other questions for the Administration Budget.

Mayor Thompson asked if there were any questions regarding the Code Enforcement Budget.

There were no questions regarding the Code Enforcement Budget.

Mayor Thompson asked if there were any questions regarding the Finance Department Budget.

Mayor Thompson asked if the large reduction in salary was caused by the change in staff.

It was indicated, that was the reason for the reduction.

There were no other questions regarding the Code Enforcement Budget.

Mayor Thompson asked if there were any questions regarding the NPDES Compliance Budget.

Mayor Thompson stated that he noticed that there was still a significant amount of that funding remaining.

Town Manager John Giles stated that there is. This is a budget that we typically wait until the last part of the year to expend those funds to make sure that no significant issues have arisen during the year. He anticipates approving around \$15,000.00 worth of storm drain repairs and replacements from this line item before the end of the month.

There were no other questions regarding the NPDES Compliance Budget.

Mayor Thompson asked if there were any questions regarding the Park and Recreation Budget.

Mayor Thompson asked if we know if the Holiday Parade will occur.

Town Manager John Giles stated that from what he has been told unless the Governor prohibits such an event it will still occur. While there is no funding budgeted, that is primarily an overtime expense and there is sufficient funding in the departmental overtime to cover the event should it occur and we would likely find funding for the Tree Lighting Event as well.

Councilwoman Jensen asked about the cancellation of events in Spring 2021.

Town Manager John Giles stated that the budget does not include those events, however, if things change and those things are possible the Council can always go back and add those events back into the budget and allocate additional funding.

Councilwoman Personti stated that she loves to see the community events but that she would agree that it is difficult to plan for these events with the unknown of this issue. She does hope that if things improve, she would really like to see the Easter Egg Hunt and Town Wide Cleanup funding in the spring of 2021.

There were no other questions regarding Parks and Recreation Budget.

Mayor Thompson asked if there were any questions or concerns regarding the Public Safety Budget.

Mayor Thompson asked why there was an increase in the fines revenue when the department has not met that funding this year.

Chief Laura Giles stated that the Council recently adopted an ordinance which increased the fines associated with certain traffic violations. This action will result in an increase in revenue without issuing more violations. The intention of the ordinance is to deter people from committing the violations by increasing the fines from \$25 to \$75 or \$100. Based on data from May showing the impact of the new fines is \$24,000.00 per month.

Councilwoman Personti stated that she too is concerned about the fines being budgeted too high. She does understand that this year will be a little different, but if it doesn't meet the budget this year, she would like to see the number brought to a more realistic budget.

Town Manager John Giles stated that the police fine issue has been going on for too long. If they don't make them again this year, when the budget is presented, they need to make the cuts to accommodate that. The other departments don't have the funds to cover these over budgets.

Mr. John Jaremchuk, 300 Southern Road, stated that it is true that the Public Safety Budget has not met the budget in the past, but looking at the figures the Chief has provided that number could have gone much higher.

There were no other questions for the Public Safety Budget.

Mayor Thompson asked if there were any questions or concerns regarding the Public Works Budget.

There were no questions regarding the Public Works Budget.



Mayor Thompson asked if there were any questions or concerns regarding the Public Works Sanitation Budget.

There were no questions regarding the Public Works Sanitation Budget.

Mayor Thompson asked if there were any questions or concerns regarding the Council Operations Budget.

There were no questions regarding the Council Operations Budget.

Mayor Thompson asked if there were any questions or concerns regarding the Long-Term Planning Budget.

Councilman Kacperski asked if there was a chance that the Police Department would need to implement body cameras during the upcoming fiscal year.

Chief Laura Giles stated that based on the meetings she has attended it appears that the State is going to look into funding these cameras for all departments. The cameras are not the expensive part, the storage and redaction process are the expensive parts. They are talking about creating a position at the Attorney General's Office to complete the redactions.

Councilman Kacperski asked if we should consider setting some funding aside for this now.

Chief Laura Giles stated that she does not know what the costs would be to consider putting funds aside. In addition, she has several grants she could apply for to assist with any funding the Town would need to include.

There were no other questions regarding the Long-Term Planning Budget.

Mayor Thompson asked if there were any other questions regarding the budget.

Councilman Hurst stated that he thought the budget looked very good. The only thing he does not agree with is salary increases for the employees with everything going on, but he recognizes that he is only one vote.

Mayor Thompson asked if anyone from the Finance Committee had any questions regarding the budget.

Both members stated that they have no questions.

**ACTION:** A motion was made by Councilwoman Skipski to approve the FY 2020/2021 Revenue, Operating and Capital Improvement Budgets as presented. The motion was seconded by Councilwoman Jensen.

**VOTE:** 6-1 All-in-favor Motion carried

1<sup>st</sup> District – Yes, 2<sup>nd</sup> District – Yes, 3<sup>rd</sup> District – Yes, 4<sup>th</sup> District – Yes,  
5<sup>th</sup> District – Yes, 6<sup>th</sup> District – No, Mayor – Yes

Consideration for approval of Resolution 20-04, a resolution adopting the New Castle County Property Tax Assessments for the use of the Town of Elsmere's FY 2020- 2021.

Town Manager John Giles stated that this is a routine practice which stops the Town from having to complete our own assessments.

**ACTION:** A motion was made by Councilwoman Personti to approve Resolution 20-04 adopting the New Castle County Property Tax Assessments for municipal purposes. The motion was seconded by Councilman McKewen.

**VOTE:** 7-0 All-in-favor Motion carried

Consideration for approval of Resolution 20-03, a resolution setting the municipal tax rates for the FY 2020-2021.

Town Manager John Giles stated that the current proposed resolution has no tax increase, however, in accordance with Resolution 13-07, the Council must consider raising taxes by COLA each year. COLA for 2020 is 2.67%.

**ACTION:** A motion was made by Councilman Hurst to approve Resolution 20-03 as presented with no tax increase. The motion was seconded by Councilwoman Personti.

**VOTE:** 7-0 All-in-favor Motion carried

**ITEMS SUBMITTED BY THE MAYOR AND COUNCIL:**

Councilwoman Personti stated that she is concerned about the configuration of seating of Council during the meetings. Even when the Council is cleared to meet in person again, the current configuration of the Council Chambers does not take social distancing into consideration and the seats are right next to each other. She is wondering if there is any way to reconfigure the room without spending significant funding.

Town Manager John Giles stated that he has some ideas for distancing in the interim but once the restrictions lift, the seating would go back to the original design.

Mayor Thompson stated that he does not see in-person meetings resuming any time in the immediate future due to the restrictions.

Councilman Hurst stated that he believes that Councilwoman Personti may have been talking about a permanent solution to spacing not just a temporary solution.

Councilwoman Personti stated that she was referring to a permanent spacing solution.

Town Manager John Giles thanked the Council for their concerns regarding the passing of his mother. In addition, he wanted to point out that Town Solicitor McMackin answered the question about the Finance Committee quorum in the chat box.

Town Solicitor McMackin stated that he has determined that the absence of a quorum of the Finance Committee does not stop Council from approving a budget. In addition, he does have the contact information of a vendor who is offering some solutions for spacing and plexiglass dividers.

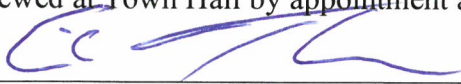
**PUBLIC COMMENT:** None

**ADJOURNMENT:**

**ACTION:** A motion was made by Councilman Hurst 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.



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**ERIC THOMPSON**  
MAYOR



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**BRIAN HURST**  
SECRETARY

