

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
June 4, 2018

A meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers, 201 South Walnut Street, Milford, Delaware on Monday, June 4, 2018, to discuss the proposed Fiscal Year 2018-2019 City of Milford Budget.

PRESIDING: Mayor Arthur Campbell

IN ATTENDANCE: Councilpersons Christopher Mergner, Mike Boyle, Lisa Peel, Owen Brooks Jr, Douglas Morrow, James Starling Sr. and Katrina Wilson

STAFF: City Manager Eric Norenberg, City Clerk/Recorder Terri Hudson and City Accountant Suzannah Frederick

ABSENT: Second Ward Council Seat Vacant

*Call to Order*

Mayor Campbell called the Council Meeting/Budget Hearing to order at 5:10 p.m.

*Introduction/Ordinance 2018-02/City of Milford Charter Update/Adds Hotel/Lodging Tax*

City Manager Norenberg introduced the following ordinance:

ORDINANCE 2018-02  
An Act to Amend the Charter of the City of Milford  
Relating to City Council Government -  
Composition, Qualifications, Vacancies and Procedure

An Ordinance amending the Charter of the City of Milford, as was approved by the City Council of the City of Milford on June 11, 2018 and effective on June 21, 2018, and in accordance with Title 22, Chapter 8, Section 811 of the Delaware Code; and

Whereas, the Mayor and City Council wish to Amend the Charter of the City of Milford relating to Taxation, Assessors and Assessment of Taxes; and

Whereas, due to its previous limited property tax growth, City operating revenues have had to diversify to maintain the base necessary to meet the service demands of its residents and businesses; and

Whereas, the Mayor and City Council find it in the public interest of the City of Milford to enact a lodging tax of no more than three percent, the proceeds of which can be utilized as General Fund dollars to support such City services as police, fire and parks, as well as planning, economic development and administrative support services; and

Whereas, the Mayor and City Council request that the General Assembly of the State of Delaware enact this bill for the purpose of adding this legislation to the City of Milford Charter.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF MILFORD:

The City of Milford may impose, by duly enacted ordinance, a local lodging tax of no more than 3 percent of the rent, in addition to the amount imposed by the State, for any room or rooms in a hotel, motel or tourist home, as defined in § 6101 of Title 30, which is located within the boundaries of the City of Milford, in the form and manner as follows:

Section 1. Amend Article VII of the Charter of the City of Milford by making insertions as shown by underline and deletions as shown by strikethrough.

Article VII. TAXATION, ASSESSORS AND ASSESSMENT OF TAXES

7.14 - Lodging Tax.

The City of Milford is authorized to impose a lodging tax of no more than 3 percent of the rent, in addition to the amount imposed by the State, for any room or rooms in a hotel, motel or tourist home, as defined in §6101 of Title 30, which is located within the boundaries of the City of Milford.

SYNOPSIS

This bill permits the City Council of the City of Milford to impose and collect a lodging tax of no more than three percent on hotel and motel rooms located in the City of Milford, so long as it is approved by a majority of the City Council pursuant to the provisions of the Charter of the City of Milford.

Section 2. Dates.

City Council Introduction: June 4, 2018

City Council Adoption (as amended): June 11, 2018

Effective Date: June 21, 2018

It will be discussed in depth at the next Council Meeting.

*Review and Discussion of Proposed City of Milford FY 2018-2019 Budget*

**General Fund**

City Manager Norenberg provided a brief explanation of the budget review noting that there are special guests in attendance from Carlisle Fire Company, Downtown Milford, Inc. and the Milford Museum.

Carlisle Fire Company

Treasurer Joe Mriss reported that Carlisle Fire Company is again asking the City support them with \$140,000. He determined that as long as he has been the treasurer or involved with the Finance Committee, they have automatically received that amount.

Mr. Mriss noted that the final draft budget, starting July 1, 2018, goes before the board to be accepted on Thursday evening. The \$140,000 is approximately 10% of the operating budget next year.

Broken down, he explained that approximately \$30,000 is paid back to the City in utilities and \$10,000 will support EMS (ambulance maintenance, supplies, fuel, etc.). Of that, \$50,000 offsets salaries, benefits and employment costs of the four full-time employees (Administrative Assistant, EMT's and EMS Supervisor). Another \$10,000 helps supports the fire side by aiding in the purchase of seven sets of turnout gear (coats, pants and helmets) at a cost of \$3,000 per set.

The Company is very near to completing the Ambulance Building which is behind the Administrative Office. One major project planned next year is the paving of the entire parking lot. Of the \$100,000, \$40,000 will go toward those estimated costs.

It was confirmed that similar expenses have needed to be paid over the past ten years.

Mr. Mriss stated that any additional funds that are not spent during the year are being put away to purchase a new ambulance, which is needed every five to seven years. A ladder truck will also have to be purchased at a cost of \$1.2 million.

Councilman Morrow recalled that the last specific piece of equipment the City was specifically involved in was a ladder truck. He recalled the City providing \$100,000 per year for five years. After that, the contribution of \$140,000 was paid each year though nothing specific was earmarked.

Prior to that, the City was providing free electricity though that had to be discontinued.

Councilman Brooks thanked Mr. Mriss for their service adding that it is the best fire company in the State and a bargain for \$140,000. He entertains keeping the donation at that amount.

Mayor Campbell explained his only concern is the ability to fund the five new police officers Chief Brown has requested and their impact on this and future budgets.

With that point, Councilwoman Peel noted that because additional police officers are needed, she is assuming that more EMT's are needed as well. She asked if the Fire Company is considering that and where future funding will come from.

Mr. Mriss said they have been working on those plans for the past five to six years and how they will be able to continue the ambulance service. It is difficult to find part-time help at this point. Based on the growth of the City, they are aware they will need full-time EMT's around the clock.

The City Manager also noted that when the Fire Company and Milford Museum began to be billed for utilities, there was an error and the solid waste services were never added. The Fire Company President was notified though he will be working with both to ensure they have the right service levels before those fees are added. He also recommends that be factored into future agreements.

Of the budget, Mr. Norenberg confirmed that \$100,000 is operational and will continue on an annual basis. The additional \$40,000 appears to be a capital outlay which this year involves a one-time paving project. Mr. Mriss stated that is correct.

It was agreed that more discussion is needed to determine capital needs versus operational monies. In lieu of the increase in capital items, increasing the Carlisle Enhancement Fund could be considered which would help reduce the financial strain on the general fund.

Councilman Morrow said he liked that approach.

Mr. Mriss verified that their insurance company manages their depreciation on equipment. He stated that the current ladder truck was purchased around 1993 at a cost of \$300,000 to \$400,000. That cost has increased to \$1.2 million as he previously stated.

An ambulance will need to be replaced in the next year with monies that have been set aside over the last few years at a cost of \$220,000.

Carlisle is averaging at least 200 runs a month which has put a burden on the ambulances. Previously they were replaced every ten years but due to the additional runs and mileage, that was reduced to every seven and now, every five years.

Councilman Boyle asked if the Company is considering a second substation based on the ongoing growth of Milford; Mr. Mriss stated that is being considered and related discussions with the City began approximately ten years ago though the City was growing at a much slower pace at that time. Since then, there has been tremendous growth particularly in the southeast area though building is now occurring in the northwest portions as well. As a result, a location has yet to be determined.

Mr. Mriss emphasized that the site will at some point be located based on the population in the various areas, as well as the attraction of younger members. The Company has membership drives during the high school career days in an attempt to supplement their numbers.

Councilwoman Peel asked for more information regarding fire and ambulance numbers as the City plans for their future as well. She also feels that geographic information would be helpful as well.

It was also noted that the fire district includes unincorporated areas of Milford. Mr. Mriss stated they are seeing some pressures from those areas though it is more on the western side of town closer to the Houston area. They have determined that some of their area is encroaching into Houston's territory, for one. Discussions with neighboring towns are happening and mutual aid agreements are being created as a result.

Downtown Milford, Inc.

Board President Sara Pletcher and Executive Director Murrie Zlotziver were both in attendance.

The presentation created for the City's Economic Development Committee at their April 23, 2018 meeting, was then provided to City Council, giving justification for the budget increase being requested:

*Main Street*

"Four Point Approach"

- \*Economic Vitality: Business growth
- \*Design: Aesthetics of downtown
- \*Promotion: Markets downtown & businesses
- \*Organization: Collaboration

*Economic Vitality*

Public: \$486,000

Private: \$4,260,000

TOTAL: \$4,747,000

Facade renovations, building rehabilitations, new construction projects and completed public improvements:

- \*20+ new businesses
- \*Estimated 60+ jobs
- \*2 Small Business loans

*New Businesses and Expansions (since 2013)*

- \*All About Time Clock Shop
- \* Arena's Milford
- \* Ashtanga Yoga 302
- \* Bank House B&B
- \* Bibi's Restaurant & Bar
- \* Coolspring Cottage
- \* Davis, Bowen & Friedel
- \* Delaware Branding Company
- \* Imperial Nutrition
- \* Irish Rose
- \* John Mollura Photography
- \* Josephine Keir, Ltd.
- \* Lifecycle
- \* Milford Billiards
- \* Mispillion Art League
- \* Music School of Delaware
- \* My Sister's Fault
- \* Norman's Deluxe Barber
- \* Novel Tea Nook
- \* Petite Sweets
- \* Red Bandana
- \* Reiki Joy 'n Peace
- \* Salon M
- \* Twice is Nice
- \* Your Moment in Time

*Economic Vitality*

Spurring Economic Growth

- Downtown Development District
- Drafted original DDD application
- Aided in awarded application

Rebirth 2025 Plan

- DMI Executive Director on steering committee
- Guided DMI 3-year Strategic Plan

Small Business Loans

- \* My Sister's Fault
- \* Petite Sweets

Riverwalk Farmers Market

- \* Started accepting SNAP – 2016
- \* 2017 Total Sales – \$119k+
- \* 2017 vendors – 38
- \* 2017 shoppers – 7k+

Webpage with available retail space & MLS links

Partnering with City Planning Office

- \* Entrepreneur's Network
- \* Every 4th Tuesday of the Month, 8:30 am to 10:00 am @ Mispillion Art League
- \* 20+ small business owners
- \* 3rd Thursday
- \* Downtown is open late (5-8pm) with food trucks
- \* 2018 Monthly Themes
- \* March: Welcome Back
- \* April: Spring into Action
- \* May: Join the Force
- \* June: Artists and Artisans
- \* July: Block Party
- \* August: Light Up the River
- \* September: Happy Birthday, Milford!
- \* October: Community Parade Partnership
- \* November: Volunteer Appreciation

*Design*

Creating an Inviting Atmosphere

- \* Milford in Bloom (Spring & Winter)
- \* Art on the Riverwalk Tour – Milford Strolls
- \* Spring Flower Sale

Design Guidelines (Downtown DE assisted)

- \* Sign, Awning & Facade Grant
- \* Funded by WSFS Bank
- \* Novel Tea Nook

5 for 5 Paint Program

- \* Archaeology Architecture & Design Services

*Promotion*

Creating a Market Place

\*River Town. Art Town. Home Town.

\*St. Patrick's Day Pub Crawl (March)

2018 – raised \$12k & 800+ participants

\*Bug & Bud Festival (April)

2018 – 9k+ in attendance & largest vendor turnout

\*Ladybug Music Festival (September)

Six times in Wilmington, selected Milford to expand

\*Santa House (November-December)

2017 – nearly 1,200 children

\*Shop Small Saturday (November)

Nationally supported by American Express

\* Holiday Stroll (December)

Advertising

\*Updated webpages

In the News webpage (news & press releases)

About DMI

Events

Business Resources

Shopping & Dining (work in progress)

\*Social Media Pages

Facebook

Twitter

Instagram

Print & Online Advertising

Southern DE Explorer

Milford Chronicle

Beach Life

Various Visitor Guides

Milford LIVE

Sussex & Kent County Profiles

*Organization*

Delivering on the Promise...

\*Organizational Structure

Full time Executive Director

Eleven Board Members

Four Executive Members

Four Committees with 5-10 members

Downtown DE & National Main Street support & training

\*Financial Responsibility

Grants (Lions Club, DE Division of the Arts, Longwood Foundation)

Fundraising campaigns

Spring & Winter

Community Collaboration

Chamber of Commerce of Greater Milford

Meet quarterly  
Riverfront Theater  
Mispillion Art League  
Milford Museum  
Abbott's Mill Nature Center  
City of Milford – Bike Rack Project  
Music School of Delaware  
Eat, Drink & Buy Art

Office Maintenance

Hired lawn care & removed old trees & bushes  
Ongoing house maintenance

We Run on Volunteers...

\*Volunteer Recruitment

- . Volunteer Coordinator – Marilyn Ambrose
- . Signup.com
- . 100+ individual volunteers

\*Volunteer Hours (6/1/17 – 3/31/18)

Board: 496.5  
Design Committee: 180  
EV Committee: 808  
Promotion Committee: 914  
Organization Committee: 158  
Other: 206  
Recognized @ Annual Meeting & thank you notes

\*Moving Forward to Continue our Success . . .

\*DMI is seeking a renewable lump sum from the City of Milford for five years

July 1, 2018 – June 30, 2023

First year: \$45,000

Subsequent years: an annual compensation increase in accordance with the mid-Atlantic CPI

DMI will present to City Council quarterly with updates

When asked where the bulk of the money goes, the DMI Director explained it goes back into operational toward the cost of both existing and new programs. Expenses of Milford in Bloom include the cost of the flowers. New liners were installed this year, as well as new reservoirs. Several activities were also discussed, including those events that are joint ventures in which any funds taken in are then split. Though most of the events are free, there are associated costs throughout the year that the additional income does not always cover.

Mr. Zlotziver advised they are currently working with Life Cycle to order the bike racks and hope to have some type of ceremony in July or August.

When asked about repurposing the Santa House, Ms. Pletcher informed Council the ice cream shop will only operate in the off season; Santa will be available in November to December as normal.

Considering that most of the downtown businesses are closed on Sundays and Mondays, Mr. Zlotziver explained they are discussing more consistent hours of operation. He did note that it is common for a business to close early on Saturday because foot traffic is typically very light.

Councilwoman Peel referenced the increase based on the national CPI and asked if that takes into consideration the City is

paying for housing. She also asked if the City is paying DMI's utilities and trash services. Mr. Zlotziver explained that the utilities and trash fees are divided between DMI and him because he is living in the building.

The City Manager verified that the maintenance, upkeep and utilities are the responsibility of DMI per their agreement. Ms. Pletcher confirmed there have been a number of unexpected maintenance expenditures associated with the building this year.

Mr. Norenberg reported that a detailed agreement was discussed with the Economic Development Committee and DMI in April. Once Council provides direction on the compensation piece, the agreement will be brought to Council for ratification.

Councilwoman Peel confirmed that the \$5,000 increase will go directly toward the Director's salary. Ms. Pletcher stated yes, adding that there will be a percentage increase to the agreement on an annual basis, and is spelled out accordingly.

It was confirmed that a quarterly report assessing the performance of the organization would be provided to City Council.

Ms. Pletcher also announced that their strategic plan will be voted on Thursday.

### Milford Museum

Milford Museum Executive Director Claudia Leister has been in this position since 2011. She stated that the Museum's mission is to collect, preserve and share Milford area history. The visitation is growing and so far there have been visitors from thirteen different states and the United Kingdom. They began tracking visitors in 2010. That has increased from 500 to 600 visitors per year to more than 3,000.

The former Mayor encouraged them to be open on Sundays for visitors so they are now open on Sunday afternoons. However, only a few visitors have taken advantage of that.

The Executive Director reported that in 2010, the museum only received \$15,000 from the City. Gradual increases over the past six years have brought that number to \$26,000. Last year, when she spoke to Council, she made the decision not to ask for an increase due to local funding woes and the financial forecast.

In this year's letter, she originally asked for 35,000 based on two factors, that being the projected costs of utilities, fuel, archival supplies and technological needs and a salary for three part-time employees.

Ms. Leister also referenced the trash collection fees that had always been paid for by the City, which she believes come out to approximately \$300 per year.

She also noted that because the building was a Federal Post Office, it is still owned by the State of Delaware. In the past, the State leased their buildings for \$1 a year. Last year, the rent of their leased buildings was increased to \$500 per year. This year, Milford Museum was notified of the change which is an additional financial burden each year.

She is actually asking to decrease the amount that was originally requested and would be pleased with a contribution of \$30,000, which is only \$4,000 more than last year.

She recalled the lost funding they discussed from major supporters who have recently passed away.

With the City's continued support, the Milford Museum will continue providing a much needed connection to the community's history for a growing population. Many of the visitors are stopping and considering moving to Milford. They come into the museum asking for information on the City. She has learned that it is not only the 'from here's', but the 'come here's', who are excited to learn more about our unique City.

Ms. Leister also reported that beginning with the third Thursday in July, a new exhibit on the history of the new hospital will be presented. That aligns with the opening of the new Bayhealth Medical Facility on the southeastern edge of Milford.

Mr. Norenberg reiterated that the City has budgeted \$26,000 over the past couple years, though that is shown with a \$500 increase based on the lease increase required by the State of Delaware.

Councilman Mergner confirmed that all three organizations are paying utilities with the exception of the trash service which was being provided. He asked if perhaps there is a special rate that might help with the utility expenses for each organization, considering the common theme that one pocket pays the other pocket.

Mr. Norenberg reiterated that the fire company used to receive free utilities. However, the decision was made over time that all the rate payers should pay for utilities based on their usage, which made those organizations a little more apt to use them more wisely. At that time, the contribution was increased.

A review of City budgets then continued.

#### City Council

Most items consistent from year to year.

Insurance may be lower this year.

The DMI adjustment is shown. The Museum and Carlisle Fire Company contributions will need to be adjusted based on a final decision.

Changes:

\$15,000 Should be shown in the Resident Survey (should be done every two years)

\$30,000\* Kent Economic Partnership (requested)

\*It was recommended that a one-year agreement be signed to ensure performability.

Councilman Brooks does not understand why \$15,000 is in the Council budget for the Parking Lot Repaving Project at City Hall and \$21,000 for Employee Recognition. Mr. Norenberg explained that anything in the Council budget is paid by the various funds versus just being paid from the General Fund.

City Accountant Frederick added that it involves an overall City Recognition plan for all employees and not one department.

Mr. Norenberg added that if Council wishes, when the time comes to spend it, it can be charged out to each individual department. However, that includes the Holiday Party which is not typically split based on employee/department involvement, though that can be done if Council prefers.

Ms. Frederick pointed out it has been in the budget in the same manner for several years.

When Councilman Brooks asked again, Mr. Norenberg said he is willing to change that to the Administration's budget to prevent any confusion. Councilman Mergner said he understands the concept and Councilwoman Wilson recalled that it was an initiative that Council wanted to be done. She pointed out that anything Council approves is included in Council's budget.

Councilman Boyle pointed out that there is a Special Election, in addition to the Annual Election, though the budget does not reflect the same amount. City Clerk Hudson estimates it will cost a little less than what a regular election would.

Mr. Norenberg directed Ms. Frederick to adjust that number accordingly.

#### Police Department

Chief Kenneth Brown participated by telephone, due to being at out of state training.

City Accountant Frederick reviewed the police budget, stating that because there is no Teamster Agreement in place, the step chart was used and wages only increased by 1.5% as shown.

Changes:

Overtime	\$14,000 Increase (Downtown Foot Patrol overtime moved to this line item)
Contract Services	\$30,000 to \$61,888 Increase due to Body Camera Contract Increase (\$25,000) (A grant paid for costs first year; remaining costs of \$20,500 for years 2-5 would need to be paid though last year's costs were covered by a grant and Chief Brown asked the City to pay the third year. Grant money is being used for additional cameras and additional software.)
Materials & Supplies	\$2,000 Increase based on actual current year expenditures
Uniforms & Equipment	\$5,000 Increased based on actual current year expenditures
Criminal Invest Fund	\$1,500 Increase
K-9 Unit	\$1,000 Decrease due to one unit
Retirement Fund	\$121,000 Increase (State establishes rates and increased from 11.4% to 16.6%)
Garage Labor	\$12,000 Increase based on actual current year expenditures
Computers	\$3,000 Increase
Capital-Building	\$8,000 Increase for Air Curtains to Cover Doors
Capital-Vehicles	\$4,000 Increase based on cost of new vehicles

Mayor Campbell emphasized that five new police officers are needed by the department at a cost of \$425,000; Chief Brown explained that the cost of one new officer the first year is \$85,000. City Manager Norenberg recalled that at the last Police Committee, it was recommended adding those offices to the Police Department Referendum. However, it has been suggested that it be addressed sooner so that those officers can be in the academy that begins in September.

It was also noted that \$500,000 continues to be transferred on an annual from the Real Estate Transfer Taxes for police officers.

Planning & Zoning

Legal Services	\$5,000 Reduction
Engineering	Removed
Training & Materials	Reduced
Copier	\$1,000 Reduction (now shared by Enforcement and Inspections)
Total Budget	\$9,000 Decrease

Code Enforcement & Inspection Budget

Salaries & Wages	\$112,000 Increase (Building Official position and second Code Official added)*
Training	\$3,000 Increase (Based on two new employees)
Copier	\$1,000 Increase (Cost share from P&Z Department)
Employee Benefits	Increased (Based on two new employees)

\*\$72,000 Contract Services removed for Building Inspection and Plan Reviews)

Rental Contract Services was paid from Surplus General Fund Revenues to accommodate the two-year First State Contract (paid last year)

Parks and Recreation

Parks and Recreation Director Brad Dennehy was present.

Salaries-Temp Wages	\$30,000 Increase (Additional fifty acres transferred from Public Works)
Salaries-Cemetery	\$32,000 to \$55,000 Increase (\$55,000 has been paid for the past seven years;

	pass-thru from Milford Community Cemetery Fund)
Fuel Oil	\$8,000 Increase (Change in heating system)
Cell Phones	\$1,200 Increase (no internet, phone system in Armory—provides cell phone for Park Tech)
Capital-Equipment	\$109,000 (Corrected number)

Mr. Dennehy discussed the status of several buildings that are currently being maintained by his department.

Other projects include continuing upgrades to Armory, boardwalk improvements, pedestrian bridge upgrades and electric services added to Tony Silicato Park.

New purchases include a new dump truck and a new mowing tractor.

Mr. Norenberg stated that a citywide inventory was done by Public Works Director Mark Whitfield and Parks and Recreation Director Dennehy of where the City was moving grass and/or shoveling/plowing snow. Those non-City sites will be reviewed and contracts either negotiated or removed from the City's responsibilities.

#### Finance

City Accountant Frederick reported that because the police contract includes a 1.5% step increase, that percentage was added to all budgets citywide and will impact salaries, wages and payroll benefits accordingly.

Salaries & Wages	\$2,700 Increase (reflection of 1.5% increase)
Electric	\$700 Increase (based on actual usage)

#### Customer Service

Salaries & Wages	Slight decrease due to recent retirement
Uniforms Expense	\$2,600 Increase (based on estimates from Public Works that includes safety apparel that has not been mandated in the past)

Councilman Mergner suggested getting bids on the credit card processing fee due to its competitive market.

Capital-Building	\$20,000 (replacement of original windows)
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#### City Administration

Salaries & Wages	\$4,000 Increase (reflection of 1.5% increase)
Overtime	\$1,000 Increase (additional commission and council meetings)
Insurance, Advertising & Printing	Slight decreases
CAMA Software	Transferred to Customer Service
Training	500 Increase (more Human Resource training)

#### IT

Software Maintenance \$11,000 Increase (5% Superior contract increase)

Mr. Norenberg noted that we will be looking at different finance, accounting, code enforcement and utility (joint) billing software packages for comparison purposes due to some recent challenges, in addition to some steady rate increases.

Capital equipment includes the three servers and firewalls which are all considered routine replacement(s).

#### City Hall Cost Allocation

Minor changes.

### Budget Summary Analysis

Page one provides the summary of the entire budget report.

### *General Fund*

One-time capital costs were needed from the General Fund Reserves in order to have a balanced budget.

General Reserves Economic Development Fund includes \$45,000 for the Arena's parking lot, \$30,000 for the Kent Economic Partnership and \$40,000 for the TAP Project and economic expenses.

### General Fund Reserves

The current tax levy is \$3.9 million. Of the \$250,000 collected in delinquent taxes since August, over \$100,000 was from penalties. Payment plans of over \$20,000 are coming in each month and through last month, all plans were 100% compliant. Another \$100,000 is owed from the property tax bills and is due on September 30, 2018.

Contractor licenses have increased to \$50,000 and rental license is anticipated at \$85,000. Building permits are expected to increase to \$160,000. The police pension income has increased to \$135,000.

Ms. Frederick confirmed there is an 8% increase in insurances as was learned today. The budget included a 10% anticipated increase that will be reflected across the board.

Funding for the Milford School District Resource Officers increased from \$177,750 to \$188,485 which is the cost of two of the officers assigned to the schools.

Referenced were the General Fund Revenues and specifically the cell tower leases. An additional lease has been added to the Bayhealth Water Tower and the Northeast Tenth Street Tower at approximately \$2,500 per month.

She noted that the \$55,000 in Cemetery Revenues goes straight into the Parks and Recreation Fund Temp Employees for grass cutting.

Wrapping up tonight's meeting, City Manager Norenberg reported the budget is balanced as of this point. We continue to transfer \$500,000 from the Realty Transfer Tax for public safety staffing. We will also continue to provide funding to Downtown Milford, Inc., as well as the financial support for Kent Economic Partnership that will be paid from the Economic Development Fund.

All capital needs identified in the general fund will be paid from capital reserves, which allows the general fund operations to be balanced without a property tax increase at this time.

Mr. Norenberg reiterated that as of July 1<sup>st</sup>, there will be no increase in healthcare premiums though that can change later this year based on the information received from the State of Delaware and their calendar year time frame.

The Teamsters Contract is still being negotiated though the current terms (1.5% COLA) will be followed until a new agreement is ratified.

The RFQ has been issued for the new police facility project, though based on the costs, an appropriation will be needed from reserves.

Council complimented Ms. Frederick on the ease and ability to follow the budget format this year.

*Adjourn*

There being no further business, Councilman Mergner moved to adjourn the Council Meeting/Hearing at 7:38 p.m., seconded by Councilman Morrow. Motion carried.

The Meeting was adjourned by Mayor Campbell at 7:38 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Terri K. Hudson". The signature is fluid and cursive, with a large initial "T" and "H".

Terri K. Hudson, MMC  
City Clerk/Recorder