



**Finance Committee Meeting
MARCH 13, 2024 @ 11:00 am
VIA Conference Call & Town Hall
141 Main St, Townsend, DE 19734**

11 am Finance Committee Meeting

- I. Call to Order: 11:14 am.
- II. Opening Ceremonies
 - a. Roll Call: Co-chairman J. Bangura, Town Manager A. Tantillo, Financial Officer J. Helms, Chief of Police R. Longo, and Town Clerk M. Rivera. Chairman S. Lobdell – Absent.
 - b. Pledge of Allegiance: all present recited the Pledge of Allegiance.
 - c. Recognition of Visitors: none.
 - d. Announcements:
 1. TM Tantillo announced the UD (University of Delaware) Fiscal Feasibility Study is still underway and will provide updates as they occur. TM Tantillo advised the study will be completed in May. Additionally, FO Helms will continue leading the project.
- III. Adoption of Agenda
 - a. Agenda adopted.
- IV. Discussion regarding the budget for Fiscal Year 2025
 - a. TM Tantillo noted minor adjustments were made to the FY 2025 budget. However, continued discussions are needed to balance and finalize the budget.
 - b. FO Helms advised the Town is over budget by \$437,650. TM Tantillo noted the budget was balanced last year using the CASH funds.
 - c. FO Helms explained the deficit is mainly due to the Police Department (PD). Noting, the PD is all expense and not revenue. FO Helms confirmed the deficit has accumulated since the establishment of the PD.
 - d. CC Bangura advised he is a huge supporter of security structures; however, expressed concern with utilizing CASH funds and advised the Town must find a way to remedy the situation.



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1. FO Helms proposed to raise taxes.
2. TM Tantillo noted the UD Fiscal Feasibility Study is taking place to assist with ideas on how the Town can increase revenue. FO Helms advised she has never dealt with a deficit this large.
3. FO Helms confirmed investments are at approximately two million. TM Tantillo advised this fluctuates based on the market. FO Helms confirmed the Town should have 1.5 million; however there must be a certain amount on hand. Furthermore, there is some funds reserved for ARPA (American Rescue Plan Act).
4. CC Bangura noted tax rates were discussed briefly during the last Finance meeting and requested to know how much taxes would need to be raised to cover the deficit.
 - I. FO Helms advised research will need to be done. Noting, last year the Committee discussed the possibility of raising taxes monthly to offset.
 - II. TM Tantillo raised concerns about raising taxes prior to NCC (New Castle County) completing their reassessment. Explaining, the reassessment will affect the taxes. Furthermore, this may deter properties from seeking to annex into the Town.
5. TM Tantillo advised the Health Insurance budget may be going up depending on the State.
6. TM Tantillo presented a list of current insurance premiums vs other insurance premiums. TM Tantillo advised she has determined the other insurance premiums would not benefit the Town or employees.
 - I. FO Helms agreed it would be best to stay with the State.
 - II. TM Tantillo confirmed if the Town leaves the state plan the Town would not be unable to return for three years.



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7. FO Helms advised she has gone through every budget line to ensure what items need to be cut. FO Helms stated she would recommend cutting funds in the Capital Expenditures or Legal Fees. FO Helms noted the budget for the irrigation system may be an option to cut.
 - I. TM Tantillo noted most of the funding for the irrigation system will be coming from ARPA and or additional grant funding. Furthermore, the Town has applied for additional grant fundings.
 - II. FO confirmed the Town has not used the CASH funds that were allocated to cover last year's deficit.
8. Chief Longo confirmed there are two candidates going through the interview process with himself and Sergeant McCloskey. Chief Longo advised they are facing difficulties with the inability of buying candidates out of their contracts if coming from a different agency.
9. Chief Longo advised the following items may be removed from the PD budget:
 - I. Benefits for two PD employees - confirmed discussions have been with both PD employees and will send FO Helms the written confirmation that they do not need the Town's Health Insurance.
 - II. Axon camera for new car - may be purchased utilizing a grant.
 - III. One portable radio - may be purchased utilizing a grant.
 - IV. One dash camera - may be purchased utilizing a grant.
10. Chief Longo clarified the PD has enough for the essentials. Chief Longo confirmed the PD budget is already down to the bare minimum; however, will continue searching for grant opportunities.



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11. FO Helms noted the budget for the PD pension is going up due to the two additional police officers.

e. The Committee discussed the Town's Health Care contribution. TC Rivera advised if the Town cuts their contribution of the Health Care coverage for employees then the Town should also consider assisting employees with resources such as Flexible Spending Accounts. FO Helms confirmed the Town covers 75% of the Health Care. FO Helms to research and generate a comparative analysis of cutting Town's cost contribution.

V. Discussion regarding tax rates

a. FO Helms will create table for analytical breakdown of potential tax rates and the impact thereof.

VI. Adjourn

a. Meeting adjourned at 12:05 pm.