

MILFORD CITY COUNCIL
MINUTES OF MEETING
June 13, 2018

A Meeting of the City of Milford Police Committee was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware on Wednesday, June 13, 2018.

PRESIDING: Chair Katrina Wilson

IN ATTENDANCE: Committee Members:
Councilmembers Mike Boyle and Lisa Peel Ingram

Mayor Arthur Campbell

City Manager Eric Norenberg, Police Chief Kenneth Brown and City Clerk/Recorder Terri Hudson

Chairperson Wilson called the Committee Meeting to order at 5:30 p.m.

Funding Request/Five Additional Police Officers

The Chairperson recalled that at the last meeting, it was agreed that Chief Brown would obtain additional information from the Finance Department and City Administration to pay for more officers. That would then be provided to the Police Committee to make a collective decision before submitting the matter to City Council for approval.

Chairperson Wilson agrees there is a true need for additional officers, and asked Chief Brown to elaborate.

Chief Brown stated that in October 2017, there were eleven shootings in one month. Though those shootings have continued through the winter, the City is in a downslope right now. He recalled calling Mayor Bryan Shupe to inform him of two shootings that had taken place one night and explained how the officers were having to handle very dangerous situations with no help. The real push for additional officers actually began that night.

Chief Brown emphasized that he has always known that Milford's officers are really overworked compared to other departments. As a result, he had asked for a comparison from DELJIS (Delaware Criminal Justice Computer System) because every department uses their reporting system (attached).

Though the Chief pointed out that a lot of departments use complaints to compare how busy they are, he feels there is a fallacy in that comparison because each agency handles documenting complaints differently. However, in order to have a crime report, a crime has to be committed. That is the reason he asked DELJIS to pull crime reports for every law enforcement in the State of Delaware. He received the numbers from January 1 thru October 31, 2017.

Chief Brown obtained the total number of crime reports divided by the number of police officers in each agency. He noted that Milford's figure is 2,139 which comes out to 66.84 complaints per officer. On an average, every officer in his department has written 66.84 reports over that ten-month period.

The Chief used comparable departments noting that Milford has the highest number in the State of Delaware. On an average, Middletown Police Department had 50.85, Rehoboth Beach 25.76, Seaford 54.25 and Smyrna only had 51 crimes. He stressed that even the Delaware State Police Troops are only in the 50 range. Wilmington Police Department is also low at 29.34 and though they have a lot of crime, they have a high number of officers which brings that average down as far as the number of reports each officer is writing.

Chief Brown explained that he is not suggesting they are not working not do they have crimes, but the officers from those departments are not busy writing the reports that the Milford officer's are responsible for.

When asked how many officers Wilmington has, Chief Brown believes they have more than 400 officers though the comparison was done last November.

Councilwoman Peel asked if having more officers leads to a decrease in crime. She believes this should be looked at more closely. In her opinion, Wilmington has a lot of crime regardless of the number of officers they have. Chief Brown agrees they have more serious crimes but there are a lot of officers who handle a situation even though only one is writing the report.

Mayor Campbell feels that a bigger police presence is a deterrent to crime and is what he has observed growing up in a City.

He pointed out that though Wilmington's website is reporting they have 320 police officers, the larger population does not necessarily substantiate that. Instead crimes and complaints are factors that should be considered.

Chairperson Wilson referenced Chief Brown's comment that only one person is writing a report and asked if that means Milford does not have enough staff for one person to do that report. Or does he mean that when one person does the report, is he alluding to the fact there are less officers patrolling.

Chief Brown explained that for an agency the size of Wilmington, there are a lot of officers on the scene. In Milford, there are only three or four officers working. He is not suggesting they are not working, but is gauging how many reports each officer is writing in comparison to Milford. The officers in Milford are writing more reports because there are not as many officers to handle the crimes. His point is that Milford officers are doing much more per officer, than any other agency in the State of Delaware, including the Delaware State Police.

The Chief then referred to each DSP troop and though they are not included in the statistics he has provided, he did analyze them. Those troops, including the New Castle County Troops' numbers were lower. He explained that only Troop 3 was included because it is in Kent County.

Chief Brown noted that even Dover Police Department is at 45. The closest agency to Milford is Georgetown Police who are at 66 and just about as busy as Milford. Georgetown Police are also requesting more officers and are in the same situation as Milford so their Chief recognizes the need for more cops as well.

He also referenced the 'History of Milford, Delaware Population 1990-2016' that he acquired last November. The last line reads "Milford, Delaware is growing extremely quickly and is growing faster than 95% of similar sized cities since 2000."

The report also stated that from 2000-2016, population went up 56.6%.

Chief Brown stated that when he graduated from Milford High School in 1980, Milford Police Department had 20 officers (eighteen full-time and two part-time). The Department now has 32 and three are contracted and being used by Milford School District. The population that year was 5,366 and in 2016, it was almost 11,000. That does not include the growth Milford has experienced just over the past two years. He estimates the current population to be much higher than 11,000.

In 1980, the department only had two detectives and the department today only has two detectives. The square footage was 3.2 square miles at that time and in 2016 it is 10 square miles. The City has more than tripled in size and the department does not reflect that.

Chief Brown noted that in 1989, there were 24 officers.

Councilwoman Peel asked if she could get some more information because she is unfamiliar with this. She asked Chief Brown if an increase in population leads to more crime and if he is indicated that an increase in the number of officers creates a decrease; Chief Brown responded by stating that someone has to respond to each complaint.

Councilwoman Peel asked if the intent is to hire more officers in hopes of decreasing crime or is the intent is to decrease the workload of the officers. Chief Brown stated it will be more safe which is his concern. He explained these officers are handling serious incidents without the adequate help.

Chairperson Wilson pointed out that one shift may have three officers and when she thinks about the activity that is occurring in the community, it is alarming. She personally has witnessed three officers being tied up at one incident. It makes her cringe because no one knows what else is going on across town. She agrees that they may be addressing a serious, life-threatening activity and asked what would happen if something similar was occurring at the exact same time.

Chairperson Wilson recalled seeing an officer have to leave the scene when he was called to another incident.

Councilwoman Peel understands stating that she is only asking for more information because she is new to the Police Committee. She then asked for additional details about the shifts and how many officers are on each, the number of shifts, what they are working and any related information.

Chief Brown explained that right now, there are four shifts of four officers. He noted that he also has an officer that is deployed and one who is off because of an injury, in addition to the increase in vacation time being taken by officers this time of the year. Other factors include court time and sick time which regularly results in fewer than a full shift of four officers working at one time.

Councilman Boyle asked if Chief Brown is estimating 75% of availability at this time. Chief Brown stated that is probably correct though he has not put a figure to it. He has always said if he had 32 officers who were actually present and working all the time, the department would be fine. But that is never going to happen because of these other factors. The time involved with training each officer has to be given back (time off) to prevent paying overtime. When Chief Brown started as a police officer, the demand was not near as bad. Though they were on the street, the training mandates did not compare to today's requirements.

Councilwoman Peel asked what type of shift each of the four patrol officers work; Chief Brown explained they work a twelve-hour shift. Councilman Boyle asked if they are working two or three days straight. Chief Brown asked Captain Gary Bailey to elaborate on the shifts.

Captain Bailey reported that patrol officers work rotating schedules. Two weeks of day work and two weeks of night work. Out of those two weeks, they will work seven 12-hour shifts. For example, they will work a Monday-Tuesday, Friday-Saturday and Sunday and a Wednesday-Thursday, two on/two off, three on/two off, two on/three off and then restart the rotation of nights and days every two weeks.

Councilman Boyle stated that because of working twelve hour shifts, there must be some overlap to ensure the streets are covered. Chief Brown stated there is no overlap and that all officers start at 7:00 a.m. or 7:00 p.m. with everyone coming in at the end of each twelve-hour shift. Councilman Boyle understands that there must be a briefing after which the new officers coming in then begin their twelve-hour shift.

Chief Brown emphasized that City employees receive a lot of vacation time. On average, he estimates an employee receives three to five weeks a year. He said there are only so many working days in that two-week period that vacation can be used. Though they are allowed to carryover some, the maximum is 240 hours and that adds up quickly. However, nothing can be added above that number.

City Manager Norenberg noted that number is still being negotiated.

Chairperson Wilson also noted that as stressful as those patrol officer's positions are, they definitely need that time off and should be advised to do so for their own well being. She feels the off time is extremely important to their physical and mental health.

Chief Brown then explained there are currently four officers on a shift, though he thinks one shift may have five officers. Captain Bailey reported there are four shifts with one sergeant/shift commander assigned to each. Milford has one K-9 unit, two detectives and three school resource officers. If someone is on vacation or called to court during the day, that officer is only able to work a certain number of hours to prevent paying the overtime for someone on call. He stressed that each day there are a varying number of officers working. Today, they had to call someone in to work day work. It

has become difficult when trying to call someone in when taking into account who is off, who is on vacation, who is deployed, or who is on FMLA.

When asked about school resource officers, Captain Bailey explained that they start at 7:30 a.m. and work their complete shift at school. It was confirmed they do not work a 12-hour shift because that would not align with school times.

Councilwoman Peel noted that some districts are no longer using school resource officers and instead are utilizing a constable. Chief Brown recalled the City just signed a three-year contract with the school district so that is not going to happen anytime soon in Milford.

Chairperson Wilson recalled many meetings over the years with school officials and administrators and considered several options, including hiring private security. However, everyone agreed that the Departments' officers better met their needs.

Councilwoman Peel pointed out she is thinking aloud and considering the new leadership in the district at this point could change that.

Mayor Campbell is concerned that a constable or retired person could not handle the number of fights in the high school and Central Academy. Councilwoman Peel said she is unsure there are many fights.

Mr. Norenberg stated that a School Resource Officer has the advantage of building relationships with the students and families. Councilwoman Peel said she is not negating anything the SRO does, but is only thinking of options that could be considered.

The City Manager asked Chief Brown to explain more, but his understanding is that once school is out for the summer, those SRO's are available to backfill for road officers taking vacation which causes the regular shifts to be short. Chief Brown agreed that is when those SRO's are really needed at the department.

Chief Brown said these officers have a lot going on, not just when they are working, but also during their off time because so much is going on. For example, there are events downtown throughout the summer and the City pays overtime for those officers to walk downtown when they are on their off days.

Another example is the Route 1 construction currently taking place. It has been estimated it will take two years to complete and three officers are needed 24/7. Councilwoman Peel asked if that is strictly the responsibility of Milford or can the State Police assist; Chief Brown said either can handle it. However, because Milford is already short, they have brought in officers from Harrington and other municipalities to assist.

The Chief also noted there are several events occurring this weekend in Milford and those officers that are off, have been asked to work the Relay for Life Event and the 5K on Saturday morning. Another private entity has asked for officers to attend one of their functions that day as well.

Councilwoman Peel is aware of the increasing number of events because one of Milford's goals is to bring people to our City. Chief Brown noted that the same officers are being used over and over to work these special events. It is very tiring for those officers, in addition to not being fair.

Mayor Campbell confirmed that on a good day, eight officers are needed to cover the City in a 24-hour period. Councilman Boyle pointed out that on an average, there are only six officers overseeing 11,000 residents.

Councilman Boyle does not feel there are any questions about the need from the various conversations he has been involved in. He feels there is a willingness and desire to add the officers. The only question is the funding.

Chief Brown explained that he is asking for five officers to add one officer per shift and another to the criminal division. Since the 1980's, anytime there was an increase in manpower, there was never a third detective assigned. He said there are only two detectives still who handle every serious crime that occurs.

Councilman Boyle recalled when he sat down with Chief Brown, he expressed concern that he may be losing several officers within the next year or two. Chief Brown said he may have said that his whole staff of five officers is about the same age and are all eligible to retire.

Councilman Boyle feels that is another problem because it creates a vacancy and the need for additional training in order for that replacement officer to qualify. There is then a process required for the promotion which involves the reevaluation of those qualified. His question is, unless Chief Brown has an objective, he feels there is no doubt regarding the need and Council should figure out how to accomplish this.

Chairperson Wilson agrees with Councilman Boyle. But what needs to be discussed is where the money will come from. She wants complete transparency and questioned if there is enough money in the current budget or reserve accounts to fund these five officers.

She also asked if funding these officers should be part of the referendum.

The Chairperson understands sustainability which he agrees is the key. Her question is can this be done immediately or is there a need for a referendum. In her opinion, public safety should be the number one concern in this town. During the community conversations, most people agreed that public safety was essential and we need to figure out how to accomplish that.

Councilwoman Peel also agrees we can show the need. However, depleting reserves to pay for these officers will put the City in danger. She recalled the former Police Committee Chairman had already made the recommendation to tie this matter to the upcoming police referendum. Chairperson Wilson stated the committee had agreed to that because they had no knowledge of any other financial resources. That is the reason she is asking for some transparency to see what funding is available and what can be used to pay for these officers.

It was confirmed that \$450,000 to \$500,000 is needed to pay for the five officers per year. Councilwoman Peel pointed out the number will only grow over the years.

Mayor Campbell clarified that presently, \$425,000 is needed.

Councilman Boyle then referred to the property tax impact per officer included in the packet. City Manager Norenberg confirmed that the value is assessed and is not the actual market value. That was provided to supply the impact on the property owners' annual tax bill.

A discussion followed regarding the difference in assessed values of Kent and Sussex Counties versus the City of Milford. The City's last revaluation was done in 2012 and the counties were last completed in the 1970's and 80's.

When a concern was expressed about the prior school tax increase, Councilwoman Peel pointed out the school tax decreased last year and will decrease again this year.

Mayor Campbell is concerned that today, a referendum would fail and the City would have to wait several years before another one could be considered. Councilwoman Peel stated she does not agree with that.

A long conversation followed regarding the school referendum and the need for a new school.

City Manager Norenberg then clarified that the first column on the chart shows the value of the home from \$100,000 to \$300,000. The impact of adding four officers on a \$100,000 home would be \$35 per year. Adding five officers would impact a \$250,000 value property by increasing the tax bill by \$108 per year.

It was noted that it may not sound like a big increase, but Milford has an aging population whom the majority are on a fixed income.

Mr. Norenberg also pointed out there is an opportunity for the senior citizen tax exemption. It provides a waiver of \$192 per year for those that meet the qualifying income levels.

When asked the opinion of the City's Finance Director, Mr. Norenberg explained that this year's budget was just barely balanced. To do that, major capital items, which would have typically been funded out of the general fund operating budget, were paid from reserves. A few other things were done to prevent a property tax increase at this time, because many voters are very sensitive about the concerns of raising taxes should the bond issue be approved for the new police station.

The City has adequate reserves, though not available in the general funds. The Finance Director's concern is that if we would proceed with issuing bonds for the new police station, any action to draw down reserve funds to pay for operating costs, using anything other than general funds to pay for police officers, will send a signal to Moody's and have a negative impact on our credit/bond rating. That creates a higher risk which affects the payment of those bonds over the next 25 to 30 years. Instead, we need to look as stable as we can and prove that we are living within our means and not tapping utility reserves for operating costs.

Councilwoman Peel agreed that it is similar to having a lot of credit card debt and its impact on a credit score. Even if those cards are not being used, they consider if a person's salary is sufficient when compared to what is available to be spent.

Mr. Norenberg explained that the bond rating agencies would prefer the City raise property tax to pay for those officers or for other operating costs because that provides control and capability versus tapping our utility reserves.

It has also been pointed out that the question of adding five officers not be added to the referendum ballot and that elected officials should be making that decision because they are elected by the voters to make those tough decisions, especially when the level of safety is under consideration. Many voters may look at the dollar amount and argue that additional officers are not needed because there is no crime in their neighborhoods.

Councilwoman Peel agreed that applies to voters in a school referendum who feel the same way because they have no children in school.

Mr. Norenberg pointed out that a number of municipalities have policies to keep a certain amount of money in each reserve fund. He noted that a lot of times when a City considers financing debt, there may be covenants placed on the City by the lender who requires a certain debt coverage ration to ensure that payment is made into the future. Raising rates is preferred over depleting reserve accounts.

Mr. Norenberg recommends this be forwarded to the Finance/Public Works Committee to consider. In addition, perhaps a professional should be invited to provide some advice as far as adequate reserves for utilities and the general fund.

The City Manager confirmed that all reserves amounts are included in every budget.

The City Manager referenced the new Capital Improvement Program (CIP) that plots out five years in advance for all the utilities. In addition, a depreciation schedule is being developed for our equipment so that we are aware of what will be needed and how much money is required to pay for it.

He also noted that we did not recommend increasing water, wastewater or electric increases because we have adequate reserves and there is no need to supplement them at this time.

Councilwoman Peel reported that the rule of thumb for the State of Delaware is that budget reserve accounts should be 5% of the general fund revenue or expenditures.

Mayor Campbell stated that when he sat with the Finance Department Staff, City Manager and Evan Miller and went through the reserves, there was money available. To hire five police officers will cost \$425,000 each year. Taking \$2.3

million will cover those costs for the next five years.

He asked to consider the City's growth, the increase of impact fees and transfer funds because of people building and buying homes. Councilwoman Peel pointed out that is a volatile market and something that cannot be counted on. She recalled when the housing boom suddenly came to a screeching halt several years ago. She would not want to hire five new officers and then have to lay them off a couple of years from now.

Mayor Campbell recommends we postpone the referendum for a while and instead concentrate on getting the additional five officers hired.

Councilman Boyle confirmed there is \$30 million in reserves. Half of the operating budget would be \$22 million. There is enough money to sustain the City for six months if there were no revenues coming in. Every year, it is recommended we tack on a 1.5 to 2% inflation rate and keep feeding that level so it keeps moving up with the budget. That will provide the taxpayers with a bank account that could be used for other purposes.

There was a question about why we are holding so much in our reserves. Councilman Boyle pointed out there is no number and that perhaps Mr. Portmann can recommend a realistic number that bond agencies will agree the City is in great shape, revenues are growing, the population is growing and it should not hurt to take a certain amount out.

Mr. Norenberg emphasized Mr. Portmann's concern is not that we don't have a magic number, but how the bond agency is going to respond if they find the City starting to pull from reserves to pay for ongoing operating expenses. He added that the City is already doing that by paying for police officers from the real estate transfer tax. He agrees it is available for use by public safety and capital improvements, but when the City was in a situation years ago and needed more officers and because they were unable to pay for them out of the general fund, the payment came from the RTT fund though it was viewed at the time as a temporary move. Instead the City has continued to use those real estate transfer taxes to pay for the four officers for a total of \$5 million to prevent paying out of the general fund. That could have been used to pay off other projects like the police station.

Councilwoman Peel does not believe this will be short term. In government, a budget that is fixed for one year by using some unsustainable method, is a cop out. She feels we will be kicking the can down the road which will put us in a situation where taxes are going to have to be raised. This solution is only a short term fix and something that should be addressed later.

Councilman Boyle recommends informing the Community these five officers are needed and to inform them where the money is coming from. However, next year or the year after, taxes will have to be increased to pay for the officers. We tell them now and start selling it by being open and communicating the amount it will cost them in taxes by fiscal year 2020.

Mayor Campbell recommends we take the \$2.3 million out of reserves to cover the next five years.

Councilwoman Peel asked what happens then. Chairperson Wilson believes that as the City Manager explained, that pile of transfer taxes, which have been paying for police officers the past ten years, will only continue to grow. A tax increase was needed and she feels there is a need to jump into this with both feet to go after the money and get what we need.

City Manager Norenberg said that if the Committee believes they can make the case this is an emergency and it has been proven we need the officers, why not make the case to the voters that property taxes need to be increased. He asked the Committee to think about the situation this is putting Council in years from now. Particularly when taxes will have to be raised a significant amount in order to catch up. Five years from now, the Police Chief will most likely need four more officers and there needs to be a sustainable way to pay for them.

Mayor Campbell agrees that need will continue because Milford is not getting smaller. However, over time, there will be more property taxes and impact fees coming in, in addition to real estate transfer taxes, and he feels that will cover those new expenses.

Councilman Boyle does not recommend waiting five years to pay for these officers. He recommends we start paying for them next year; the Committee members agreed.

City Manager Norenberg also reminded the Committee members that within the next couple of months, he will be bringing before Council a Teamster contract which will also increase costs. He recalled the number Council told him not to exceed in the executive session, which will have a three-year impact. It is being recommended by the Finance Department that the contract be authorized with a tax increase.

Councilwoman Peel pointed out that regardless of how much of an increase is agreed to, there will be a percentage increase regardless. In addition, five more officers now have to be calculated into that amount which will impact that increase every time the contract is renegotiated. She does not know the answer about how much should be in reserves and agrees Milford is a fiscally healthy city. However, she also does not want to jeopardize the financial reputation for bond ratings and perhaps there may be a compromise. She agrees with Councilman Boyle that there is a need to start building that fund.

Councilwoman Peel recalled looking at a number of strategic ways to address that. For example, we are now looking at the costs of vehicles and considering their depreciation. She feels we are getting there but is unsure if we can get there quick enough to make up for this. Her concern is in five years, we will probably need five more officers which is double plus what this increase will be. This is only compounding the issue in her opinion.

Councilman Boyle recommends a policy that states a percentage of the annual budget, such as 50%, shall always be held in reserves, or whatever formula is most appropriate. Then the bond rating agencies can look at the policy and agree there is a healthy amount of money that is untouchable. Councilwoman Peel agrees adding that it is then codified so it cannot be changed.

City Accountant Suzanne Frederick, was present, adding that the rule of thumb is to keep 15% of the operating budget in reserves. With a \$10 million budget, \$1.5 million should be kept in reserves. In the general fund, we are at \$1.7 million which includes police.

It was clarified that a policy is needed for all reserve accounts and not just in the general fund.

Ms. Frederick explained we are talking about the police department which is part of the general fund. The general fund budget was \$9.5 million and there is \$1.7 million in reserves. She emphasized that is just a general rule of thumb.

Councilman Boyle asked if the policy should be to keep half of the \$43 million budget in reserves and allow it to grow in proportion to our total budget. He asked Ms. Frederick if keeping half that amount in reserves would that help when the bond agencies are reviewing the City financially.

Ms. Frederick stressed that the bond agencies want assurance the City can maintain its operating budget out of the City's operating income. The more that is removed from reserves or operating costs will have an impact. She reminded the Committee that the City is already taking \$500,000 out of Real Estate Transfer Tax (RTT) for the same purpose. However, if the City begins to take out money from electric or water reserves to pay for police personnel, it then appears that the City is borrowing money from another entity to pay for its operations.

Councilwoman Peel pointed out that having that policy in place would set those principles.

Ms. Frederick noted that anytime the City is adding to their reserves is helping their bond rating; removing money from the reserves looks like there is inadequate money to cover expenses.

Councilwoman Peel asked if any amount removed from reserves starts to raise red flags; or if reserves are depleted to below a certain percentage, it becomes a problem. Ms. Frederick reiterated that every year, there is \$2.5 million transferred from the electric fund into the general fund. That \$2.5 million transfer drops the City's rating to a AA- which equates to a one percent increase in interest rates when borrowing money. That has a tremendous impact on the \$15 million bond payback that will be needed for the new facility.

She further explained that if we continue to add to the electric reserves, means the City is making money and electric rates should be lowered as a result.

Ms. Frederick also noted that just because a reserve account is titled unrestricted, does not mean the City should just go in and take money out of it.

Mayor Campbell said from what he understands, it can be removed.

Councilman Boyle asked if a policy would help, adding that because it is a dynamic environment, anything above that should be able to be moved and used for the residents or for something that will improve the town. He does not feel that would affect the bond rating if we are not committing to its long term use. Instead perhaps it could be used for operating costs over the next two years to pay for the five officers who are needed. At the same time, an increase will be phased in, so that when the two years is up, there is already money available to continue paying for it.

Ms. Frederick agreed adding they want to see that City Council can agree on a tax increase to support the operating budget.

Councilman Boyle asked for clarification. He asked if the City had a policy, would that help. If the City retains a good, healthy balance, he feels it would help even more. Anything above that would be considered in excess of what is available for the City to use for its benefit.

Ms. Frederick said she is unable to confirm that. When they call for the bond rating, there are a number of areas that must be reviewed. She would think having a policy in place would help.

Councilwoman Peel stated that based on the rating standard, 'the research indicates that a withdrawal is unlikely to result in a credit downgrade provided it is in accordance well-defined rules'. She stated there are recommendations for how to construct those rules, including clear objectives regardless of the change in policy makers and how to structure rainy day funds or reserves to be in line with the economy, so that not only would you set a cap, the amount would be determined of how much to go into the reserves based on the growth or revenues that year. Some basis is then needed on when to tap those.

City Manager Norenberg reported that the City has a financial advisor that helps when we are preparing for debt issuances. They help write the official statements, assist with Moody's, etc. Rather than continuing to speculate on some of these things, he feels it would be helpful to ask the City's Financial Advisor these questions.

Mr. Norenberg asked if the Committee would like to have a follow-up meeting with the financial advisor to get their opinions. Councilwoman Peel recommends a joint meeting with the Finance Committee be scheduled to ensure everyone receives the correct information.

Mr. Norenberg recommends that a financial policy be adopted through resolution and not be codified.

Councilwoman Peel also noted they also give some specifications for acceptable reasons to pull money out. One being a nonstructural budget gap, to correct a forecast error in revenue, stabilize revenue during an economic downturn or to resolve other non-economic events. Those include major legal settlements, natural disasters, etc. She recommends spelling out those perimeters.

It was noted that the list includes all one-time events as opposed to ongoing operating expenses. Ms. Frederick agreed noting that is how the Finance Director has described a lot of situations related to the reserves. If it is a one-time event, it is much more appropriate to take that from reserves.

When asked if the City can legally take the \$2.5 million out of reserves to pay for the police, Ms. Frederick explained that is already being done. That is an integral means of balancing the budget because it has been done for such a long time. But to increase that amount without a policy, will decrease the bond rating.

The transfer out of the electric reserves to balance the budget was authorized by Council to prevent increasing utility rates and property taxes.

During the Markell Administration, the City signed a Memorandum of Understanding to cap the transfer from the electric reserves at \$2.5 million. Because he is no longer in office, it may be invalid.

Councilwoman Peel recommends we model our policy after the State of Delaware legislation related to fiscal control for June 1, 2018.

Chairperson Wilson asked the Committee Members to consider what should be taken before Council. She feels that the first item is the tax increase to pay for the five officers. The next suggestion is creating a cap for the reserve funds. Also increasing the amount of the RTT Fund that supplements the police department. The last recommendation is to withdrawal funds from the general reserve funds.

Councilman Boyle recommends a plan be presented to Council on how to pay for them using reserve funds the first two years. After that, a tax increase should be in place to pay for those officers on a continuing basis. He does not want for this Council or another Council to have to deal with another crisis to pay for those officers. He feels the reserve accounts would be a one-time deal to get the number of officers that are needed on the street. However, after that a simultaneous plan should be in place to ensure the City can sustain those additional costs without borrowing from other sources.

He also noted that at the time the Teamsters contract is approved, there will be a need to dovetail the two.

When Mayor Campbell asked about the electric fund reserves and whether it has increased \$7 million, Ms. Frederick explained that the transfer of electric funds into the general funds happened before the Finance Director was hired in the early 1990's. Therefore, that has been occurring for a very long time.

Ms. Frederick also relayed that the Finance Director noted that 40% of our electric customers are outside City limits. That allows those costs to be spread among all those electric customers and not just Milford property owners who are paying property taxes.

In addition, instead of taking money out of the general fund reserves, the real estate transfer tax still has a balance, though that will need to be carefully monitored. The RTT is designated for capital improvements and public safety. Ms. Frederick noted that the annual transfer has been \$500,000 for the past ten years, though six of those years, we received less than the \$500,000 paid out per year.

She also reminded the Committee that during the budget hearings, it was agreed to take a portion of the costs of the road paving project from the RTT which will significantly deplete it over the next five years. Though that money can be used, eventually a property tax increase will be needed to sustain the costs of the officers.

It was the consensus of the Committee members to have the City's Financial Advisor in attendance at the July 9th meeting and this be added as a discussion item.

Chief Brown said he is planning to put the five officers in the September academy. He explained the State Police require their paperwork a month in advance of the start of the academy. They are currently in the middle of the hiring process so that will be completed in time.

In the meantime, Chairperson Wilson suggests Committee Members inform their constituents we are trying to do the best we can for the safety and well being of our residents.

There being no further business, Councilwoman Peel moved to adjourn the Committee Meeting, seconded by Councilman Boyle. Motion carried.

The Committee Meeting adjourned at 6:59 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

Attachment:

YTD DELJIS System Statistics (Jan-Oct 2017)
Milford, Delaware Population History (Google)
Property Tax Impact Per Officer

YTD System Usage Statistics January-October 2017

AGENCY	LEISS CRIME COMPLAINTS			Difference of Benchmark*2139	Percent difference from MPD
	OLD	NEW	TOTAL		
ALCOHOL & TOBACCO ENFORCE	1	206	207	10%	-90%
AMTRAK POLICE	14	52	66	3%	-97%
BETHANY BEACH PD		472	472	22%	-78%
BLADES PD		94	94	4%	-96%
BRIDGEVILLE PD	8	143	151	7%	-93%
BUILDING INSPECTION KENT			0	0%	-100%
CAMDEN PD	2	465	467	22%	-78%
CAPITOL POLICE	4	618	622	29%	-71%
CHESWOLD POLICE DEPT.	4	115	119	6%	-94%
CITY OF DOVER FIRE MARSHA		27	27	1%	-99%
CITY OF WILMINGTON PARKIN			0	0%	-100%
CLAYTON PD	127	150	277	13%	-87%
CVOP CENTRAL VIOLATION OF	3	6	9	0%	-100%
DAGSBORO PD		148	148	7%	-93%
DE STATE POLICE DRUG DIVE	1	92	93	4%	-96%
DE STATE POLICE INTELLIGE	33	134	167	8%	-92%
DEL. RIV & BAY AUTH	3	507	510	24%	-76%
DELAWARE CITY POLICE DEPT		283	283	13%	-87%
DELAWARE POLICE TASK FORC	2		2	0%	-100%
DELAWARE SEX OFFENDER UNI	976	619	1595	75%	-25%
DELAWARE STATE UNIVERSITY	1	350	351	16%	-84%
DELMAR PD	1	182	183	9%	-91%
DELORES J. BAYLOR CORRECT	20	146	166	8%	-92%
DEPT OF AGRICULTURE POULT		3	3	0%	-100%
DEPT OF JUSTICE SUSSEX	1	2	3	0%	-100%
DEPT. OF JUSTICE KENT		2	2	0%	-100%
DEPT. OF JUSTICE N/C	13	94	107	5%	-95%
DEWEY BEACH PD	29	580	609	28%	-72%
DHSS ANIMAL WELFARE	50	7007	7057	330%	230%
DIVISION OF GAMING ENFORC	128	269	397	19%	-81%
DNREC - PARKS NATURAL RES	8	473	481	22%	-78%
DNREC-ENVIRONMENTAL CRIME	1	127	128	6%	-94%
DNREC-FISH & WILDLIFE NAT	46	583	629	29%	-71%
DOVER PD	1822	2826	4648	217%	117%
DSP HEADQUARTERS	26	48	74	3%	-97%
ELLENDALE CODE ENFORCEMEN		6	6	0%	-100%
ELLENDALE PD		111	111	5%	-95%
ELSMERE PD	5	477	482	23%	-77%
FELTON PD	14	69	83	4%	-96%
FENWICK ISLAND PD	1	85	86	4%	-96%
FRANKFORD PD	1	49	50	2%	-98%
FREDERICA POLICE DEPARTME		4	4	0%	-100%
GEORGETOWN PD		1338	1338	63%	-37%
GREENWOOD PD	53	78	131	6%	-94%
HARRINGTON PD	1	436	437	20%	-80%
HAZEL D. PLANT WORK REL.		1	1	0%	-100%
HRY HOWARD R. YOUNG COR.	223	13	236	11%	-89%
JAMES T. VAUGHN CORRECTIO	39	34	73	3%	-97%

45.11

66.09

33.61

YTD System Usage Statistics January-October 2017

AGENCY	LEISS CRIME COMPLAINTS			Difference of Benchmark*2139	Percent difference from MPD
	OLD	NEW	TOTAL		
KENTON POLICE DEPARTMENT		6	6	0%	-100%
LAUREL PD	50	834	884	41%	-59%
LEWES PD		447	447	21%	-79%
MIDDLETOWN POLICE DEPARTM	27	1651	1678	78%	-22%
MILFORD PD	48	2091	2139	BENCHMARK	Benchmark
MILLSBORO PD	3	1010	1013	47%	-53%
MILTON PD	6	170	176	8%	-92%
MORRIS COMMUNITY CORRECTI	22	3	25	1%	-99%
NEW CASTLE CITY PD	6	614	620	29%	-71%
NEW CASTLE COUNTY OFFICE		19	19	1%	-99%
NEW CASTLE COUNTY PD	90	13672	13762	643%	543%
NEWARK BUILDING DEPARTMEN			0	0%	-100%
NEWARK PD	111	3695	3806	178%	78%
NEWPORT PD	18	242	260	12%	-88%
OCEAN VIEW PD	3	549	552	26%	-74%
PH PLUMMER WORK RELEASE C	9	20	29	1%	-99%
REHOBOTH BEACH PD	1	437	438	20%	-80%
SEAFORD PD	608	911	1519	71%	-29%
SELBYVILLE PD	2	770	772	36%	-64%
SERIOUS JUV OFFENDER UNIT		279	279	13%	-87%
SMYRNA PD	34	1153	1187	55%	-45%
SOUTH BETHANY PD	3	229	232	11%	-89%
STATE FIRE MARSHAL	2	541	543	25%	-75%
SUSSEX CORRECTIONAL INSTI	199		199	9%	-91%
SUSSEX COUNTY CONSTABLE O		4	4	0%	-100%
SUSSEX HALFWAY HOUSE	75	3	78	4%	-96%
TOWN OF CHESWOLD CODE ENF		1	1	0%	-100%
TOWN OF CLAYTON CODE ENFO	1		1	0%	-100%
TOWN OF MILTON CODE ENFOR		10	10	0%	-100%
TROOP 1 STATE POLICE	68	1814	1882	88%	-12%
TROOP 2 STATE POLICE	145	4032	4177	195%	95%
TROOP 3 STATE POLICE	133	5022	5155	241%	141%
TROOP 4 STATE POLICE	125	4763	4888	229%	129%
TROOP 5 STATE POLICE	54	3542	3596	168%	68%
TROOP 6 STATE POLICE	19	3064	3083	144%	44%
TROOP 7 STATE POLICE	429	4128	4557	213%	113%
TROOP 9 STATE POLICE	143	1402	1545	72%	-28%
UNIVERSITY OF DE. POLICE	9	1056	1065	50%	-50%
VIOLA POLICE DEPARTMENT			0	0%	-100%
WILMINGTON FIRE DEPARTMEN		9	9	0%	-100%
WILMINGTON LICENSES AND I			0	0%	-100%
WILMINGTON PD	7400	1988	9388	439%	339%
WYOMING POLICE DEPARTMENT		83	83	4%	-96%
YTD TOTALS	13504	79788	93292		
	14%	86%			

50.85
66.74

25.76
54.25

51.60

55.43

29.34

Milford, Delaware Population History 1990 - 2016

▶ AdChoices

History Data

History of Delaware

Map Data

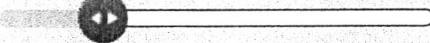
Latest Data (2016)	
Population	10,979
Nationwide Rank	2856

Today's Mortgage Rate

3.04%

APR 15 Year Fixed

Select Loan Amount



\$225,000



Calculate Payment >

Terms & Conditions apply. NMLS#1136

Quick Facts

Milford, Delaware is the 2,856th largest city in the United States as of 2016.

Milford, Delaware is a city.

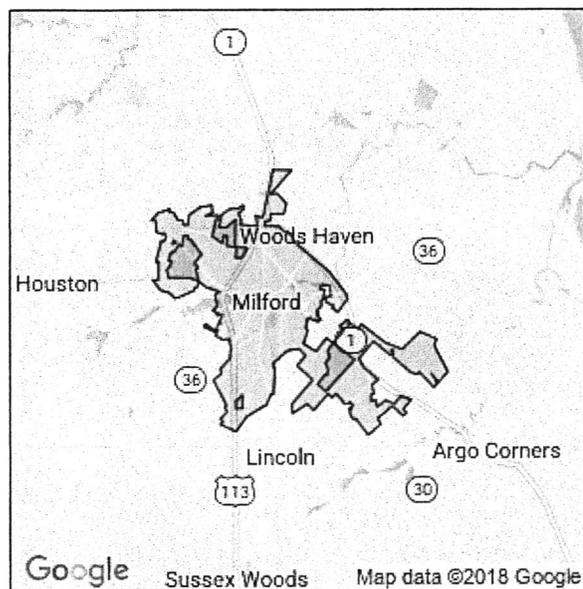
Milford, Delaware is as large as it has ever been. In 2016 Milford had its largest population ever.

Milford, Delaware is growing extremely quickly. It is growing faster than 95% of similarly sized cities since 2000.

▶ AdChoices

Delaware Map

History Timeline



Similarly Sized Cities In US

US Rank	Name	Population	Growth 2000-2016
2846	Sierra Madre, California (/city/sierra-madre-california)	11,057	4.2%
2847	Sonoma, California (/city/sonoma-california)	11,054	18.1%
2848	DeRidder, Louisiana (/city/deridder-louisiana)	11,048	13.7%
2849	Harrison, Ohio (/city/harrison-ohio)	11,048	47.5%
2850	Summerfield, North Carolina (/city/summerfield-north-carolina)	11,033	60.5%
2851	Ontario, Oregon (/city/ontario-oregon)	11,027	-0.5%
2852	Sandy, Oregon (/city/sandy-oregon)	11,005	96.4%
2853	Riverton, Wyoming (/city/riverton-wyoming)	10,997	18.5%
2854	Tarboro, North Carolina (/city/tarboro-north-carolina)	10,994	-2.0%
2855	Woodbury, New York (/city/woodbury-new-york)	10,986	23.9%
2856	Milford, Delaware	10,979	56.6%
2857	Millington, Tennessee (/city/millington-tennessee)	10,974	-1.3%

2858	Vidor, Texas (/city/vidor-texas)	10,958	-4.1%
2859	Suffern, New York (/city/suffern-new-york)	10,948	0.0%
2860	Malvern, Arkansas (/city/malvern-arkansas)	10,941	21.0%
2861	Lindon, Utah (/city/lindon-utah)	10,939	29.9%
2862	Little Ferry, New Jersey (/city/little-ferry-new-jersey)	10,925	1.1%
2863	Cusseta-Chattahoochee County, Georgia (/city/cusseta-chattahoochee-county-georgia)	10,922	-27.1%
2864	Grand Haven, Michigan (/city/grand-haven-michigan)	10,911	-2.2%
2865	Totowa, New Jersey (/city/totowa-new-jersey)	10,904	10.1%
2866	Crestwood, Illinois (/city/crestwood-illinois)	10,891	-3.2%

Similarly Sized Cities In Delaware

US Rank	Name	Population	Growth 2000-2016
1743	Middletown (/city/middletown-delaware)	20,876	231.8%
2783	Smyrna (/city/smyrna-delaware)	11,371	93.7%
2856	Milford	10,979	56.6%
3643	Seaford (/city/seaford-delaware)	7,736	13.9%
3813	Georgetown (/city/georgetown-delaware)	7,206	50.4%
4200	Elsmere (/city/elsmere-delaware)	6,106	5.2%

Demographics

- Demographics For Milford, Delaware (/demographics/de/milford-city)
 - Age
 - Education
 - Housing
 - Income
 - Race



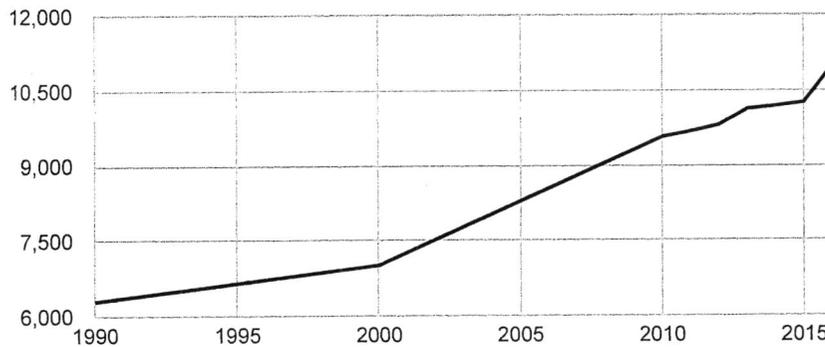
Google Chrome

Chrome is a fast, secure and free browser for all your devices.

Google

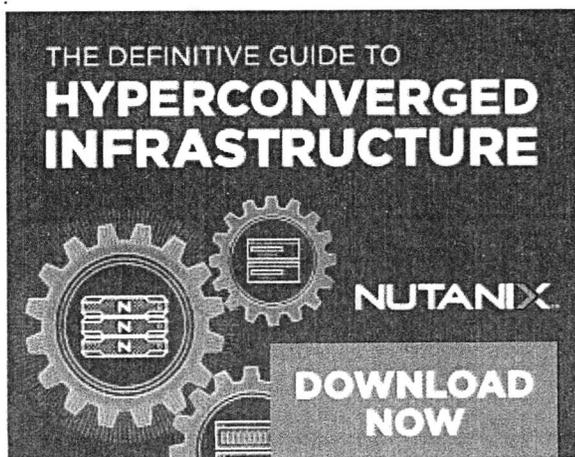


Population History



Year	Population	Rank in US
2016	10,979	2,856
2015	10,252	2,986
2014	10,179	2,991
2013	10,122	2,987
2012	9,797	3,030
2011	9,667	3,046
2010	9,559	3,047

2009	8,592	3,261
2008	8,520	3,255
2007	8,282	3,304
2006	7,899	3,399
2005	7,228	3,564
2004	7,184	3,561
2003	7,170	3,539
2002	7,102	3,543
2001	7,043	3,542
2000	7,010	3,537
1990	6,296	3,481



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City of Milford
 Police Department - addition of officers
 January 31, 2018

	Increase per Number of Officers						
	0	1	2	3	4	5	6
		0.0087	0.0173	0.026	0.0346	0.0433	0.0519
Value of Home							
\$100,000	460	469	477	486	495	503	512
\$150,000	690	703	716	729	742	755	768
\$200,000	920	937	955	972	989	1,007	1,024
\$250,000	1,150	1,172	1,193	1,215	1,237	1,258	1,280
\$300,000	1,380	1,406	1,432	1,458	1,484	1,510	1,536