

CITY OF MILFORD
FINANCE & AUDIT COMMITTEE MINUTES
December 20, 2023

The Finance and Audit Committee of the Milford City Council met on Wednesday, September 25, 2023 in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Chairman Jason James Sr.

IN ATTENDANCE: Committee Members:
Councilpersons Daniel Marabello and Nirmala Samaroo

STAFF: City Manager Mark Whitfield, Chief Cecilia Ashe, and City Clerk Terri Hudson

ABSENT: Councilmember Andrew Fulton

Public Comment Period Prior to Official Meeting

No one was signed up to speak and the floor was closed to public comments.

Call to Order

Chairman James called the Committee Meeting to order at 7:05 p.m.

He shared the request for five new positions, to include four dispatchers and one crime analyst, was presented to City Council at their December 11, 2023 Meeting. Council deferred to the Finance and Audit Committee for review.

Chief Ashe clarified that while she is asking for four dispatchers total, she only asking authorization for two when presented at the December 11, 2023 Council Meeting.

Chairman James referred to the following memo:

The Milford Police Department is requesting authorization to hire additional personnel for the Communication Center and a new Crime Analyst position within the police department. The Communications Center currently has assigned eight (8) full-time personnel, which allows only for two (2) personnel per shift, with four shifts to cover 24-hour operations. Upon my hire, I promised City Council I would conduct a staffing study of all personnel within the Police Department showing priority to those areas that require immediate attention due to operational need and the safety of the citizens of Milford. Upon a preliminary review of staffing, it was glaring that the communications center was understaffed and cost-saving measures could be put in place to run this division more efficiently and effectively. The current make up of creates a serious issue if an employee calls out sick or takes vacation as it will only leave one (1) employee to handle all communications center responsibilities. This does not take into account the number of calls that are received and dispatched for other divisions such as the Electric Department if there is a power outage or other storm related events such as flooding, where the Streets Department would need to be notified. In reviewing Computer Aided Dispatch (CAD) system if one of these events was to take place communications would be fielding on average a hundred calls, while also dispatching and monitoring the police operations on the street. Currently for us to maintain two dispatchers in the communications center at all times requires us to call in another full-time dispatcher on overtime if he/she is available to come in or contact one of the part-time dispatchers, who may or may not be available to work. This also limits the amount of time off that can be granted to employees, as we are in most cases unable to fill shifts with part-time employees due to their schedule or holidays. Finally, this does not take into consideration if there is an employee out on long term leave such as FMLA or Military. In any of the above examples, this causes us to pay staff overtime or pay additional staff which is not the most cost-efficient way to run this type of Communications Center.

Therefore, I am proposing one (1) additional dispatcher to each shift, totaling four (4) additional personnel. Under this proposal, I would request two (2) of those positions be filled immediately and the other two (2) positions be added within the FY25 budget. I have consulted with the Director of Finance Lou Vitola along with the City Manager Mark Whitfield and the following impact and projections on the FY24 budget are expected to be neutralized with offsetting O&M savings. The impact on the FY25 budget is provided below, gross of interdepartmental cost sharing:

Internal funding through utility cost sharing would be in place permanently to defray a portion of the cost to add dispatchers.

- *FY25 cost sharing (\$45k) results in a net impact of \$222k.*
- *FY26 cost sharing (\$46k) results in a net impact of \$228k.*
- *FY27 cost sharing (\$48k) results in a net impact of \$235k.*
- *FY28 cost sharing (\$49k) results in a net impact of \$242k.*
- *FY29 cost sharing (\$51k) results in a net impact of \$250k.*

This request is in line with the Strategic Plan 2023 under the Public Safety and Preparedness Objective 1, Deployment of Police Resources.

In addition, I am requesting authorization to hire a full-time Crime Analyst with the intent to fill this position within the next sixty (60) days. I am requesting this position to be able to move into the next phase of our Strategic Plan as well as the ability to receive grant funding to help offset some of the costs. As you are aware, Milford Police Department is currently applying for grant funding through the Delaware Criminal Justice Council to fund additional personnel within the Behavioral Health Unit. As part of this grant, we are requesting partial funding for a Crime Analyst to track and monitor, with more detail and precision, the success, and gaps within our Behavioral Health Unit. This opportunity to offset some of these expenses has presented itself prior to the FY25 fiscal. I have consulted with the Director of Finance Lou Vitola along with the City Manager Mark Whitfield and the following impact and projections on FY25 budget are provided below:

A portion of a two-year Behavioral Health Unit (BHU) grant is expected to provide temporary support to the crime analyst position, which would partially mitigate costs later in FY24, all of FY25 and most of FY26.

- *FY25 grant funding of \$18k results in a net impact of \$81k.*
- *FY26 grant funding of \$12k results in a net impact of \$91k.*
- *FY27 cost impact is \$106k*
- *FY28 cost impact is \$109k*
- *FY29 cost impact is \$112k*

A Property tax increase of 5.3% (3.1 cents per \$100 of AV) instituted in FY26 would carry the cost of the revised operational structure from then onward if we are successful absorbing the net costs associated with the crime analyst and dispatch positions the remainder of FY24 through FY25.

This request is in line with the Strategic Plan 2023 under the Public Safety and Preparedness which will impact six (6) of the seven (7) objectives while also allowing us to implement seventeen (17) of the twenty-one (21) Strategies. The most important of all of the strategies that this position produces is transparency of accurate crime numbers and transparency of accountability within the Police Department.

It is my belief that prioritizing these areas will provide an enhanced proactive approach to the safety of our community members. This will also provide and foster economic growth and bring new businesses and residents to the City of Milford.

Chairman James said that the tax increase of 5.3% (3.1 cents per 100 of AV) considered for FY26 caused pause with himself and other members of Council. There was a need to ask for additional information on the full costs, what funds are available, and how it could be done without a tax increase.

He asked Finance Director Lou Vitola to perform an analysis with a more comprehensive understanding of the full cost in fiscal 24, and then as many years out as can be determined and any additional fund could be used or available to address the stated needs of Chief for the crime analysts and two dispatchers in FY24 and the remainder of dispatchers in the future years.

Director Vitola provided the following analysis:

Crime Analysis Position

EXECUTIVE SUMMARY

In the absence of a specific property tax increase levied in support of a new general fund initiative, a mix of permanent cost reduction, grant revenue, and revenue growth is required to support long-run costs of the new initiative. The following analysis suggests that the combination of a time-sensitive grant opportunity, the permanent reallocation of 1.0 new full-time equivalent unfilled positions, organic property tax growth, and residual “soft benefits” are sufficient to offset or nearly offset the incremental cost of the new position each year over a ten-year outlook from FY25 through FY34.

ANALYSIS

Expansionary costs for certain departments in the general fund¹ must be met entirely through recurring revenue sources in the general fund – chiefly property tax revenue – even when grant funding is available to support initial expenditures. While utility transfers represent recurring revenue in the general fund, the nexus for the magnitude of the transfer is driven by the ongoing needs of the utility as determined through regular cost of service analysis and rate studies – not the needs of the general fund. Further, the use of capital funding sources, however germane to the general fund, are not recurring or sustainable. Therefore, in the absence of a specific property tax increase to support a particular new general fund initiative, a mix of permanent cost reduction, grant revenue, and revenue growth is required to support long-run costs of any new endeavor. The addition of the Crime Analyst position in the Police Department is achievable only through such a combination: FY25 and FY26 grant revenue, potential cost savings through attrition of one or a combination of unfilled growth positions new to the FY24 budget, and through natural property tax revenue growth in the form of organic tax base growth and a “soft benefits” measure of accelerated tax base growth attributable to the efforts of the Crime Analyst position.

The table on the following page exhibits the all-in operating costs associated with the new position net of reallocated, new, and unfilled general fund personnel, anticipated grant revenue, property tax revenue growth, and soft benefits² associated with the efforts of the new Crime Analyst position.

RECOMMENDATION

If the City moves forward with the Crime Analyst position, it is recommended that 1.0 new FTE approved in FY24 must be deferred indefinitely if not permanently. The FTE reallocation is critical to the long-term viability of the position’s funding, while the other offsetting measures close the gap.

¹ Public Safety, Parks & Recreation, Streets, Administration, City Clerks, and City Council

² Staff at the University of Delaware’s Institute for Public Administration kindly assembled research on short notice to support the Finance Department’s efforts to understand and conservatively quantify the economic benefit reasonably analyzed

Estimated Impact of Crime Analyst Position with Offsetting Cost Reductions and Revenue Growth
Ten Year Period from Fiscal Year 2025 through 2034 (see attached)

Chairman James referenced Director Vitola’s statement “while utility transferred represents recurrent revenue in the general fund. The next is for the magnitude of the transfer is driven by the ongoing needs of the utility as determined through the regular cost of service analysis and rate studies, not needs of the general fund”.

The Chairman asked if what the Director is implying that even though they are transfers from utilities to the general fund, it is not the general fund that dictates the amount of the transfer per se, but is the viability and availability of funds that are available in the utility as a result of the fund position for the year of the study and the years that it goes up, which is normally a three year study. That determines what that fund needs to be and the rate to be charged. It is really the solvency of that fund and availability of funds in the utility that dictates the availability of the funds. And the needs of the general fund itself is not the driver.

Director Vitola agreed stating that when there is a new initiative or a new expense in the general fund, that will be an ongoing cost into the future, it cannot be funded with capital, because capital is not sustainable. It must be funded with recurring annual operating revenues of the general fund. While utility transfers meet that definition, they cannot be changed to meet the needs of the general fund.

He continued by stating we could be in a situation where we have a commercial electric sector that would be dumping an extra \$10 million a year into the general fund, and we could have a long, solvent gray general fund. But it is driven entirely by the electric fund and its attributes themselves. Just because we have additional needs in the general fund that are unfunded, that does not merit additional pools from the utility funds. Because that could put the utility funds in peril and drive-up rates.

Chairman James said that because other needs will come up in the future, addressing some of these things now will provide a magnifying glass instead of looking through fog unsuccessfully.

The Chairman recalled that not long ago, from the Director's analysis and advice, and he believes that Council may have agreed, that the set amount being transferred was changed from the electric utility to the general fund.

Director Vitola said he instituted the change in FY24 and went from \$2.5 million dollars flat transfer to a transfer not to exceed 12.5%, which is a historical measure of what the transfers were over fifteen years ago that happened to meet the \$2.5 million which was based on a percentage at the time. The amount stayed flat based on an MOU with Governor Markell that extended five years that eventually capped. The City also decided to continue that flat cap for years afterward. Now, he believes it is smart and sustainable to move it to 12.5% max though he only used only 11.7 percent, which is the transfer for FY24. He verified it was \$3,250,000 on electric revenues only.

Chairman James asked if there were transfers from the water utility; Director Vitola confirmed that water utility transfers started in fiscal 22 and sewer utility transfers started in fiscal 24 in the amount of \$300,000. Each of those utilities commits \$300,000 flat per year going forward, though that is not a firm number and can be considered in fiscal 25.

When asked if that was done for needed or perceived structure to the budget for that year and for future years, Director Vitola said it was, and that is partly to diversify those sources of general fund revenue, even though utility transfers can be considered one category. Milford has four utilities, and if the rates were set properly on all of them, it is right and just for all four of the utilities to be providing a risk premium return to the general fund in exchange for the administrative oversight and direction that the administration at the Council level for the City to oversee those utilities.

The Director said we were not really there in the sewer fund years ago. The water fund got there first, the sewer fund has arrived, and he is unsure if solid waste will ever get there. Though it is an enterprise fund, he does not view it through the scope of a utility. It is more of a basic municipal service and believes forever it will endeavor to break even.

He noted that they want to get to the point where we are diversifying revenue per the strategic plan. We need to maximize the number of different sustainable recurring revenue sources into the general fund and is taking steps to do it.

Chairman James explained the functions of the police department are under the general fund and are still talking requests from the Police Chief. He is seeking whether funds are available to satisfy the stated need of the Chief. His understanding is for water and sewer, there are set amounts of \$300,000 and a percentage of gross electric revenues that can be transferred to the general fund. If those amounts are not crowded out by other needs in the general fund, it could be used for general fund items which includes the police department.

Director Vitola confirmed that is a solid recap.

Councilmember Marabello confirmed that the percentage transfer is contingent and confirmed that \$300,000 is transferred into the general fund using 1/12 each month.

When asked if it extends beyond the amount of money that is available, the transfer is limited, Director Vitola said if those funds could not generate the target, and if revenues were short \$2 million in the electric utility through the end of June, he will take 12.5% of that and compare that against what was transferred in and if over transferred by the end of the year, he will reconcile. That same exercise is done not only with not only the utility transfers into the general fund, but for all five interservice funds whose costs are allocated to all departments, both utility and general fund/non-utility.

Director Vitola confirmed the rate analysts consider the 12.5% when creating utility rates to ensure those transfers are available.

City Manager Whitfield emphasized that Council can set whatever transfer they want from any of the utilities. However, there is also a goal to have an affordable rate to prevent a utility becoming a tax. Milford has one of the lowest transfer rates out of the DEMEC cities in Delaware except possibly New Castle or City of Lewes. The others have very healthy transfer rates but also have a higher electric rate that reflects that transfer.

Chairman James shared that the City Manager publishes our rates and how they compare to those in similar classifications. That is important to economic development and sustainability and the public believes Council are good stewards of their money and that they are being charged fair rates and a fair tax and are very transparent and careful about that.

He also talked about starting an equipment replacement reserve in our budget and the peg is depreciation. And that is run through the budget every year, so it is funded to prevent searching for money to fund capital equipment/vehicles. He questioned the amount that is based on the approved capital for that year of the three-year cycle, and Director Vitola said there is an amount placed in the current year operating and capital budgets.

The amounts in the operating budget are going into a reserve to be set aside as an annual amount should over the long term, grow each of the equipment replacement reserves to the point capital decisions for equipment and vehicle replacements can be agnostic in the future. If we need over \$1 million in FY28, that funding is set aside so that a chunk of the budget that's agnostic and not dependent on finding new funding or robbing from reserves.

That dollar amount is in the actual replacements and is coming in the program that started in FY22, from reserves or in some cases, the actual reserves in the utility funds or the general fund reserves. But dollars are programmed to come out in that year, and there are additional dollars to feed back into the reserves. The amounts themselves are driven by depreciation. That is not accounting depreciation, but the fleet outlook on which vehicles need to be replaced in what year and the cost in that year.

Adding up the future prices of those vehicles, ratcheting it back to year, and dividing it in chunks is what is being put aside. Because of the existing reserves and depreciation expenses, the non-cash depreciation and amortization expenses are already part of the rate making analysis.

In the general fund, there is a little slice being paid from the utilities and property taxes and nothing more. There is no rate making process behind property taxes that says x number of streets, curbs, parks, etc. It is simply what the chase needs are this year, and here is the property tax rate for the revenue that year. Nothing more.

As the city grows, the property tax rate is less and less able to cover the current years' operation and capital, and future capital.

The Director had some early ideas that are not seen in the memo because with the take home police vehicles, and the other burdens throughout Parks and Recreation, Streets, and Solid Waste, even though it has its own fund, there is such a stretch on future O&M that it will be hard to set aside vehicles and equipment reserves in the absence of a more drastic rate increase or what could be a property tax increase.

He constantly hears from Council that these things need to be figured out without a property tax increase. Even if some capital were to be leveraged for some part of this process early on and try to build at a rate that could help in the future, a property tax increase is needed just for those little pieces that are being added each year.

He said we would then be robbing from capital and, put us back where we are now by adding dollars into the operating side of things without a property tax increase and it does not fit.

That is the reason his memo focuses entirely on the crime analyst position. He thinks that with the dispatch position, two may be achievable though they may have to be staggered if possible. He didn't want to mix the first memo with the analyst position and strictly addresses the unwillingness or unadvisable notion of using capital or utilities. But the dispatch

group can be considered a shared service like the internal service funds. In that case, electric, water and sewer transfers to the general fund can be put aside on a global budget. That dispatch group should then be funded in part by the utilities from the beginning. One dispatcher could be handled with electric and water/sewer cost shares because they handle emergencies too. But an analysis of call volume is not needed because it is a fixed cost operation. It will be the same number of operators, the same console, the same space, whether they are taking utility calls or not.

The same applies with the electric utility. The electric utility does not have the luxury of saying can we have a call service handle our calls when we get an outage, we will let you know when we have an outage, and you will get paid by each call which is impossible. To do that for the electric utility, you would have to stand up in operation at a \$45,000 to \$50,000 ballpark range.

Director Vitola confirmed that the shared cost model is the best model for Milford. He said that would get one dispatcher and the second dispatcher could come when the building is sold, and the operating expenses are eliminated.

The FY24 budget is loaded up with twelve months of water, sewer, and diesel for the old building, and about eight or nine months of electric, water, sewer, water, diesel, and natural gas at the new building. It is not a full \$50,000, but \$27,000 to \$29,000 that will be available when the building is sold.

One dispatcher could be hired now, and another at the start of FY25 or whenever the building is offloaded. Then the Director would recommend another similar meeting to discuss the additional staffing.

Chief Ashe questioned the offloading of the building, and pointed out they are not there any longer. She asked why they are paying rent or electric. Does offloading mean another division needs to go in there, or does the building need to be leased; Director Vitola explained the whole cost of the utilities, if we own it, city utilities will be charging retail rates which is part of the cost studies.

City Manager Whitfield said what Director Vitola is talking about is the cost to the general fund which includes the police. If the police isn't paying for it, there is less general fund money that can go to the police because the general fund is paying for the building.

Chief Ashe asked if the old building is budgeted at the same capacity, it is now, or was there money budgeted with the consideration no one is there and there will be a reduction in utility costs.

Director Vitola said though it was anticipated the building could be complete in October, they understood the dispatchers could still be in the old building for some time, and they went back to the original building schedule of 12/31. He ultra conservatively full utility costs in the budget for all twelve months but may have tapered off usage in the last three or four months thinking the move could be in early January though the dispatchers don't move until April. He believes there is an opportunity for real savings from the budget.

Councilmember Marabello confirmed there is enough funding for one person for 6/24 though the Chief said she really needs two. Chief Ashe confirmed the original ask was for four dispatchers, with two being deferred, resulting in an authorization for two departments and one analyst.

Councilmember Marabello pointed out that Director Vitola said that with all the moving around, there would only be money for one dispatcher. Chairman James verified that would be one dispatcher and one analyst.

The Director said the analyst separately is fundable. He is arguing he could comfortably do one dispatcher now and recruitment could be started for the second one in May and have them start after July 2024.

Councilmember Marabello pointed out the Chief said this is an urgent need and if a dispatcher is now on leave, there is no one to work that shift which places the department in a bind and creates a lot of problems. He asked if it is possible to wait until next year for the second dispatcher, besides worrying about the need for the additional two dispatchers.

Chairman James said if it must happen now, and the funds are not available, what happens; Councilman Marabello said this is an urgent need that trumps how we will pay for them. There is a need to juggle funds to pay for it.

City Manager Whitfield said the other place that has not been discussed is vacant positions and what is Council's priorities. One of the vacant positions that has not been advertised is the horticulturalist position. He asked the Committee if they are willing to give up the horticulturalist position to fund a dispatcher; he also said that there will be a vacant position in the street department when one employee retires on January 1st. There will be a vacant position in the police department. But it boils down to Council's priorities.

The City Manager said he does not think we can do everything we would like to do in this budget.

Councilmember James said the City Manager's statements are totally in line with the statements he made on the council floor and continue to make. If the pie isn't getting bigger, then a decision needs to be made about who gets a smaller slice. He said there is a need for Council to decide on the hierarchy of priority.

Councilmember Marabello said as Mr. Whitfield stated, less people is a transitional thing, and it could be temporary for a couple months while you gain a few dollars. He said we have been without a horticulturalist for a long time. City Manager Whitfield said we have never had a horticulturalist. He did not suggest an arborist because that is funded out of the electric funds and has no impact on the general fund.

Councilmember Marabello said the more urgent need is the dispatcher or the horticulturalist.

Based on the fact pattern today, Chairman James agrees an additional dispatcher would be a priority over a horticulturalist. He would be comfortable if that is the recommendation the Finance Committee made.

Chairman James said it was an ask of the Chief in total that a crime analyst was needed based on the analysis Director Vitola is going to speak to. The funding sounds like it could be garnered for the one dispatcher and a vacancy, or a combination of vacancies could satisfy the cost of a second dispatcher.

Director Vitola said the crime analyst position depends almost entirely on the use of a vacancy. There is a small revenue impact that helps close the gap, but the primary element that paves the way to be able to hire the crime analyst and considering new positions first approved in FY24 that have yet to be filled. Even though streets meets the criteria in terms of being entirely in the general fund, that is an existing position that has been filled for years. The same thing with the police position, so he stuck with the horticultural position and the deputy city clerk position. Those two positions, one or the other, is sufficient for the crime analyst position.

If the second dispatcher position is filled earlier and not wait another six months, then it could be the other of which other of those two unfilled vacancies that wasn't consumed for the crime analyst position

Chairman James thanked Director Vitola and restated the crime analyst position and a first and second dispatcher, with expense reduction cost savings in AV versus property tax increases, and the deferment or abandonment of the horticulturalist and the assistant city clerk position, will get a crime analyst and two dispatchers. Director Vitola confirmed that is correct.

Chairman James said that is a position he is making a recommendation to Council with. Councilmember Marabello confirmed that a deputy city clerk was not hired, and Chairman James said he believes that is sufficient based on the list of priorities.

Councilman Marabello said he concurs with the priorities.

Councilmember Samaroo agreed, stating the need for another dispatcher and as the Chief mentioned especially if someone needs to go on vacation or take time off, we don't want to be tied up because of that and agrees.

Councilmember Marabello said that will fulfill the next six months at this juncture. Councilmember James said that would be in perpetuity and going forward. Those two positions being eliminated were in the budget and are being repurposing the budget amounts.

Director Vitola said Councilmember Marabello makes a good point because deferring these positions for a year or two to squeeze the other positions in only kicks the problem down the road. There would have to be a decision to permanently reallocate both of those positions to be able to fund three positions indefinitely.

Councilmember James said if the future changes five or ten years from now, then that can be addressed.

Director Vitola said that with the short turnaround time from Monday, December 11th until now, he didn't have the time to take a deeper diver. But there are going to be some implications to the loss of these positions and wouldn't have been recommended by the other departments if they were a true need or perceived as a true need within those departments. Chairman James said at least perceived.

Director Vitola said he added \$20,000 in new costs back to account for overtime, temporary help, and whatever other costs may be incurred by these divisions to be able to undertake some of the activities such as seasonal plantings, trimmings, help at the desk. However, they have been operating so far though he did not take all of the savings and the analysis anticipates there will be some costs associated with the loss of those positions.

Councilmember James said he understands and is being careful not to veer into things that aren't related to this topic because the public is expecting the committee to speak about it. As far as available sources of funds and revenues, one thing Council will continue to look at, after speaking with the City Manager, Chief Ashe, and Tony Chipola, when he sees overtime, he is going to ask what it is for, tell me why it is needed, who is approving it, and why is it happening. He has managed people for a long time, and he is not asleep as to how things actually happen versus how things are blindly approved.

Mayor Campbell said he is listening to the conversation. We need the crime analyst and that is a given though he may have missed something when he tried to get on. He likes the analogies in reference to the other positions because we do need dispatchers and God forbid someone get sick. He was in there the other day and there was only one person working. It is a necessity for our residents and the town. We need two additional dispatchers to work each shift because we cannot do without it.

His main concern is we just finished the referendum and when he first go on, he heard about tax increases which really bothers him and he does not want to think about that. He thinks the community supported the new police station and supported what was needed for the police department, and they need to know we are doing the right thing for the police department.

Mayor Campbell said we have a new Chief, and she has made lots of changes and he doesn't want to get on a wagon and start praising her, but people drive by the new police department and call him about how great it is. When they did the tours, people enjoyed it and loved it, so we need to do something that makes that police department shine. And we cannot afford to have not enough dispatchers to do the job. And we need an analyst so we can figure out where the crime in within our city.

When asked if there has been significant overtime paid for dispatchers, Chief Ashe said the overtime is still within budget from what she has reviewed. However, a significant increase can be seen in paying the part-time dispatchers. Presently part-time dispatchers are being paid and if the part-timers don't step up, we need to pay dispatchers at a time and a half rate.

Chief Ashe confirmed that the overtime would be minimized with the third dispatcher added. She plans to put both dispatchers on opposite shifts with a mid-shift person currently. If someone was to call in sick on a twelve-hour shift, the second dispatcher, though she is not getting all four at this time, could fill that time instead of having to pay someone for a full twelve hours if we did an in between half/split shift where that individual is working half during the day shift and

half during the night. She can get through to the new fiscal year, but it will not erase all the overtime. And that is the reason she needs four.

City Clerk Hudson said that a portion of the costs of the third person that she never received, had to be transferred out for overtime costs. When the budget was approved, she was unaware there was no overtime added. Because the third person was not hired, the overtime costs have increased substantially due to the increase in workload including meeting numbers.

She is unsure where the overtime budget is, as far as a percentage that has been used, but she does know the whole amount is unavailable.

The other issue is the ongoing need for some help with scanning services in order to make a number of city records current and available. For example, Laserfiche records are behind a few years which hinders transparency to the public. With IT considering another new software company for recordkeeping, there is a more urgent need to get those records current. There will be some costs associated with those services as well.

She was under the impression the costs associated with these needs would be paid out of the third person that was never funded or never officially approved.

Ms. Hudson said she understands the Chief's needs but wants it understood that the total cost of that position are not available and only a portion may be left.

Chairman James thanked the City Clerk noting those are very important but the portion that was transferred for overtime has been considered in the analysis though the scanning services need to be discussed by the Director because he thought there were some ideas on how to resolve that.

Director Vitola said he is aware of those transfers out to fund overtime and were part of the informed analysis in forwarding years that there needs to be some restoration of that type of budget line in the absence of this position. The entirety of that position is not required to fund the start of the crime analyst position. There is a slice of the grant funding and what is left in that account should be enough to fund what is needed for the crime analyst position.

FY24 is mute and pretty much handled by using those funds.

Chief Ashe said she is also working on a review of the O&M budget to see where the personnel costs and non-personnel costs could be trimmed and to shape the second half of FY24.

He also noted there are dollars in the ERP project budget to handle things like supplemental help, temporary employment to do things related to the conversion and even though looking at Laserfiche to the new software, everyone's conversion from their legacy into the new system, is being centrally handled by IT and is funded as part of the ERP project so the City Clerk is safe on both accounts.

Ms. Hudson said she wanted to make that clear, because when they met with the new vendor, she emphasized the need for additional costs involved within her department because the records management system is not up to date. She estimates the scanning services are needed for records that are presently three years old. There is a need to bring them current for transparency and public access. If it waits until the new vendor is contracted, that will help, but only puts the project back another year.

There being no further comments, Councilmember Marabello moved to recommend to Council the approval of the crime analyst and two additional dispatchers to be funded per Finance Director Lou Vitola's analysis, seconded by Councilmember Samaroo. Motion carried.

Chief Ashe asked that she still needs the additional analysis for the two new dispatchers.

Chairman James agreed noting that the analysis supports the funding of future years for the new positions.

Councilmember Marabello moved to adjourn, seconded by Councilmember Samaroo. Motion carried.

The Committee Meeting was adjourned by Chairman James at 8:09 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder

Attachment:
Crime Analyst Financial Breakdown



OFFICE OF THE CHIEF OF POLICE
CECILIA E. ASHE
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400 NE Front Street
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MEMORANDUM

DATE: December 8, 2023

TO: Mayor & Council
Mark Whitfield, City Manager

FROM: Chief Cecilia E. Ashe

RE: Request for Authorization for additional Communications Personnel and New Crime Analyst Position

The Milford Police Department is requesting authorization to hire additional personnel for the Communication Center and a new Crime Analyst position within the police department. The Communications Center currently has assigned eight (8) full-time personnel, which allows only for two (2) personnel per shift, with four shifts to cover 24-hour operations. Upon my hire, I promised City Council I would conduct a staffing study of all personnel within the Police Department showing priority to those areas that require immediate attention due to operational need and the safety of the citizens of Milford. Upon a preliminary review of staffing, it was glaring that the communications center was understaffed and cost saving measures could be put in place to run this division more efficiently and effectively. The current make up of creates a serious issue if an employee calls out sick or takes vacation as it will only leave one (1) employee to handle all communications center responsibilities. This does not take into account the number of calls that are received and dispatched for other divisions such as the Electric Department if there is a power outage or other storm related events such as flooding, where the Streets Department would need to be notified. In reviewing Computer Aided Dispatch (CAD) system if one of these events was to take place communications would be fielding on average a hundred calls, while also dispatching and monitoring the police operations on the street. Currently for us to maintain two dispatchers in the communications center at all times requires us to call in another full-time dispatcher on overtime if he/she is available to come in or contact one of the part-time dispatchers, who may or may not be available to work. This also limits the amount of time off that can be granted to employees, as we are in most cases unable to fill shifts with part-time employees due to their schedule or holidays. Finally this does not taking in to consideration if there is an employee out on long term leave such as FMLA or Military. In any of the above examples, this causes us to pay staff overtime or pay additional staff which is not the most cost-efficient way to run this type of Communications Center.

Therefore, I am proposing one (1) additional dispatcher to each shift, totaling four (4) additional personnel. Under this proposal, I would request two (2) of those positions be filled immediately and the other two (2) positions be added within the FY25 budget. I have consulted with the Director of Finance Lou Vitola along with the City Manager Mark Whitfield and the following impact and projections on the

FY24 budget are expected to be neutralized with offsetting O&M savings. The impact on the FY25 budget is provided below, gross of interdepartmental cost sharing:

Police-Civilian	Salary & Wages	Benefits	
Dispatch 1 - FY25	\$ 44,554	\$ 22,623	\$ 67,177
Dispatch 2 - FY25	\$ 44,554	\$ 22,623	\$ 67,177
Dispatch 3 - FY25	\$ 43,576	\$ 22,597	\$ 66,173
Dispatch 4 - FY25	\$ 43,576	\$ 22,597	\$ 66,173
			\$ 266,700

Internal funding through utility cost sharing would be in place permanently to defray a portion of the cost to add dispatchers.

- FY25 cost sharing (\$45k) results in a net impact of \$222k.
- FY26 cost sharing (\$46k) results in a net impact of \$228k.
- FY27 cost sharing (\$48k) results in a net impact of \$235k.
- FY28 cost sharing (\$49k) results in a net impact of \$242k.
- FY29 cost sharing (\$51k) results in a net impact of \$250k.

This request is in line with the Strategic Plan 2023 under the Public Safety and Preparedness Objective 1, Deployment of Police Resources.

In addition, I am requesting authorization to hire a full-time Crime Analyst with the intent to fill this position within the next sixty (60) days. I am requesting this position to be able to move into the next phase of our Strategic Plan as well as the ability to receive grant funding to help offset some of the costs. As you are aware, Milford Police Department is currently applying for grant funding through the Delaware Criminal Justice Council to fund additional personnel within the Behavioral Health Unit. As part of this grant, we are requesting to receive partial funding for a Crime Analyst to track and monitor, with more detail and precision, the success and gaps within our Behavioral Health Unit. This opportunity to offset some of these expenses has presented itself prior to the FY25 fiscal. I have consulted with the Director of Finance Lou Vitola along with the City Manager Mark Whitfield and the following impact and projections on FY25 budget are provided below:

Police-Civilian	Salary & Wages	Benefits	
Crime Analyst - FY25	\$ 72,450	\$ 27,479	\$ 99,929

A portion of a two-year Behavioral Health Unit (BHU) grant is expected to provide temporary support to the crime analyst position, which would partially mitigate costs late in FY24, all of FY25 and most of FY26.

- FY25 grant funding of \$18k results in a net impact of \$81k.
- FY26 grant funding of \$12k results in a net impact of \$91k.
- FY27 cost impact is \$106k
- FY28 cost impact is \$109k
- FY29 cost impact is \$112k

A Property tax increase of 5.3% (3.1 cents per \$100 of AV) instituted in FY26 would carry the cost of the revised operational structure from then onward if we are successful absorbing the net costs associated with the crime analyst and dispatch positions the remainder of FY24 through FY25.

This request is in line with the Strategic Plan 2023 under the Public Safety and Preparedness which will impact six (6) of the seven (7) objectives while also allowing us to implement seventeen (17) of the twenty-one (21) Strategies. The most important of all of the strategies that this position will produce is transparency of accurate crime numbers and transparency of accountability within the Police Department.

It is my belief that prioritizing these areas will provide an enhanced proactive approach to the safety of our community members. This will also provide and foster economic growth and bring new businesses and residents to the City of Milford.