

CITY OF SALISBURY
WORK SESSION
DECEMBER 19, 2022

Public Officials Present

Council President John “Jack” R. Heath
Councilwoman Angela M. Blake

Council Vice-President Muir Boda (via Zoom)
Councilwoman Michele Gregory

In Attendance

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Finance Director Keith Cordrey, City Planner Brian Soper, City Clerk Kimberly Nichols, Attorneys Ashley Bosche and Laura Hay (via Zoom), and interested members of the public.

On December 19, 2022 the Salisbury City Council convened at 4:30 p.m. in a hybrid Work Session in Council Chambers and on Zoom Conferencing Video.

Faith Baptist Parking lot lease agreement

Deputy City Administrator Andy Kitzrow noted the Faith Baptist parking lot was the lot adjacent to the Lake Street Playground. The original agreement expired about two years ago and the lease agreement would re-establish the relationship with the church for the City to have access to the parking lot.

Council reached unanimous consensus to advance the legislation to legislative agenda.

Ordinance to amend the Salisbury City Code to combine the Housing Board of Adjustment and Appeals, the Building Board of Adjustment and Appeals, and the Board of Zoning Appeals into a new board known as the “Board of Appeals”

City Planner Brian Soper joined Council and Associate City Attorney Laura Hays joined via Zoom. She explained the ordinance combined three of the City boards- Housing, Building and Zoning Appeals. The Board of Zoning Appeals met fairly often but the other boards had not met in quite some time. There were various issues with staffing and with people volunteering to serve on the boards. Since they were not utilized very often, the thought was to create an overall Board of Appeals which would mainly hear the Zoning Appeals, but would also be able to hear cases from the other Boards to the extent they were needed. The Board would be fully staffed and operational.

Ms. Hays explained the reason the ordinance was so long was because everywhere in the Code where Board of Zoning Appeals was referenced, the word “Zoning” had to be removed. Having a Board of Appeals was required by statute, so she said she attempted to mirror the City’s Code to the State Code more concisely. She also corrected some of the issues in terms of how long people would have to appeal decisions. It was different

depending on department and where the appeal originated and uniformity was hopefully achieved with a uniform 21 days for all appeals.

Mr. Soper added that by compiling the boards they would end up with a better board that made use of the individuals that presented themselves to serve by consolidating them into one stronger board.

Mr. Boda asked if the board would be five or seven members and if being a resident of the City was required. Ms. Hay said there would be at least five members with up to two alternates. They would include preference to certain professionals who wanted to serve. Ms. Hay directed Council to Line 1660, Composition of the Board. Preference was given to a building professional, architect, engineer, tenant, property owner and attorney as well as others who have expressed a special interest of knowledge.

President Heath asked if in the transition, would the new board consist of at least one member from one of the other boards to ensure continuity. Ms. Glanz said they had invited everyone currently serving to submit applications and some had already applied.

Mr. Soper said the Board of Zoning Appeals currently had five members. It was standard to have five with two alternates. Going down to one board, if the Council saw fit to increase membership to seven, the potential was there to have the full number of members. However, it had been difficult to staff the current boards. The Board of Zoning Appeals was currently at three.

Council reached unanimous consensus to advance the legislation to legislative agenda.

Presentation of FY22 Audit and Financial Statements

Finance Director Keith Cordrey joined Council at the table along with Timothy Sawyer of Barbacane Thornton & Company (BT&C), who joined via Zoom.

Mr. Sawyer introduced Joseph Manfre of BT&C, the audit supervisor who provided the following audit summary to Council:

The audit field work began on November 7, 2022 and completed on December 6, 2022. BT&C issued an unmodified or clean opinion on the audit opinions of the City's governmental, business-type activities. Each major fund, aggregate remaining fund information that reported on internal control over financial reporting and on compliance and over other matters based on the audit of the financial statements performed in accordance with government auditing standards and the report of compliance with each major program, and on internal control over compliance required by uniform guidance. Since the City spent over \$750,000 in federal expenditures, the single audit was required.

In the audit, BT&C reviewed the internal control systems processing transactions for the City (cash receipts, disbursements, payroll). Everything they reviewed was

designed to operate effectively. They tested 40 expenditure transactions and 40 water & sewer billings and found no issues with the samples selected.

BT&C assisted with the preparation of journal entries for the pension and OPEB liabilities in accordance with GASB 58 and GASB 75. Mr. Manfre first reviewed Cash, Restricted Cash, Investment Pool and Receivables. He then discussed Capital Assets, Bonds and Net Position, followed by Governmental Fund Balances, Governmental Fund Revenues, Governmental Expenditures, and Water & Sewer Operating Results.

Mr. Manfre reported that the scope and timing of the audit were consistent with what was planned by management, and again stated BT&C issued an unmodified opinion on the City's financial statements for Year Ended June 30, 2022. The City had not adopted any new accounting policies for the year, and they were unaware of any accounting policies used by the City that could be controversial or lack guidance. The proposed adjusting entries for pension and OPEB were reviewed and approved by management and were reflected in the financial statements. There were no material weaknesses or significant deficiencies identified, and they were not aware of any fraud or illegal acts or any matters that lacked professional judgment that would impair their independence.

President Heath said that Mr. Cordrey had established a baseline of perfection and thanked Messrs. Sawyer and Manfre and their team. Mr. Sawyer thanked the City for entrusting the firm to perform the audit and for working so well with them.


Mr. Boda appreciated Mr. Cordrey and his team providing another clean audit and for handling the citizens' money appropriately every day.

Mses. Blake and Gregory both were grateful for Mr. Cordrey and his team for doing such a great job with the City's finances.

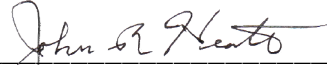
President Heath said this was his sixth or seventh audit since coming on Council, and it was better every year. He knew the success was from having a great leader, and great leaders surround themselves with great people. He told Mr. Cordrey he had obviously done that. Mr. Cordrey said he was very fortunate with his staff.

Adjournment

With no further business to discuss, President Heath adjourned the Work Session at 4:55 p.m. and Council immediately convened in the scheduled Special Meeting.



City Clerk



Council President