

CITY OF SALISBURY
BUDGET WORK SESSION
APRIL 20, 2023

Public Officials Present

Council President Muir W. Boda
Council Vice-President April Jackson
Councilmember Michele Gregory

Mayor John R. "Jack" Heath
Councilmember Angela M. Blake
Councilmember Megan Outten

In Attendance

City Administrator Andy Kitzrow, Finance Director Keith Cordrey, Assistant Director of Finance - Accounting Sandy Green, Acting Assistant City Administrator Tom Stevenson, City Clerk Kimberly Nichols, City Staff and Department Heads, and members from the public

The City Council convened in a hybrid Budget Session at 8:30 a.m. on April 20, 2023 via Zoom and in Conference Room #306 to continue reviewing the FY24 Mayor's Proposed Budget. The following is a synopsis of the discussions.

Procurement

Procurement Director Jennifer Miller and Contract Specialist Michael Lowe joined Council. Ms. Miller requested a 2% increase in software due to rising costs over last year. The sole Essential Item was 513400- Energy Consultant in the amount of \$17,000, which was approved in the Mayor's Proposed Budget. Not approved was an additional \$3,000 for an Energy Consultant to provide support services for the City's Energy Management Plan for FY24-FY31. The services would include searching for grants and helping with the grant application process. The Energy Management Plan rested in Field Operations. President Boda said this sounded like a worthwhile item to revisit.

Government Office Buildings (GOB)

Ms. Miller reported the biggest change this year was that there were now two GOBs- GOB-1 and GOB-2. She requested less for GOB-1 this year, as the only Essential Item was \$100,000 for repairs to the west wall which would be split 50/50 with the County.

The second part of the budget was for GOB-2 (or SBYHQ) and she had nothing to compare it with.

Information Services (IS)

Director Bill Garrett, Assistant Director of IS- IT Steve Dickerson, and Assistant Director of IS-GIS John O'Brien joined Council. Mr. Garrett thanked Council for the new salary scale. The Crime Analyst moved from the PD to the IS Department, but there was no funding change. Critical increases were in the IT and GIS funds, WS and General Fund due to prices rising over the past year. This was the tenth budget he had prepared, and Mr. Garrett stated this was the first time they had to request an increase.

Arts, Business, and Culture Department (ABCD)

ABCD Director Allen Swiger and Assistant Director Scott Rogers joined Council. The largest change was moving the 513050 Professional Services Account as a result of the change in the relationship with the Arts & Entertainment District. The money was repurposed within the budget to bring in the new Event Coordinator position and \$10,000 to support going forward. The remainder went into Events.

Zoo

Two changes included a full-time maintenance worker was created from one part time position. There was also a \$37,000 increase to the Part time Zookeeper line as the result of moving to the 35-hour work week. The Zoo Commission funded \$67,000 per year, which paid the Education Curator's salary.

Mr. Boda questioned the timeline for getting back the accreditation and Mr. Swiger said it would take at least five years. There were a lot of minor projects, but the Bear Exhibit was the biggest. The Zoo was aging and Mr. Swiger said that the accreditation would enable them to share animals with other zoos.

Mr. Kitzrow said that the zoo cost \$1.7 million per year with about \$350,000 revenue offsets from the Education and Special Event Programs, funds from the Zoo Commission and a small percentage from Hotel Tax earmarked for the Zoo. The City subsidized the Zoo for about \$1 million per year. Mr. Swiger discussed the rebranding of the Zoo which would be revealed Saturday.

Poplar Hill Mansion

Mr. Swiger said there was not much changed in the budget. There was a cost of living adjustment to the Curator's salary which was an annual contract. The siding replacement was in the CIP for \$55,000. The Friends of Poplar Hill was looking at grant funding for the roof.

Ms. Blake asked how much the Mansion brought in with their fundraising and Mr. Swiger said it was not a lot but it went right back into the building. She asked if there was a vision for the Mansion. Mr. Roberts described the back-yard overhaul which would allow for more people to attend events. Ms. Outten was happy that there was vision and that it was being preserved, but she was also concerned with revenue generation. Mr. Swiger said the long-term plan was to preserve the building as a historical landmark and to expand the historical education outside of the building. Museums were always challenging when creating experience. Ms. Gregory suggested Council take a tour of Poplar Hill led by the Curator.

Council and Mr. Swiger discussed the curator's position as it used to be compared to the present-day duties. The curator was not an event coordinator.

City Attorney

City Attorney Ashley Bosché joined Council and stated the budgeted amount for FY23 was \$360,000 (about \$30,000 per month) and they came in well under budget. They standardized with forms, contracts, etc. and were asking for an increase in their hourly rate of \$165/hour from \$152.50/hour. They charged all of their other clients \$300/hour.

Mr. Boda discussed the billing discounts and the fact that there were no budget amendments at the end of the year. Mr. Kitzrow noted that the Labor Code would make the numbers higher.

Council recessed at 9:30 a.m. and reconvened at 9:41 p.m.

Salisbury – Wicomico Economic Development (SWED)

SWED Executive Director Dave Ryan informed Council that he was charged with strengthening the economy of Salisbury, the County and the region with jobs.

Last year, the largest project SWED undertook was establishing an Aviation Maintenance Technician School at the Salisbury Regional Airport. They would begin seeing an increase in the number of flights in and out of Salisbury. There would also be a new manufacturer in Salisbury and a new facility beside it. Most of the larger industrial plants were full, and they were proposing a new shovel-ready program.

SWED was requesting \$50,000 in funding, which was the current amount the City was investing in SWED.

General Discussion

Mr. Kitzrow reported on some payroll adjustments discovered, one of which was a Police Communications Officer placed on the wrong pay scale, which was about \$56,000. This included the 3rd part time Zookeeper position. The Fire pay scale was also adjusted, as some people got promotions that were coming up this year that were not accounted for. The four Police cars were also added in.

He noted the significant decrease in speed camera revenue, but there was a transition in vendors which brought about an immediate increase. The trend would likely continue so the income was added back in. Additional expenditures considered were \$3,000 for the energy consultant and \$107,000 for the ballistic vests. Council discussed concerns for the safety of the Fire personnel when placed in dangerous places and situations, and Mr. Kitzrow informed them that grants were available for Police vests but not for Fire. President Boda suggested searching for grants for the vests, which had a five-year life. Mr. Kitzrow opined that the return on the \$3,000 for the energy consultant would be worth the investment. Council reached unanimous consensus to approve including the vests and the energy consultant in the budget.

In the Council’s revised budget, final revenue would amount to \$53,582,872, expenditures would be \$53,820,598, and use of surplus would be (\$237,725).

Ms. Blake remarked on the phenomenal increase in costs for chemicals, materials, maintenance, and supplies to keep the City moving forward and doing business. She appreciated the City employees coming to the Budget Sessions very prepared.

Mr. Kitzrow added that they were not requesting a lot of new positions, but with the caliber of the employees the City had, it cost to keep them and maintain them wanting to work with the City.

Ms. Jackson remarked that everything had gone up, and in order for the City to survive, the increases had to happen. The chemicals to keep our water clean and safe were not an option, they were a must.

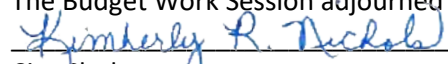
Ms. Gregory mentioned the brilliant scientists working at the treatment plants who deserved to be well compensated.

Ms. Outten thanked everyone for making it a very easy first budget session for her.

President Boda reviewed the first reading of the proposed budget, which would be Monday, April 24th. The Public Hearing would be May 8th, and the final reading would be May 22nd if it was ready, and if not, it would be June 12th.

Mayor Heath thanked Keith and his department. Every year for eight years, the budget has gotten better and better because of how the information was provided. He thanked the Council.

The Budget Work Session adjourned at 10:30 a.m.



City Clerk



Council President