

CITY OF SALISBURY
BUDGET WORK SESSION
APRIL 25, 2024

Public Officials Present

Council President D’Shawn M. Doughty
Council Vice-President Angela M. Blake
Councilmember Michele Gregory

Mayor Randolph J. Taylor
Councilmember April R. Jackson
Councilmember Sharon C. Dashiell

In Attendance

City Administrator Andy Kitzrow, Finance Director Keith Cordrey, Deputy City Administrator John Tull, Assistant City Clerk Julie English, City Staff and Department Heads

The City Council convened in Budget Work Session at 8:33 a.m. on April 25, 2024 in the Government Office Building Conference Room 306 to continue reviewing the FY25 Mayor’s Proposed Budget. The following is a synopsis of the discussions.

Mayor’s Office

Mr. Kitzrow began by sharing that the Executive Administrative Assistant position would change to an Executive Office Administrator as part of an Administrator city-wide restructure. The position would also receive a career ladder adjustment.

President Doughty asked for clarification on the vehicle and gasoline account. Mr. Kitzrow explained that the current administration utilized the vehicle more than previous administration. Ms. Blake asked if the vehicle was used outside the scope of what was permitted. Mr. Kitzrow responded that the city vehicles should be used for work only. President Doughty pointed out that the gasoline account seemed to be increasing.

Mr. Kitzrow acknowledged there should have been funding included in the telephone account. Mr. Cordrey made the necessary adjustments.

Ms. Dashiell questioned the cell phone account. Mr. Kitzrow responded that most of the employees in his department received stipends for using their personal cell phones for business purposes. Most, if not all, of the department heads received a stipend if they did not have a city issued cell phone.

After joining the meeting, the Mayor was asked about the telephone, vehicle maintenance and gasoline accounts. President Doughty asked for the amount of the cell phone stipend. Mr. Kitzrow explained that the stipend was \$20 per month. If a department head felt someone in their department should receive the stipend, he/she would submit the request to the Mayor’s Office for approval.

Ms. Blake requested to see the Vehicle Policy and the average use in mileage of the Mayor’s Office vehicle over the last two terms. She would like to ensure that the usage was kept within what was expected according to the policy. Ms. Jackson reiterated that it should be used strictly for business. Mr. Kitzrow provided the history of that vehicle and informed Council that any employee that is assigned a city vehicle agrees to a policy that states what can and cannot be done with the vehicle. At that point, Mr. Kitzrow deferred to the Human Resources department for further guidance on vehicle use and policies. Mr. Kitzrow further stated that there had been a change in things this year with elected officials

having things they have not had in the past. He wanted to make sure everyone was maintaining the same policies, rules and regulations.

Ms. Blake also mentioned that there was a line item for the Blood Bank with five dollars budgeted. Ms. Dashiell responded that she had seen the same line item in other department budgets. Mr. Cordrey explained that the Blood Bank program was discontinued years ago and there should not be any money budgeted in those accounts.

Mr. Kitzrow presented the GOB-2 (Salisbury Headquarters) budget. There was a significant increase to the rent for this year due to the fact that the first three months were free. The FY24 budget was estimated since it was unknown what the total costs would be. They moved a few things around after reviewing the costs from last year. Mr. Kitzrow shared that the City was locked in to the current rent cost for the next five years and then it would increase.

Ms. Blake stated she wanted to have a discussion soon about increasing the salaries for elected officials after the next election. She believed the Mayor and Council salaries should reflect full-time positions. She added that a Mayor's salary for a city our size was between \$90,000 and \$120,000 per year. Mr. Kitzrow referenced the salary study that was done years ago. They could look at having another study done. Assistant City Clerk Julie English stated that the Charter specified what the steps were to change salaries for elected officials. Those steps were then emailed to the Council.

There was a brief discussion about moving the Wellness Program account from the Human Resources (HR) budget to the Mayor's Office budget. President Doughty questioned why the Mayor's Office was managing the Thrive (Wellness) initiatives if the account belonged to HR. Mr. Kitzrow responded that he was not certain the HR department had the bandwidth to take it on. He added that the employee picnic and awards banquet was managed out of the Mayor's Office. Mr. Cordrey recommended leaving the Wellness Program account in the HR budget since it was a function of HR.

President Doughty raised the question of whether it was necessary for all employees to have a landline at their desks. It was determined that the question would be proposed during Procurement's presentation later in the day.

Human Resources

Human Resources Director Meg Caton shared that two of her staff members were eligible for career ladder increases, which was included in the budget. HR received a Munis upgrade that unlocked numerous features for the department to use, which added a yearly fee to their budget. Finally, she requested an additional landline for their new conference room.

President Doughty asked Ms. Caton to speak about the Thrive account. She explained that the only association her department had with that account was paying for the flu shots and even then she coordinated with an employee from the Mayor's Office. Mr. Kitzrow reiterated what Mr. Cordrey stated earlier, that the account should remain in the HR budget.

President Doughty asked if the "leftover" money from the Thrive and picnic accounts could be repurposed elsewhere. Mr. Kitzrow explained that the bigger events depend on how many people attended. He added that the events for FY25 were already planned.

Mr. Kitzrow expressed his concern about HR taking over the program. He did not know if anyone in the department would be able to take it on.

Ms. Blake asked if there was an account specifically geared toward employee training. President Doughty asked Ms. Caton to provide Council with a brief summary of what HR Specialist (Training & Development) Kacey Lingle had been doing for all city employees. Ms. Caton listed the following: Speech Workshop, Leadership Core Class and a Leadership Book Study. President Doughty expressed interest in setting money aside for Ms. Lingle to use toward the professional development and training classes she provided. He preferred to see the \$12,500 in the Thrive account used for all employees with professional development and training. He asked Mr. Kitzrow to share some of the uses of the money. Mr. Kitzrow listed: flu shots, food pantry, monthly activities. He recommended not trading the mental health for the professional development. He suggested doing both.

Ms. Jackson was upset that the City had to provide a food pantry for employees. She believed it said a lot about what employees were paid.

Council came to an agreement to add \$5,000 to the possibilities list for employee professional development and training.

After Ms. Dashiell asked about the Grants Manager position, there was a brief conversation explaining the process of grants through the departments and who was responsible for what. Mr. Kitzrow provided some history on the grants positions and how difficult it is to find people for that role.

Procurement

Director of Procurement Jennifer Miller introduced herself and Contract Specialist Michael Lowe. Ms. Miller shared three essential items that she included in the budget: career ladder advancements for 3 staff members, new Procurement software, subscription cost for the current software. The new software was not approved at the Mayor's Level. Mr. Lowe explained that he would like to have more engagement with vendors and the new, requested software would make the registration process easier for them as well as freeing up time for the Procurement staff to focus on other things. The item was moved to the possibilities list.

Ms. Miller was asked for her opinion on whether or not desk phones should be phased out. She explained that the City had just switched to new desk phones and that change would save at least \$4,000. She recommended waiting until everything was ironed out so she could get an accurate monthly cost for the new phones. President Doughty asked her to provide an update on this idea to Council in 3-4 months.

Ms. Blake complimented and thanked Ms. Miller for always coming prepared and for the way she handled the criticisms from the public earlier in the fiscal year. Ms. Blake asked Ms. Miller why she was not included with her staff for the increase in salary. Ms. Miller explained that Directors did not have a Career Ladder. Mr. Kitzrow shared that Ms. Miller would be compensated for taking on the Compliance Officer responsibilities.

Government Office Building (GOB)

Next, Ms. Miller presented the budget for the GOB. She explained that most of the expenses for the building were split 50/50 with the County. General Services oversees the maintenance and upkeep of the building. However, the maintenance of Lot 9 falls solely on the City.

Mr. Kitzrow explained that the GOB Energy Efficiency Improvements item in the Capital Improvements Plan (CIP) was for lighting improvements to the City portion of the building. The County had already

implemented the improvements in the common areas and in some of their offices. This line was not funded at the Mayor's Level. Ms. Miller added that GOB Waterproofing funds were requested to get two sides of the GOB sealed due to flooding that occurred during hard rains. Those funds would also go toward costs for engineering, which was related to the flooding issues.

Ms. Miller added that there was one last essential item that did not make it into the Mayor's proposed budget; funding for seal coating and striping for Lot 9.

Information Services (IS)

Information Services Director Bill Garrett presented the budgets for IT and GIS. He began by requesting funding at the Council level for two essential items. The first item was the Cybersecurity Improvement Plan. The State of Maryland implemented a cybersecurity footprint that all municipalities must comply with within the next one to two years to qualify for any grants relating to personal information and data sharing. Information Technology Deputy Director Steve Dickerson explained the footprint in more detail. The compliance would not only assist the City in obtaining grant funding, it would also assist with our insurance coverage as well.

Mr. Kitzrow shared that this request was originally funded in the Mayor's budget. However, when the collective bargaining agreements were finalized, they had to make cuts and this was one of them.

Ms. Blake expressed her frustration that Mayor Taylor had not attended all of the budget meetings and was not there currently to explain why that funding had been cut. Ms. Jackson asked Mr. Kitzrow if he could share the reasoning for the cut. He explained that as a result of the collective bargaining agreement raising the salary for employees, they had to go back and cut things rather than increasing taxes. Ms. Jackson felt this was one of the most important things requested and should have been funded. Ms. Gregory shared her biggest fear was not the loss of grant money but the loss of control over the water system and basic functions. She agreed with Ms. Jackson and also believed this should have been a priority.

After discussing the consulting and auditing sides of the request, it was acknowledged that both parts did not have to happen at the same time. This request was added to the possibilities list.

The last request Mr. Garrett had was for additional funding to allow for a larger percentage of city computers to be replaced in FY25. He added that switching from having the individual departments budget the money to IT receiving a large pool of money, saved the City around \$40,000.

Ms. Blake asked that every item not approved at the Mayor's Level be placed on the possibilities list.

Ms. English asked Council to keep in mind that IS was responsible for keeping the City's records safe and accessible. The City's permanent records were in their hands.

Mr. Kitzrow took the opportunity to inform Council of the aging CAD system at the Police Department. Mr. Dickerson provided more insight. Mr. Kitzrow wanted Council to be aware of the funding that would be needed for a new CAD system in the near future.

Finance

Finance Director Keith Cordrey presented the budget for his department. He mentioned the increase in postage costs. There was a brief conversation about the staffing at the front desk and accolades were

given to Bea, who took on additional work while a coworker was out for an extended period of time. Mr. Cordrey was happy to announce that his department was fully staffed.

President Doughty asked about the Hardship Program offered to citizens who did not have the means to pay their bills. Mr. Kitzrow briefly explained how it worked.

Mr. Cordrey provided Council with an explanation of what the City would be facing financially moving forward. Topics of discussion included health care expenses, salary increases and CIP expenses. Additionally, he advised there would be salary increases next year related to the union.

Arts, Business & Culture Department (ABCD)

Arts, Business & Culture Director Allen Swiger began by discussing the Business Development division of his department. There was a brief discussion regarding the contributions of the City each year to Red, White & Boom, SWED, Salisbury-Wicomico Arts Council and the SU Entrepreneur Competition. Mr. Swiger explained that there was a high-speed fiber grant that had been repurposed for public art. President Doughty questioned the increase in the gasoline and events accounts. Mr. Swiger replied that the gasoline account was budgeted for the trolley and the addition of three vehicles. Two employees who worked in Field Operations were transferred to ABCD and they both had vehicles. The budget needed to reflect the additional expenditure of gasoline for those vehicles.

Mr. Swiger explained that a portion of the funds in the events account were used each year to ensure a balanced budget with regard to the City hosted events where revenue was generated. No additional funds were requested for that account.

President Doughty prompted a discussion on possible changes to 3rd Fridays and ways it could generate revenue for the City.

President Doughty questioned the increase in the telephone account. Mr. Kitzrow responded that it was a course correction for the Headquarters building on who should pay for what based on needs. When the City switched from Telewire to Mitel, there was a review of which phones belonged to which departments. It was determined that ABCD needed to pay for phones they were not previously paying for.

Mr. Swiger spoke in favor of the Ambassador Program. Mr. Kitzrow explained that the Ambassadors were busiest during the day and with having to make cuts, this program was affected. Mr. Swiger added that the Ambassadors took care of keeping the downtown area clean. If the Program was not funded, the Parks Division would need to maintain the area.

Mr. Swiger then spoke about Project Restore, a revitalization grant through DHCD. The City could receive funds to activate vacant spaces. The application for the grant had been submitted so they were waiting for the decisions on funding.

Mr. Swiger discussed some of the essential items for the zoo. There were several increases related to contract renewals. Additional funding was also needed for the part-time employees due to the increase in minimum wage.

There was discussion on future plans for the zoo and the AZA accreditation. It was also acknowledged that the current collection of animals was aging. Zoo Director Chuck Eicholtz shared the value of some of the animals and the research happening with them.

President Doughty asked how they planned to meet the goals they set. Mr. Swiger explained that they were working on a strategic plan for the Zoo that would hopefully be completed in September. Mr. Kitzrow shared that the City was hoping to receive State funding to assist with the costs associated with the strategic plan. Mr. Swiger added that a lot of the grants available to the zoo required the accreditation. If the City invested in the zoo and assisted with obtaining its accreditation, it would allow the zoo to go after grant funding that they were not qualified for previously.

Mr. Swiger explained why two additional Zookeepers were requested. The Registrar often had to act as a Zookeeper, which kept her from primary responsibilities.

Mr. Swiger transitioned to the Poplar Hill Mansion budget. The only concern he had was that two sides of the mansion still needed to be brought up to code. There would be fines associated with that if progress was not made to correct it. It was determined that there should be more events happening at the mansion. One hurdle for the mansion was the capacity.

Mr. Swiger requested that the salary funding for two events staff members be moved from the Field Operations budget to the ABCD-Business Development budget. Mr. Cordrey asked that he send an email request and it would be taken care of in the FY25 budget.

Salisbury-Wicomico Economic Development (SWED)

SWED Director Dave Ryan shared what the organization's relationship had been with the City. He also shared what the plans were for the requested \$15,000 increase. Mr. Ryan expressed his appreciation to the City for their relationship.

Mr. Ryan explained that the biggest problem with providing more jobs in the area was the lack of open space to create facilities for new jobs. The requested increase would help create an industrial space. A site in Salisbury and a partner had already been identified. They also planned to market the facility.

SWED also helps employers and employees connect. They receive calls from businesses looking to find employees, and calls from individuals looking to find a job.

Ms. Jackson asked why Cadista Pharmaceuticals was closing. He verified it was finance related. He added that SWED would assist the employees in transitioning to another job.

As a response to a question from Ms. Jackson, Mr. Ryan spoke about the new aviation program at the airport. The program would bring people to Salisbury. Programs like that differentiate Salisbury from other places and provide value to the City.

General Discussion

Mr. Cordrey gave an explanation of the next steps for Council. At that point, Council needed to go back through the budget and possibilities list to make final decisions as to what would be funded and how much. Mr. Cordrey also explained how the current decisions would affect next year's budget and those moving forward.

Council members asked questions of the Administration, weighed the pros and cons of items they had placed on the possibilities list, and prioritized what would be funded for the FY25 budget.

Council took into consideration the Directors' noted priorities within their departments. They also considered the necessity and importance of the requests.


Mr. Kitzrow shared with the Council some potential revenue the City could receive to help offset costs. That revenue had not been figured into the budget.

Ms. Blake asked about reviewing the Fee Schedule. Mr. Kitzrow stated the schedule would be emailed to Council for review since it had not yet been completed.

With no further business to discuss, the Budget Work Session adjourned at 3:08 p.m.



City Clerk



Council President