

CITY OF MILFORD  
COUNCIL WORKSHOP MINUTES  
December 13, 2023

The City Council of the City of Milford convened in a Workshop Session on Wednesday, December 13, 2023, beginning at 6:02 p.m.

PRESIDING: Vice Mayor Jason James Sr.

IN ATTENDANCE: Mayor Arthur Campbell (virtual)

Councilpersons Dan Marabello, Mike Boyle, Andrew Fulton, Todd Culotta, Brian Baer, and Katrina Wilson

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

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmember Daniel Marabello and Nirmala Samaroo

*PUBLIC COMMENT PERIOD PRIOR TO MEETING*

No one signed up to speak, so Mayor Campbell proceeded with the Workshop Session.

The Workshop Session commenced at 6:02 p.m.

*Delaware League of Local Government Update  
City of Milford Charter Changes<sup>1</sup>  
FY22 Audit Update*

*Delaware League of Local Government (DLLG) Update*

Executive Director Dr. Kevin Spence provided a brief background of the league.

DLLG was established in 1963 and works with 57 municipalities and the three counties in Delaware. It is a member of the National League of Cities that sets best practices for local officials and how to best advocate for communities throughout the country.

Dr. Spence was appointed as the director in September. He has a doctoral degree in educational policy and lengthy international experience working with US State Department grants working with diverse populations and with many different constituents.

He was a Delaware resident from 2003 until 2012. He attended the Graduate School of Journalism at Columbia University, and was a former news reporter, and covered the Delaware General Assembly, as well as local politics in Delaware. He just returned to Delaware in May.

DLLG is funded by commercial and our affiliate partners. He said it is especially useful to governments because they provide training to the local officials and advocate on their behalf for legislation that will impact them and their constituents.

It is more of a clearing house for information. Delaware does not have standard election cycles which means there is constant turnover of elected officials and some with experience and others very new. They work with the University of Delaware who provides training for DLLG to city clerks, for grant writing, etc.

While the monthly meetings are social opportunities, a speaker is chosen to provide information on relevant information to local leaders.

Of the 57 municipalities, DLLG has a 95% membership rate. There are 30 community members that are also commercial, affiliates, or government or academic partners.

Dr. Spence talked about a project he is currently working on with a newly elected Mayor of a small town relating to the establishment of a police commission. He also needs financial advising courses for employees and other officials, as well as other areas.

He supports local leaders, which includes elected officials, as well as city clerks and managers by providing advice and assistance.

The second leg of the 152<sup>nd</sup> legislative assembly starts in January. Two arms are of importance to the league—the executive committee as well as the legislative advocacy committee. He works with the league’s lobbyist, who is a hired consultant, as well as a Delaware Emergency Management Agency (DEMA) grant coordinator. He then provides the legislative advocacy committee and how it will impact their constituents. They come to a consensus which he then provides to the Executive Committee. This then creates one unified voice.

He concluded by stating the league is a nonpartisan, nonpolitical association.

When questioned if Dr. Spence brings new businesses and investments to the area, he explained that is part of the commercial memberships. One of his goals is to increase those memberships with different levels of partnerships. Dues for municipalities are based on a sliding scale, based on the population submitted to Municipal Street Aid.

Dr. Spence then talked about the specific duties assigned to the lobbyist and the grant coordinator, and the legislative process in which Dr. Spence testifies on behalf of the league.

It was confirmed that DLLG still attends the National League of Cities Conference though traditionally the Executive Director and the League President only attends for briefings with other officials.

In March, there is a Congressional City Summit that elected officials also attend and involve arranged meetings with federal, state representatives, etc.

Dr. Spence reiterated that the National League of Cities Conference only involves the League President and the Executive Director. A more general invitation would be the summit that is held in Washington DC at the legislative offices. He will provide additional information for those that are interested.

The league’s annual budget is approximately \$200,000.

The Executive Director is also a member of the International City Manager Association and attended their annual conference in Austin, Texas this past September. He also works closely with the Delaware City Management Association and their attends meetings though they are not a part of the league.

He emphasized the need for elected officials to testify at Legislative Hall when relevant legislation comes up.

### *City of Milford Charter Changes*

Vice Mayor James suggested the Council review the charter included in the packet. He explained the charter defines the powers, functions, and procedures. He that any conflicts in the various areas, or perhaps things that need clarity. The city clerk and manager may also ask for some clarity because they are the ones that deal with this daily.

The Vice Mayor also emphasized that any updates should be considered for what is best for the city, and not an individual councilmember or office. He also talked about the possibility of extending the length of the two-year Council term, as well as staggering the Mayor’s term. He explained his reasoning is based on experience and learning curves.

The City Clerk and Solicitor also shared their experiences when the charter was completely overhauled.

Mayor Campbell recalled his recommendation that all elected terms be made three years, though it was voted down. He agrees that two years is too short. Most of the Mayors have told him they are changing their terms to three years.

Solicitor Rutt explained the legislative process for having the charter made into law.

A lengthy discussion followed regarding the various forms of government in Delaware, term lengths and appointment/election of mayors and/or president of councils.

Council discussed how to address the update, and the City Manager recommends a committee be appointed.

Because of the Council's interest in obtaining public input, the City Clerk suggested adding a potential ordinance/charter question to the ballots for the upcoming annual election regarding the terms of office and any other matter council wants feedback.

When asked how quickly this can be done, Solicitor Rutt believes it would be very difficult to get this through by the end of the legislative session. He recommends the review be done carefully and not rushed.

Solicitor Rutt suggested councilmember go to the city website and review the packet from the February 28, 2017 meeting and look at the amendments and how extensive they were.

The following three steps are needed:

- 1) Mayor put the charter review on the agenda.
- 2) A thorough review of the charter be performed by each Councilmember.
- 3) Each item of interest be presented to the committee.

When asked if the public should be involved, Solicitor Rutt pointed out that each meeting requires a 15-minute comment period and that anyone who wishes to express a concern or suggest a change, can do so during that time. Solicitor Rutt added there would be a public hearing before the final document is presented to the General Assembly.

In response to a question, Solicitor Rutt then reviewed the Public Integrity Commission process, adding the Commission appointments are by the Governor.

#### *FY22 Audit Update*

Finance Director Lou Vitola provided a review of the FY22 Audit, including the financial report and additional operating information (attached).

He stated all core financials are in their final stage. He has been working on the last documents to present to the auditors.

Cash is about \$4.2 million lighter at the end of FY22 ("22") compared to the end of FY21 ("21"), which is the result of ARPA and the first tranche received at the end of 21. That was spent in 22 and received the second tranche at the end of 22. The difference is the \$565,000 spent on the Sharp property and the \$6.5 million paid for the Fry Farm.

The utility funds are up about \$440,000 and the internal service funds and general funds are up \$2.5 million.

Referring to the June 22 finance report that shows \$51,474,000 in cash. The 22 audit shows a grand total of \$51,442,000 as adjusted by the bank reconciliation, for a difference of \$32,000 which is a very minor audit adjustment.

Utilities are showing a surplus of \$2.1 million or 3% of net position.

The June 22 internal financial statement shows \$2.6 million for about 3.5% of net position, or .5% off.

When adjusting for depreciation and amortization, capital outlay, principal and payments made on the debt, USD infrastructure, and wages, that difference was even less narrow.

The governmental primary surplus is \$2.5 million which is almost 9% of the net position.

The June 22 financial statements showed a minor deficit so there is a wider difference, but the government funds have a lot more reported differences between budgetary and gaps.

The remainder of the recording is inaudible.

Please see attached audit update.

The Workshop Session of City Council concluded at 7:56 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

Attachment:  
FY22 Audit Update



# Finance Department

Finance Committee – December 13, 2023

# Status of FY22 Audit

- Core Financial Statements Drafted (Enclosed)
- All supporting audit schedules complete
- All footnote schedules drafted, most in final state
- All footnote narratives drafted
  
- Open Items
  - SEFA Single Audit Schedule – Expected Completion by 12/14/2023
  - Final Internal Review of Audit Documentation – 12/14/2023
  - Document walkthrough and handoff to auditors – 12/15/2023
  - Management’s Discussion & Analysis (MDA) – Concurrent with Audit Review



# Timeline FY22 & FY23 Audit Processes

- FY22 Auditor Review & Testing
  - 2<sup>nd</sup> half of December – preliminary review, initial testing
  - January – review, testing, feedback
  - Tentative – End of February for presentation of audit to City Council
  - Tentative – First or Second Council Meeting in March for Approval
- FY23 Scheduling (Tentative)
  - December – Production of Operating Information, Schedules, Narratives
  - January – Solicitation of Auditor Engagement (FY25-27) & AUP for F/S Production
  - January-February – Production of Core Financial Statements
  - March – Production of Footnote Schedules, Narratives
  - March-April – Auditor Review and Testing, Production of MDA
  - May – presentation of FY23 Audit to City Council
  - June – First or Second Council Meeting in June for Approval
- FY24 Scheduling (Return to Standard Operations)

