

**Mayor and Council of Federalsburg
Monthly Workshop/Special Meeting
Monday, June 15, 2020 @ 6:00 P.M.**

This Meeting is being held at the Mayor and Council Meeting Room.

SPECIAL NOTICE: Due to the current COVID-19 pandemic, there will be no public access to the Mayor and Council Meeting Room. Citizens who wish to participate by video shall follow directions on the Town's website, <http://www.federalsburg.org/> which will be posted one (1) hour before the Meeting. To join by telephone, please call:

+1 510-838-1875 (PIN: 129140287)

Agenda

I. Call to Order

II. Public Hearing

a. ORDINANCE NO. 2020-01. AN ORDINANCE OF THE MAYOR AND COUNCIL OF FEDERALSBURG TO EXECUTE A CONTRACT FOR THE SALE OF ± 4.91 ACRES LOCATED IN THE FRANK ADAMS INDUSTRIAL PARK, FEDERALSBURG, MARYLAND. (POSTPONED – Lyndsey Ryan to provide update)

b. PUBLIC HEARING – Real Property Tax Rate Increase. The Town of Federalsburg is considering not reducing its real property tax rate enough to full offset increasing assessments. The constant yield tax rate is \$0.8617. The Town proposes to adopt a real property tax rate of \$0.880 per \$100 of assessment. This tax rate is 2.1% higher than the constant yield tax rate and will generate \$27,478.00 in additional real property tax revenues.

c. ORDINANCE NO. 2020-02. AN ORDINANCE OF THE MAYOR AND COUNCIL OF FEDERALSBURG ADOPTING A GENERAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021, AND ESTABLISHING A TAX RATE OF \$.88 PER \$100 OF ASSESSED REAL PROPERTY VALUE AND A TAX RATE OF \$1.65 PER \$100 ON ALL COMMERCIAL OR BUSINESS PERSONAL PROPERTY AND ALL RAILROAD AND UTILITY PROPERTY; ESTABLISHING AND ADOPTING THE SAME SERVICE AND ADMINSTRATIVE FEE FOR SEMI-ANNUAL BILLINGS AS ADOPTED BY CAROLINE COUNTY; ESTABLISHING A QUARTERLY WASTE COLLECTION FEE IN THE AMOUNT OF \$39.55 PER QUARTER FOR COMMERCIAL PROPERTIES WHICH RECEIVE WASTE COLLECTION SERVICES AND FOR ALL RESIDENTIAL PROPERTIES LOCATED

WITHIN THE CORPORATE TOWN BOUNDARIES; AND ESTABLISHING A \$6.00 PER ITEM CHARGE FOR EXTRA WASTE COLLECTION ITEMS.

III. Discussion - Solid Waste Collection RFP - Larry DiRe, Town Manager

IV. Discussion - Comcast Cable Franchise - Larry DiRe, Town Manager

V. Discussion – Solar Project Update – Lyndsey Ryan

VI. Discussion - Reopening of Town Hall - Larry DiRe, Town Manager

VII. Mayor & Council Action Items

- * Councilmember Windsor**
- * Councilmember Sewell**
- * Councilmember Phillips**
- * Councilmember Morean**
- * Mayor Abner**

VIII. Adjournment

NOTES:

THE MEETINGS ARE BEING RECORDED, PLEASE TURN OFF ALL CELLULAR DEVICES AND PAGERS DURING THE MEETING, PLEASE REMAIN QUIET, UNLESS ADDRESSING THE COUNCIL.

Please Note: Pursuant to the Annotated Code of Maryland, State Government Article Section 10-508(a), the Council by majority vote may retire to executive or closed session at any time during the meeting. Should the Council retire to executive or closed session; the chair will announce the reasons and a report will be issued at a future meeting disclosing the reasons for such session. Meetings are conducted in Open Session unless otherwise indicated. All or part of Mayor and Council meetings can be held in closed session under the authority of the state open meetings law by vote of the Mayor and Council.

Rules for Public Comment

The Mayor and Council invite and welcome comments at public meetings. The Mayor or presiding officer will recognize you. Please introduce yourself at the podium (spelling your last name, for recording purposes) and give the name of your street and block number (e.g., 100 block of Main Street).

Time limits for speaking are indicated on the meeting agenda. While speaking, please maintain a courteous tone and avoid personal attack.

TOWN OF FEDERALSBURG
FY2020 GENERAL FUND BUDGET PRESENTATION
AS OF: June 15 , 2020

	APPROVED 2019-2020 BUDGET	PROPOSED 2020-2021 BUDGET
GENERAL FUND		
REVENUES		
Taxes	\$ 2,137,751.00	\$ 2,068,620.00
Licenses & Permits	\$ 28,330.00	\$ 33,830.00
Revenue from Other Agencies	\$ 56,142.00	\$ 51,390.00
Service Charges for Current Services	\$ 5,025.00	\$ 4,025.00
Public Safety	\$ 36,640.00	\$ 77,000.00
Sanitation & Waste Removal	\$ 160,513.00	\$ 170,500.00
Recreation	\$ 3,235.00	\$ 3,235.00
Fines & Forfeitures	\$ 100.00	\$ 100.00
Miscellaneous	\$ 108,377.00	\$ 10,977.00
TOTAL REVENUES	\$ 2,536,113.00	\$ 2,419,677.00
EXPENDITURES		
General Government	\$ 513,004.00	\$ 432,229.00
Public Safety	\$ 1,173,187.00	\$ 1,181,532.00
Public Works	\$ 691,787.00	\$ 664,139.00
Recreation and Culture	\$ 28,000.00	\$ 13,800.00
Economic Development	\$ 6,950.00	\$ 4,950.00
Debt Service	\$ 63,317.00	\$ 63,317.00
Miscellaneous	\$ 59,868.00	\$ 59,710.00
TOTAL EXPENDITURES	\$ 2,536,113.00	\$ 2,419,677.00

ORDINANCE NO. 2020-02

AN ORDINANCE OF THE MAYOR AND COUNCIL OF FEDERALSBURG ADOPTING A GENERAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021, AND ESTABLISHING A TAX RATE OF \$.88 PER \$100 OF ASSESSED REAL PROPERTY VALUE AND A TAX RATE OF \$1.65 PER \$100 ON ALL COMMERCIAL OR BUSINESS PERSONAL PROPERTY AND ALL RAILROAD AND UTILITY PROPERTY; ESTABLISHING AND ADOPTING THE SAME SERVICE AND ADMINSTRATIVE FEE FOR SEMI-ANNUAL BILLINGS AS ADOPTED BY CAROLINE COUNTY; ESTABLISHING A QUARTERLY WASTE COLLECTION FEE IN THE AMOUNT OF \$39.55 PER QUARTER FOR COMMERCIAL PROPERTIES WHICH RECEIVE WASTE COLLECTION SERVICES AND FOR ALL RESIDENTIAL PROPERTIES LOCATED WITHIN THE CORPORATE TOWN BOUNDARIES; AND ESTABLISHING A \$6.00 PER ITEM CHARGE FOR EXTRA WASTE COLLECTION ITEMS

WHEREAS, Section C11-1 of the Federalsburg Town Charter requires the Town to establish and operate an annual budget; and

WHEREAS, the Town has determined that it is desirable and in the public interest, and consistent with state law, to establish a General Budget, which is set forth in the attached Exhibit "A"; and

WHEREAS, the Town has determined that it is desirable and in the public interest, and consistent with state law, to establish an Enterprise Budget for the Town's water and wastewater operations, which is also set forth in the attached Exhibit "A" and

WHEREAS, the Town has determined that it is desirable and in the public interest, and consistent with state law to charge a service and administrative fee on semi-annual tax collection billings in the same amount as established by Caroline County, as set forth herein; and

WHEREAS, the Town has determined that it is desirable and in the public interest, and consistent with state law, to establish a quarterly waste collection and disposal fee in the amount of \$37.90 per quarter for commercial properties which receive waste collection services, and for all residential properties within the corporate boundaries of the Town;

NOW, THEREFORE, be it Ordained and Enacted by the Mayor and Council of Federalsburg, Maryland that the following tax rates and fees, revenue and expenditure estimates are adopted for Fiscal Year commencing July 1, 2020:

- Section 1. General Fund
- Section 2. Rate of Taxation on Real Property
- Section 3. Rate of Taxation on Corporation
- Section 4. Service and Administrative Fee
- Section 5. Rate of Taxation on Railroad and Utility Property
- Section 6. Waste Collection Fee

Section 1. General Fund

A. That the following amounts shall be hereby appropriated for the expenditures designated for the fiscal year beginning July 1, 2020 and ending June 30, 2021 for the General Fund:

Activity Title	Approved Budget & Appropriation
EXPENDITURES	
General Government	\$ 432,229.00
Public Safety	\$ 1,181,532.00
Public Works	\$ 664,139.00
Recreation & Parks	\$ 13,800.00
Economic Development	\$ 4,950.00
Debt Service	\$ 63,317.00
Miscellaneous	<u>\$ 59,710.00</u>
TOTAL EXPENDITURES	<u>\$ 2,419,677.00</u>

B. That the following revenues are, in the consideration judgment of the Mayor and Council of Federalsburg a fair appraisal and estimate of the revenues available to finance this budget and these appropriations for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

Source

REVENUES:

Taxes	\$ 2,068,620.00
Licenses & Permits	\$ 33,830.00
Revenue from other Agencies	\$ 51,390.00

Service Charges for Current Services	\$ 4,025.00
Public Safety	\$ 77,000.00
Sanitation and Waste Removal	\$ 170,500.00
Recreation	\$ 3,235.00
Fines and Forfeitures	\$ 100.00
Miscellaneous	\$ 10,977.00
TOTAL REVENUES	<u>\$2,419,677.00</u>

Section 2. Rate of Taxation on Real Estate Property

That the rate of taxation on real property to be taxed within the boundaries of the Town of Federalsburg, Maryland shall be and hereby is established as:

Eighty-eight Cents (\$0.88)

On each one hundred dollars (\$100) of value for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

Section 3. Rate of Taxation on Business Personal Property, Utility Property & Certifications

That the rate of taxation for the fiscal year beginning July 1, 2020 and ending June 30, 2021, on any personal property to be taxed by the Town of Federalsburg, Maryland shall be and hereby is established as:

One Dollar and Sixty-five Cents (\$1.65)

On each one hundred dollars (\$100.00) of assessed valuation, unless otherwise provided for by the Tax Property Article of the Annotated Code of Maryland.

Section 4. Service and Administration Fee Collected by Caroline County Treasurers Office

That the rate of service and administrative fees on semi-annual billings assessed by the Caroline County Tax Office shall be and hereby is established as:

.55% service fee with a 10% administrative fee for 2020-2021. The fee and charge amount to .55%.

This is computed at 2% annual interest divided by twelve months, times three months, October, November & December, times 1.1% for the administrative fee. The County administrative fee of one percent (1%) not to exceed; however, Fifteen Thousand Dollars (\$15,000.00) per year, of taxes collected.

Section 5. Rate of Taxation on Railroad and Utility Property

That the rate of taxation for the fiscal year beginning July 1, 2020 and including June 30, 2021 on any railroad and utility property to be taxed by the Town of Federalsburg, Maryland, shall be and hereby is established as:

One Dollar and Sixty-five cents (\$1.65)

On each one hundred dollars (\$100.00) of assessed valuation, unless otherwise provided for by Md. Code Ann., Tax-Property Article § 6-103.

Section 6. Waste Collection Fee

That the rate of waste collection and disposal fee within the boundaries of the Town of Federalsburg, Maryland shall not change and hereby is established as:

Thirty-Nine Dollars and Fifty-Five Cents (\$39.55) per quarter – Garbage Fee

Six Dollars (\$6.00) per item – Extra Waste Collection Fee

Section 7. In accordance with Section C3-6, of the Federalsburg Town Charter, this Ordinance shall become effective upon passage by the Mayor and Council and recordation in the Minute Books.

	Yea/Nay
Kimberly J. Abner	_____
David A. Morean	_____
Debra Sewell	_____
David S. Phillips	_____
Edward H. Windsor	_____

I hereby certify that the above Ordinance was passed by a yea and nay vote of the Council this _____ day of June, 2020.

Kimberly J. Abner, Mayor

Delivered by the Mayor and recorded by me in the Minute Books of the Mayor and Council of Federalsburg this _____ day of June, 2020.

Kristy L. Marshall, Town Clerk

Approved as to form:

Lyndsey J. Ryan, Town Attorney

Date Introduced: _____

Date Amendments Introduced: _____

Date Passed: _____

Effective Date: _____

**TOWN OF FEDERALSBURG NOTICE
OF A PROPOSED REAL PROPERTY TAX INCREASE**

The Mayor and Council of Federalsburg propose to increase real property taxes.

1. For the tax year beginning July 1, 2020, the estimated real property assessable base will increase by 2.1% from \$147,380,679 to \$150,503,137.

2. If Federalsburg maintains the current tax rate of \$0.880 per \$100 of assessment, real property tax revenues will increase by 2.1% resulting in \$27,478 of new real property tax revenues.

3. In order to fully offset the effect of increasing assessments, the real property tax rate should be reduced to \$0.8617, the constant yield tax rate.

4. The Town is considering not reducing its real property tax rate enough to fully offset increasing assessments. The Town proposes to adopt a real property tax rate of \$0.880 per \$100 of assessment. This tax rate is 2.1% higher than the constant yield tax rate and will generate \$27,478 in additional real property tax revenues.

A public hearing on the proposed real property tax rate increase will be held at 6:00 P.M., on Monday, June 15, 2020 at the Federalsburg Town Office. The hearing is open to the public, and public testimony is encouraged. Due to the COVID-19 pandemic, it is anticipated that the public hearing will be held by video and/or conference call. Instructions for how to access the hearing will be posted at <http://www.federalsburg.org/> prior to the meeting. Persons with questions regarding this hearing may call 410-754-8173 or email kmarshall@federalsburg.org for further information.

By Authority: Mayor and Council of Federalsburg

Kimberly M. Jahnigen Abner, Mayor