



**MAYOR AND COMMISSIONERS OF
THE TOWN OF NORTH EAST**

ORDINANCE NUMBER 2020-05-01

AN ORDINANCE FOR THE PURPOSE OF ADOPTING A FISCAL YEAR 2021 BUDGET, REAL AND PUBLIC UTILITY/RAILROAD OPERATING TAX RATES FOR THE TAXABLE YEAR BEGINNING JULY 1, 2020, AND A HOMESTEAD CREDIT PERCENTAGE TO BE APPLIED FOR THE PURPOSES OF THE HOMESTEAD TAX CREDIT UNDER STATE LAW; STATING CERTAIN PROJECTED EXPENDITURE AND EXPENSE ALLOCATIONS; SPECIFYING CIRCUMSTANCES UNDER WHICH APPROVAL OF THE MAYOR AND COMMISSIONERS IS REQUIRED FOR MODIFICATIONS TO REVENUES AND EXPENDITURES; ESTABLISHING EMPLOYEE SALARY INCREASES, AND GENERALLY RELATED TO A COMPREHENSIVE FISCAL PLAN FOR THE TOWN OF NORTH EAST FOR THE PERIOD JULY 1, 2020 THROUGH JUNE 30, 2021.

WHEREAS, the Mayor and Commissioners of the Town of North East have complied with the Town Charter, causing to have published a notice of the public hearing and holding a public hearing with regard to the budget; and

NOW THEREFORE, BE IT ENACTED BY THE MAYOR AND COMMISSIONERS OF THE TOWN OF NORTH EAST AS FOLLOWS:

SECTION 1. That the "Town of North East Budget: Fiscal Year 2021" as set forth in Exhibit I attached to this Ordinance and incorporated by reference is hereby adopted as the budget for the Town of North East and the amounts shown in the budget appropriated for the period beginning July 1, 2020 through June 30, 2021.

SECTION 2. That the Town of North East Real Property Tax Rate for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021 shall be \$0.4800 per \$100 of assessed property value, and such tax is hereby levied on all real property located in the Town of North East that is subject to municipal taxation.

SECTION 3. That the Town of North East Public Utility Operating Property and Railroad Operating Property tax rates for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021 shall be \$1.2000 per \$100 of assessed property value, and such tax is hereby levied on all public utility and railroad operating property located in the Town of North East that is subject to municipal taxation.

SECTION 4. That for the purposes of the homestead tax credit provided by Section 9-105 of the Tax Property Article of the Annotated Code of Maryland the homestead credit percentage is 108%.

SECTION 5. That the residential refuse fee shall be \$212 per residential unit.

SECTION 6. That the water service charges for all classifications of in-town customers shall be \$10.10 per 1,000 gallons with a minimum charge of 5,000 per equivalent residential unit per quarter for the period beginning July 1, 2020 through June 30, 2021; and that all properties with a water allocation shall be billed a minimum bill regardless of if service has been shut-off either voluntarily or due to non-payment.

SECTION 7. That the water service charges for all classifications of out-of-town customers shall be \$20.20 per 1,000 gallons with a minimum charge of 5,000 per equivalent residential unit per quarter per quarter for the period beginning July 1, 2020 through June 30, 2021; and that all properties with a water allocation shall be billed a minimum bill regardless of if service has been shut-off either voluntarily or due to non-payment.

SECTION 8. That in addition to applicable Major Facilities and Connection Fees, the Ready To Serve charge is an amount equal to one half of the established water service charge times the number of equivalent residential units proposed to be served.

SECTION 9. That an equivalent residential unit shall be calculated by dividing the number of gallons per day required by the *Allocations for Municipal Water Town of North East, Maryland Policies and Procedures* (as adopted and amended by the Mayor and Commissioners) by 250 gallons per day and rounded to the next whole number.

SECTION 10. That upon request and upon availability water will be sold from the plant(s) at a bulk charge rate basis from time to time at the rate of \$50.50 per 1,000 gallons.

SECTION 11. That the Connection Fee for in-town and out-of-town customers for meters up to one inch (1") in size shall be \$2,525.00 for all classifications.

SECTION 12. That the Major Facilities Fee for in-town and out-of-town customers shall be \$3,500 per equivalent residential unit regardless of the number of meters.

SECTION 13. That for the purposes of calculating allocations for residential development, the allocation shall be 250 gallons per day per unit.

SECTION 14. That the Artesian Interconnection Rate shall be \$4.46 per 1,000 gallons with a minimum average daily rate 35,000 gallons per day. And that at Artesian's request the Town shall increase the supply available through the interconnection up to as much as 150,000 gallons per day once the Town has completed scheduled system improvements upon 30 days' notice to the Town. Upon receipt of such a request, the minimum daily rate will be increased by an amount equal to one-third of the requested level of committed available supply.

SECTION 15. That the quarterly Storm Water Management Fee assessed to all in town properties shall be \$5.60 per equivalent residential unit.

SECTION 16. That for the purposes of calculating Storm Water Management Fees for residential development, all residential units comprised of Single Family, Condominium and Townhouses shall be based on an equivalent residential unit of 1,180 square feet of impervious surface regardless of the actual amount of impervious surface.

SECTION 17. That for the purpose of calculating equivalent residential units for all other properties consisting of Apartment Complexes, Commercial, Institutional and Industrial units, the Storm Water Management Fee shall be calculated by dividing the actual square footage of impervious surface by 1,180 square feet rounded to the next whole number.

SECTION 18. That the Fiscal Year 2021 Staffing Table as set forth in Exhibit II and incorporated by reference is hereby adopted for the period beginning July 1, 2020 through June 30, 2021.

SECTION 19. That a 2.5% Cost of Living Adjustments is authorized for all employees of the Town with an effective date of July 1, 2020.

SECTION 20. That unless, or except as, required by State law to be approved by Ordinance, any of the following changes to the Fiscal Year 2021 Budget or allocations between departments shall require approval of the Mayor and Commissioners by Resolution:

1. Changes related to salaries or employee benefits
2. Any increase or decrease in appropriations or expenditures/expenses

SECTION 21. That except as provided in Section 20 of this Ordinance, the head of each department may make expenditure adjustments within the total amount of the allocations for the department without the approval of the Mayor and Commissioners.

SECTION 22. That the optional allowable standard auto mileage reimbursement rate to be equal to the IRS allowable rate at the time of the trip. Employees traveling on official Town business shall also be entitled to meals and incidentals per diem based on rates established by the United States General Services Administration for the city/region they are traveling to. Should the United States Government modify either of these rates, the Town of North East will adopt said rates for the remainder of the fiscal year.

SECTION 23. That the Mayor and Commissioners hereby establish the rate paid to each member of the Board of Supervisors of Elections of \$100.00 annually.

SECTION 24. The committed fund balance for sick leave payouts originally established by Resolution 2015-08-01 shall be increased by \$6,070 to \$61,936.

BE IT ORDAINED AND ESTABLISHED BY THE MAYOR AND COMMISSIONERS OF THE TOWN OF NORTH EAST THAT THE "TOWN OF NORTH EAST FISCAL YEAR 2021 BUDGET" AS SET FORTH IN EXHIBIT I OF THIS ORDINANCE AND INCORPORATED BY REFERENCE IS HEREBY ADOPTED AS THE BUDGET FOR THE TOWN OF NORTH EAST AND THE AMOUNTS SHOWN IN THE BUDGET APPROPRIATED FOR THE PERIOD BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021.

BE IT ALSO ORDAINED AND ESTABLISHED THAT this Ordinance is adopted this 27th day of May, 2020, and shall become effective on July 1, 2020.

MAYOR AND COMMISSIONERS OF THE TOWN OF NORTH EAST

Melissa Cook-MacKenzie
Attested By: Melissa Cook-MacKenzie
Town Administrator

Robert F. McKnight
Robert F. McKnight, Mayor

Absent
Cynthia G. Billig, Commissioner

May 13, 2020
Date Introduced

Hilary A Crothers-Moore
Hilary A. Crothers-Moore, Commissioner

May 27, 2020
Date Passed

Michael Kline
Michael Kline, Commissioner

July 1, 2020
Date Effective

Raymond N. Mitchell
Raymond N. Mitchell, Commissioner

Attachments:
Exhibit I
Exhibit II

TOWN OF NORTH EAST BUDGET: FISCAL YEAR 2021

GENERAL FUND ANTICIPATED REVENUES

ACCOUNT	DESCRIPTION	AMOUNT
10.000.311.10.10	REAL PROPERTY TAXES FULL YEAR	\$ 1,734,224
10.000.311.10.20	REAL PROPERTY TAXES NEW CONSTRUCTION	36,680
10.000.311.10.20	ENTERPRISE TAX CREDIT	15,360
10.000.311.20.10	PUBLIC UTILITY OPERATING PROPERTY	93,312
10.000.318.20.10	FRANCHISE TAXES	58,100
10.000.319.00.00	INTEREST & PENALTIES ON TAXES	4,200
10.000.322.00.05	YARD SALE PERMITS	40
10.000.335.90.10	TRADERS' LICENCES	10,000
10.000.335.90.20	ADMISSIONS & AMUSEMENT TAX	8,000
10.000.337.10.00	CECIL COUNTY TAX DIFFERENTIAL	100,425
10.000.337.20.00	FINANCIAL COOPERATION GRANT	1,178
10.000.337.30.00	HOTEL TAX	105,000
10.000.337.70.00	CECIL COUNTY SOLID WASTE REBATE	6,149
10.000.338.10.00	INCOME TAX	240,000
10.000.340.10.00	SPECIAL EVENT FEES	4,000
10.000.361.00.00	INTEREST REVENUE	4,000
10.000.361.20.00	INTEREST ON LEASE RECEIVABLES	38,273
10.000.362.00.00	RENTS & ROYALTIES	53,177
10.000.369.00.00	MISCELLANEOUS	5,000
10.000.391.00.00	TRANSFERS IN(OUT)	(2,000)
10.000.399.50.00	FUND BALANCE RESOURCES	296,098
10.400.322.00.00	NON BUSINESS LICENCES & PERMITS	400
10.400.322.10.00	BUILDINGS STRUCTURES & EQUIPMENT	6,000
10.400.334.14.05	CRITICAL AREAS	3,500
10.400.341.30.00	ZONING & SUBDIVISION FEES	15,000
10.600.334.16.05	STATE AID FOR POLICE PROTECTION	64,000
10.600.334.16.20	STATE OF MARYLAND GRANT - SAFE STREETS	5,000
10.600.341.10.00	DOCUMENTS & COPIES	500
10.600.351.00.00	FINES & FORFEITS	150
10.700.335.40.00	HIGHWAY USER REVENUES	117,466
10.700.334.30.00	SANITATION-REFUSE FEES	288,948
10.710.347.40.10	PAVILION RENTALS	2,000
TOTAL GENERAL FUND REVENUES		\$ 3,314,180

TOWN OF NORTH EAST BUDGET: FISCAL YEAR 2021

GENERAL FUND EXPENDITURE APPROPRIATIONS

ACCOUNT	DESCRIPTION	AMOUNT
10.100.411	MAYOR & COMMISSIONERS	\$ 34,080
10.200.413	ADMINISTRATION	103,396
10.300.415	FINANCE	96,169
10.400.419	PLANNING	126,394
10.410.419	BOARD OF APPEALS	2,967
10.420.419	CODE ENFORCEMENT	54,502
10.500.419	GENERAL GOVERNMENT	114,937
10.600.421	POLICE	1,448,164
10.601.421	TRAFFIC CONTROL	12,254
10.700.431	MAINTENANCE	1,123,152
10.705.441	HEALTH	4,000
10.710.452	PARKS	27,200
10.750.740	DEBT SERVICE	147,465
10.790.400	ALLOCATIONS	19,500
TOTAL GENERAL FUND EXPENDITURES		\$ 3,314,180

TOWN OF NORTH EAST BUDGET: FISCAL YEAR 2021

WATER SERVICES ENTERPRISE FUND ANTICIPATED REVENUES

ACCOUNT	DESCRIPTION	AMOUNT
50.000.334.50.10	MDE WATER QUALITY GRANTS	\$ 191,500
50.000.334.50.20	MDE WATER QUALITY LOANS	\$ 459,710
50.000.340.10.00	WATER SERVICE CHARGES	\$ 2,890,000
50.000.340.10.20	WATER SERVICE CHARGES - BULK SALES	\$ 10,000
50.000.340.20.00	WATER SERVICE CHARGES - READY TO SERVE	\$ 30,000
50.000.340.70.05	PENALTIES - RETURNED CHECK FEE	\$ 900
50.000.340.70.10	PENALTIES - SECOND NOTICE FEE	\$ 38,000
50.000.340.70.20	PENALTIES - SHUT OFF FEE	\$ 24,000
50.000.340.70.30	PENALTIES - PULL/LOCK METER FEE	\$ 13,700
50.000.355.10.20	CONNECTION FEE	\$ 101,000
50.000.361.00.00	INVESTMENT REVENUE	\$ 4,427
50.000.369.00.00	MISCELLANEOUS	\$ 5,000
50.000.369.10.00	MISCELLANEOUS - WATER CHARGES	\$ 2,000
50.000.399.00.00	FUND BALANCE RESOURCES	\$ 561,120
51.000.355.10.20	MAJOR FACILITY FEES	\$ 143,500
51.000.361.10.00	INVESTMENT EARNINGS - MAJOR FACILITY FEES	\$ 1,215
51.000.399.00.00	RESTRICTED FUND BALANCE RESOURCES	\$ (144,715)

TOTAL WATER SERVICE ENTERPRISE FUND REVENUES \$ 4,331,357

WATER SERVICES ENTERPRISE FUND EXPENDITURE APPROPRIATIONS

ACCOUNT	DESCRIPTION	AMOUNT
50.800.432	WATER ADMINISTRATION	\$ 658,825
50.800.432.80	DEBT SERVICE	\$ 667,771
50.850.432	WATER OPERATIONS	\$ 3,004,761

TOTAL WATER SERVICE ENTERPRISE FUND EXPENDITURES \$ 4,331,357

TOWN OF NORTH EAST BUDGET: FISCAL YEAR 2021

STORM WATER MANAGEMENT ENTERPRISE FUND ANTICIPATED REVENUES

ACCOUNT	DESCRIPTION	AMOUNT
55.000.340.20.00	SERVICE CHARGES - STORM WATER MANAGEMENT	\$ 160,200
TOTAL STORM WATER MANAGEMENT ENTERPRISE FUND REVENUES		<u>\$ 160,200</u>

STORM WATER MANAGEMENT ENTERPRISE FUND EXPENDITURE APPROPRIATIONS

ACCOUNT	DESCRIPTION	AMOUNT
55.725.431	STORM WATER MANAGEMENT	\$ 160,200
TOTAL STORM WATER MANAGEMENT ENTERPRISE FUND EXPENDITURES		<u>\$ 160,200</u>



Ordinance 2020-05-01
Exhibit II- Staffing Table

(*) PROPOSED PROMOTIONS ARE FOR BUDGET PURPOSES ONLY. ALL PROMOTIONS RECOMMENDED BY A DEPARTMENT HEAD REQUIRE APPROVAL OF THE TOWN ADMINISTRATOR/PERSONNEL OFFICER PRIOR TO INITIATING ANY PROMOTIONAL PROCESS.

DEPARTMENT POSITIONS	POSITIONS (*) FISCAL YEAR 2020-2021	
General Government	Full Time	Part Time
Town Administrator	1	
Director of Finance & Administration	1	
Town Clerk	1	
Finance Associate I	0	
Finance Associate II	1	
Billing Specialist I	0	
Billing Specialist II	1	
Clerk	0	1
Director of Planning	1	
Planning & Zoning Assistant	1	
Grant Writer/Project Manager		1
Total	<u>7</u>	<u>2</u>
Maintenance	Full Time	Part Time
Maintenance Supervisor	1	
Maintenance I	2	
Maintenance II	3	
Total	<u>6</u>	<u>0</u>
Police	Full Time	Part Time
Chief	1	
Captain	0	
Lieutenant	1	
Detective Sergeant	1	
Sergeant	1	
Corporal	4	
Patrol Officer	0	
Patrolman First Class	0	
Master Patrolman	2	
Administrative Assistant	1	
Crossing Guard		1
Crossing Guard Substitute		1
Total	<u>11</u>	<u>2</u>
Water	Full Time	Part Time
Water Plant Superintendent	1	
Water Plant Chief Operator	1	
Water Plant Operator	1	
Water Plant Operator Trainee	1	
Administrative Assistant	1	
Total	<u>5</u>	<u>0</u>
Grand Total	29	4