

**MAYOR AND COMMISSIONERS  
TOWN OF NORTH EAST  
106 S. MAIN STREET  
NORTH EAST, MARYLAND 21901**

**In Person and Virtual Budget Workshop Meeting – June 15, 2022**

Mayor Kline called the Budget Workshop to order at 6:05 P.M. Participating were Commissioners Catherine Bernard-Dutton, Hilary A. Crothers-Moore, Raymond Mitchel and Kelly Benson. Also present were, Town Administrator Melissa B. Cook-MacKenzie, Director of Finance Vonnie Stemen and Town Clerk Stephanie Racine-Dean.

**OPENING COMMENTS**

Mrs. Cook-MacKenzie presented the Fiscal Year 2023 budget request for the General and Enterprise Funds. The requested budget includes:

- 6.0 % cost of living adjustment for employees
- Partial Adjustments for selected employees based up on salary study
- Promotions in Police and Maintenance Departments

**GENERAL FUND**

Mayor Kline asked the Town Administrator and the Director of Finance to review the budget with the Board.

- Real Property Tax Rate, is proposed to remain the same at \$0.48 per \$100.00 of assessed value, which is lower than the Constant Yield Tax Rate of \$0.4755.
- Public Utility and Railroad operating property tax rate is projected to remain the same at \$1.20 per \$100.00 of assessed value.
- Refuse Fee is proposed to increase from \$218.00 to \$273.24 annually per unit as a result of scheduled fee increase under the Town's contract with Republic Services.
- Proposed budget uses \$258,726 of fund balance for one-time, non-recurring expenditures. This will leave an estimated \$2,714,952 million in fund balance that could be spent in the future (after accounting for required reserves).

**Projects and Capital Items**

- \$10,000 CAFR Software Finance
- \$5,000 Social Media Archiving Software
- \$74,000 Town Hall Roof replacement
- \$9,842 Server & IT Equipment for Town
- \$141,300 Three new Public Safety Vehicles (SUV's)
- \$10,376 Live Scan Equipment – replacement for Public Safety
- \$13,475 Server and Computers for Public Safety
- \$30,000 Renovate former Library for Public Safety Administration
- \$8,000 Electric Salt Dog for Maintenance Department
- \$1,500 Lights & Decals for Ford F650 Dump Truck purchased in FY 2022
- \$46,500 Crouch Pavilion –Replace
- \$35,000 New Santa House (new location)
- \$25,000 Jackson House Paving (paving)
- \$7,000 North East Preserve Expansion
- \$30,000 Park Walkway (replacement at N.E.C.P.)
- \$101,359 Camera & Alarm System (remaining balance)

**WATER (ENTERPRISE) FUND**

The Water Service Charges will remain the same as the current year: In Town Rate \$50.50 for 5,000 gallons minimum plus \$10.10 per 1,000 gallons over the minimum, Out of Town Rate \$101.00 for 5,000 gallons minimum plus \$20.20 per 1,000 gallons over the minimum. Note: Multi-Use and/or Multi-Unit is charged per business or residential unit served regardless of the number of meters serving said units. There will be a rate and fee study commissioned for FY 2024.

Ready to Serve Charges/Rates, this charge is in addition to the current connection fee charge/rate and Major Facilities fee charge/rate. The ready to serve/charge/rate is an amount equal to one half of the established water service charge/rate times the number of units proposed to be served or the equivalent residential units (ERU). For subdivision development and single lot parcel development, the ready to serve charge/rate will be in the amount of one half of the standard minimum water service charge/rate for the property locations, based upon the number of units. For commercial, industrial, instrumental, multi-unit and any other development, as calculated above, the ready-to-serve charge in lieu of user fees will be based upon the number of equivalent residential units for the allocation of water. An equivalent residential unit (ERU) is calculated by dividing the number of gallons in the requested allocations by the number of gallons in the town's established average for residential consumption of water. The current average for purposes of calculating allocations for residential development is 250 gallons per day per unit.

Bulk Charges/Rates upon request and upon availability water will be sold from the plant(s) at a bulk charge/rate basis from time to time. The bulk charge/rate is projected to remain unchanged from \$50.50 per 1,000 gallons.

The Water Connection Fee Charges/Rates will not increase: In Town Rate for meters up to one inch (1”), the Connection Fee/Charge Rate, \$2,525.00 for all classifications.

The Major Facility Fee Charge will not increase: In Town Rate and Out of Town Rate for all classifications, \$3,500.00 times the number of units proposed to be served or per ERU (Equivalent Residential Unit), regardless of the number of meters.

For purposes of this matter classification are considered to be, but not limited to, Commercial, Industrial, Institutional, Multi Use, Multi Unit and Residential.

Proposed budget uses \$825,447 of fund balance for one-time, non-recurring expenditures. This will leave an estimated \$2,247,743 in the fund balance that could be used in the future.

**Projects and Capital Items – 20 Year Approved Plan**

- \$372,000 Engineering FY 2023
- \$830,000 Leslie Pond
- \$290,000 Powder Activated Carbon Leslie & Rolling Mill Plants (total cost is \$580,000 balance to occur in FY 2024)
- \$24,000 Two Valve Replacements for the Distribution System
- \$5,000 Hydrant Locks
- \$9,000 Upgrade Two Turbidity Meters
- \$12,500 Replace Lab Equipment

**Storm Water Management (Enterprise) Fund**

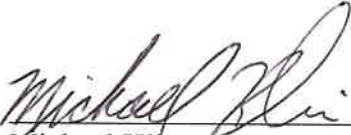
The FY 2024 proposed budget is to remain the same at \$5.60 per quarter per equivalent residential unit (ERU).

The proposed budget includes evaluation of purchasing credits to meet the MS4 Permit.

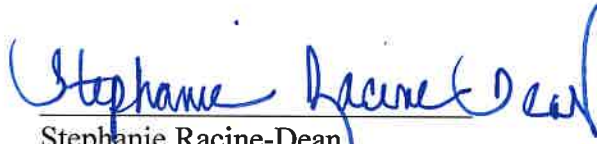
**ADJOURNMENT**

With there being no further business to discuss, the meeting adjourned at 7:05 P.M.

Attest:

  
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Michael Kline, Mayor

Respectfully submitted,

  
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Stephanie Racine-Dean  
Town Clerk