

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

Budget Workshop Meeting – April 23, 2025

Director of Finance Vonnie Stemen called the Budget Workshop to order at 5:45 P.M. Participating were Mayor Kelly Benson, Vice-Mayor Kimberly Davis, Hilary A. Crothers-Moore and Neal DeMatt. Also present were, Town Administrator Melissa Cook-MacKenzie, Assistant Town Administrator Grant Handley and Town Clerk Stephanie Racine-Dean. Absent from tonight's meeting, Commissioner Catherine Bernard-Dutton.

OPENING COMMENTS

Mrs. Stemen presented the Fiscal Year 2026 budget request for the General Fund, Water Fund and Storm Water Management Fund. The requested budget includes:

Salaries & Wages

- Cost of living adjustment for employees is 3.9%
- One Police Officer Promotion
- Three Police Cadet Promotions
- One Police Administrative position added for full-time at 30 hours a week
- A Comprehensive Compensation Study is planned for Fiscal Year 2026. Each of the three Funds has contingency included to begin to implement the results of the Study
- The personnel need has been identified for Planning and Zoning Code Enforcement and Administration Support for the Town Administrator. Development of the position(s) is planned for Fiscal Year 2026. The General Fund has contingency included to support the personnel need.

GENERAL FUND

Vice-Mayor Benson asked 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
- Refuse Fee is proposed to increase from \$309.36 to \$321.73 to \$334.60 which includes household and recyclables

Projects and Capital Items

- General Government
 - \$ 100,000 – Lock-up Interior Restoration
 - \$ 30,400 - IT Desktops Obsolete Replacement & Office 2024 Licenses
- Public Safety
 - \$ 66,000 - 2026 Ford Explorer & Equipment
 - \$ 12,000 - IT Desktops & Laptops Obsolete Replacement & Office 2024 Licenses
 - \$ 7,800 - Front Steps for Buildings
 - \$ 7,800 - PolyCom for Remote Offices Court Appearances
 - \$ 7,662 - Axon Body Cam System
- Maintenance
 - \$ 105,100 – 2025 F-350 Truck with Plow & Salt Spreader
- Parks
 - \$ 30,000 – Water Street Pocket Park

WATER (ENTERPRISE) FUND

The Water Service Charges/Rates will increase from the current year: In Town Rate \$55.60 to \$575.30 for 5,000 gallons minimum plus \$11.12 to \$11.46 per 1,000 gallons over the minimum, Out of Town Rate \$111.20 to \$114.60 for 5,000 gallons minimum plus \$22.24 to 22.92 per 1,000 gallons over the minimum. Artesian Interconnection will stay at the current amount \$14,049 for 35,000 gallon/day minimum and \$4.46 per 1,000 gallon 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.

Ready to Serve Charges/Rates is one-half of water service fee. 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 will increase from the current year from \$55.60 to \$57.30 per 1,000 gallons.

Hydrant Meter serving construction site, In Town \$11.46 per 1,000 gallon or Out of Town \$22.92 per 1,000 gallon over the minimum.

The Water Connection Fee Charges/Rates will increase: In Town Rate for meters up to one inch (1"), the Connection Fee/Charge Rate, \$2,825.00 for all classifications.

The Major Facility Fee Charge will increase: In Town Rate and Out of Town Rate for all classifications, \$4,100.00 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.

Projects and Capital Items:

- \$5,850 - Tablets installed in Trucks (5) & Mounting Brackets
- \$5,000 - Hydrant Locks

Storm Water Management Fund:

- The FY 2026 proposed budget will increase from \$5.60 to \$5.90 per quarter per equivalent Residential Unit (ERU)

Administrative Fee Schedule

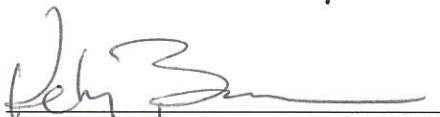
An internal study of the current fees was conducted and rate increases proposed.

ADJOURNMENT

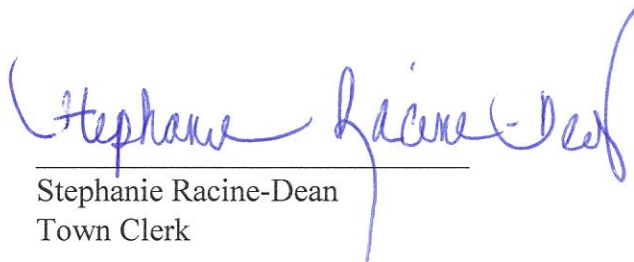
With there being no further business to discuss, the meeting adjourned at 6:33 P.M.

Attest:

Respectfully submitted,



Kelly A. Benson, Mayor



Stephanie Racine-Dean
Town Clerk