



**MAYOR AND COMMISSIONERS OF
THE TOWN OF NORTH EAST
ORDINANCE NUMBER 2024-05-01**

AN ORDINANCE FOR THE PURPOSE OF ADOPTING THE FISCAL YEAR 2025 BUDGET, REAL AND PUBLIC UTILITY/RAILROAD OPERATING TAX RATES FOR THE TAXABLE YEAR BEGINNING JULY 1, 2024, 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, 2024 THROUGH JUNE 30, 2025.

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 2025 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, 2024 through June 30, 2025;

SECTION 2. That the Town of North East Real Property Tax Rate for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025 shall remain the same at \$0.4800 per \$100.00 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, 2024 and ending June 30, 2025 shall remain the same at \$1.200 per \$100.00 of assessed property value, and such tax is hereby levied on all public utility operating property 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 percent;

SECTION 5. That the annual residential refuse fee shall increase from \$309.36 to \$321.73 per residential unit;

SECTION 6. That the water service charges for all classifications of in-town customers shall increase to \$11.12 per 1,000 gallons with a minimum bill of 5,000 gallons per equivalent residential unit per quarter for the period beginning July 1, 2024 through June 30, 2025; and that all properties with a water allocation shall be billed a minimum bill regardless of the water service having 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 increase to \$22.24 per 1,000 gallons with a minimum bill of 5,000 gallons per equivalent residential unit per quarter for the period beginning July 1, 2024 through June 30, 2025; and that all properties with a water allocation shall be billed a minimum bill regardless of the water service having 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 \$11.12 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 increase to \$2,825.00 for all classifications;

SECTION 12. That the Major Facilities Fee for in-town and out-of-town customers shall increase to \$4,100.00 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 quarterly Storm Water Management Fee assessed to all in town properties shall remain the same at \$5.60 per equivalent residential unit;

SECTION 15. 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 16. 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 17. That the Fiscal Year 2025 Staffing Table as set forth in Exhibit II attached to this Resolution and incorporated by reference is hereby adopted for the period beginning July 1, 2024 through June 30, 2025;

SECTION 18. That a 3%.Cost of Living Adjustment is authorized for all employees of the Town with an effective date of July 1, 2024;

SECTION 19. That unless, or except as, required by State law to be approved by Resolution, any of the following changes to the Fiscal Year 2025 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 20. That except as provided in Section 19 of this Resolution, 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 21. 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 during the fiscal year, the Town of North East will apply said rates for the remainder of the fiscal year;

SECTION 22. 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 23. The committed fund balance for sick leave payouts originally established by Resolution is \$28,848.32;

BE IT ORDAINED AND ESTABLISHED BY THE MAYOR AND COMMISSIONERS OF THE TOWN OF NORTH EAST THAT THE TOWN OF NORTH EAST FISCAL YEAR 2025 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, 2024 AND ENDING JUNE 30, 2025.

BE IT ALSO ORDAINED AND ESTABLISHED THAT this Ordinance is adopted this 22nd day of May 2024, and shall become effective on July 1, 2024.

ORDINANCE 2024-05-01
MAYOR AND COMMISSIONERS OF
THE TOWN OF NORTH EAST

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

Kelly Benson
Kelly A. Benson, Mayor

May 8, 2024
Date Introduced

Catherine Bernard-Dutton
Catherine Bernard-Dutton, Commissioner

May 22, 2024
Date Passed

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

July 1, 2024
Date Effective

Kimberly A. Davis
Kimberly A. Davis, Commissioner

Vacant

Commissioner

Attachments: Exhibit I and Exhibit II

TOWN OF NORTH EAST
PROPOSED BUDGET: FISCAL YEAR 2025

GENERAL FUND ANTICIPATED REVENUES

| ACCOUNT | DESCRIPTION | PROPOSED BUDGET FY2025 | APPROVED BUDGET FY2024 | NOTES |
|-----------------------------|---|---------------------------|---------------------------|---|
| 10.000.311.10.10 | REAL PROPERTY TAXES FULL YEAR | \$2,612,620 | \$2,360,252 | CALCULATED FROM 2024 CONSTANT YIELD TAX RATE CERTIFICATION |
| 10.000.311.10.20 | REAL PROPERTY TAXES NEW CONSTRUCTION | 5,000 | 5,000 | |
| 10.000.311.10.30 | ENTERPRISE TAX CREDIT | 129,257 | 136,418 | AMOUNT GIVEN BY CECIL COUNTY |
| 10.000.311.20.10 | PUBLIC UTILITY OPERATING PROPERTY | 117,858 | 115,237 | |
| 10.000.318.20.10 | FRANCHISE TAXES | 66,481 | 65,200 | |
| 10.000.319.00.00 | INTEREST & PENALTIES ON TAXES | 4,000 | 7,000 | |
| 10.000.322.00.05 | YARD SALE PERMITS | 60 | 0 | |
| 10.000.335.90.10 | TRADERS' LICENCES | 12,000 | 10,288 | |
| 10.000.335.90.20 | ADMISSIONS & AMUSEMENT TAX | 9,000 | 8,500 | |
| 10.000.337.10.00 | CECIL COUNTY TAX DIFFERENTIAL | 134,300 | 141,020 | ACTUAL FY24 |
| 10.000.337.20.00 | FINANCIAL COOPERATION GRANT | 1,178 | 1,178 | |
| 10.000.337.30.00 | HOTEL TAX | 210,000 | 230,633 | ACTUAL FY24 PROJECTED |
| 10.000.337.70.00 | CECIL COUNTY SOLID WASTE REBATE | 6,148 | 6,148 | |
| 10.000.338.10.00 | INCOME TAX | 535,200 | 481,203 | ACTUAL FY24 PROJECTED |
| 10.000.340.10.00 | SPECIAL EVENT FEES | 5,000 | 5,000 | |
| 10.000.361.00.00 | INTEREST REVENUE | 211,000 | 108,000 | ACTUAL FY24 PROJECTED |
| 10.000.361.20.00 | INTEREST ON LEASE RECEIVABLES | 38,373 | 37,693 | |
| 10.000.369.00.00 | MISCELLANEOUS | 5,000 | 5,000 | |
| 10.000.370.00.00 | ARPA GENERAL FUND REVENUE | 0 | 81,172 | ARPA FUNDS TRANSFERRED IN AS SPENT & BUDGET AMENDED |
| 10.000.392.00.00 | PROCEEDS SALE OF FIXED ASSETS | 1,000 | 1,000 | |
| 10.000.399.50.00 | FUND BALANCE RESOURCES | (139,066) | 85,800 | BALANCING OF FUND & TRANSFERRING IN FUNDS RESTRICTED FROM PRIOR YEARS |
| 10.400.322.00.00 | NON BUSINESS LICENCES & PERMITS | 600 | 500 | |
| 10.400.334.14.05 | BUILDINGS STRUCTURES & EQUIPMENT | 7,000 | 9,900 | |
| 10.400.341.30.00 | ZONING & SUBDIVISION FEES | 3,500 | 3,500 | |
| 10.420.351.00.00 | FINES & FORFEITS | 3,000 | 4,000 | |
| 10.600.334.16.20 | STATE AID FOR POLICE PROTECTION | 1,200 | 1,200 | |
| 10.600.341.10.00 | DOCUMENTS & COPIES | 95,000 | 104,152 | ACTUAL FY24 |
| 10.600.351.00.00 | FINES & FORFEITS | 3,000 | 38,055 | |
| 10.700.335.40.00 | HIGHWAY USER REVENUES | 900 | 600 | |
| 10.700.334.30.00 | SANITATION-REFUSE FEES | 180 | 100 | |
| 10.710.334.71.20 | MD DNR COMMUNITY PARKS & PLAYGROUND GRANT | 208,360 | 171,911 | ACTUAL FY24 PROJECTED |
| 10.710.347.40.10 | PAVILION RENTALS | 526,029 | 478,889 | EQUAL TO EXPENSE BASED ON CONTRACT & CURRENT # OF CUSTOMERS |
| 10.710.347.40.20 | LEGACY BRICKS REVENUES | 0 | 141,716 | ONE TIME GRANT FOR FY24 |
| | | 3,300 | 2,100 | ONE TIME PROJECT FOR FY24 |
| | | 0 | 60,300 | |
| TOTAL GENERAL FUND REVENUES | | \$4,816,478 | \$4,908,665 | |

TOWN OF NORTH EAST
PROPOSED BUDGET: FISCAL YEAR 2025

GENERAL FUND EXPENDITURE APPROPRIATIONS

| ACCOUNT | DESCRIPTION | PROPOSED BUDGET FY2025 | APPROVED BUDGET FY2024 | NOTES |
|---------------------------------|-----------------------|---------------------------|---------------------------|--|
| 10.100.411 | MAYOR & COMMISSIONERS | \$74,782 | \$49,074 | INCREASED \$25,000 TO FUND APPROVED ADVERTISING BUDGET FOR TOURISM |
| 10.200.413 | ADMINISTRATION | 343,575 | 326,776 | |
| 10.300.415 | FINANCE | 125,191 | 140,465 | REDUCED HEALTH BENEFIT FOR NEW HIRE & ELIMINATE CAFR SOFTWARE PURCHASE |
| 10.400.419 | PLANNING | 164,526 | 156,207 | |
| 10.410.419 | BOARD OF APPEALS | 4,380 | 3,267 | |
| 10.420.419 | CODE ENFORCEMENT | 63,545 | 57,763 | |
| 10.500.419 | GENERAL GOVERNMENT | 133,441 | 121,975 | |
| 10.600.421 | PUBLIC SAFETY | 2,244,528 | 2,048,213 | |
| 10.601.421 | TRAFFIC CONTROL | 14,829 | 15,276 | NEW CROSSING GUARD AT LOWER RATE THAN PREVIOUS |
| 10.700.431 | MAINTENANCE | 1,401,065 | 1,472,070 | REDUCED CAPITAL PROJECTS DUE TO ARPA |
| 10.710.452 | PARKS | 60,300 | 336,491 | REDUCED CAPITAL PROJECTS DUE TO ARPA |
| 10.750.740 | DEBT SERVICE | 147,316 | 147,588 | |
| 10.790.400 | ALLOCATIONS | 39,000 | 33,500 | |
| TOTAL GENERAL FUND EXPENDITURES | | \$4,816,478 | \$4,908,665 | |

**TOWN OF NORTH EAST
PROPOSED BUDGET: FISCAL YEAR 2025**

WATER SERVICES ENTERPRISE FUND ANTICIPATED REVENUES

| ACCOUNT | DESCRIPTION | PROPOSED BUDGET | APPROVED BUDGET | NOTES |
|--|---|--------------------|--------------------|---|
| | | FY2025 | FY2024 | |
| 50.000.331.10.20 | ARPA REVENUE WATER FUND | 0 | 952,570 | ARPA FUNDS TRANSFERRED IN AS SPENT & BUDGET AMENDED |
| 50.000.340.10.00 | WATER SERVICE CHARGES | 4,095,035 | 3,173,613 | REFLECTS RATE INCREASE & GROWTH |
| 50.000.340.10.20 | WATER SERVICE CHARGES - BULK SALES | 12,000 | 3,300 | |
| 50.000.340.20.00 | WATER SERVICE CHARGES - READY TO SERVE | 48,470 | 48,422 | |
| 50.000.340.70.05 | PENALTIES - RETURNED CHECK FEE | 1,500 | 1,200 | |
| 50.000.340.70.10 | PENALTIES - SECOND NOTICE FEE | 48,000 | 41,568 | |
| 50.000.340.70.20 | PENALTIES - SHUT OFF FEE | 13,200 | 25,740 | |
| 50.000.340.70.30 | PENALTIES - PULL/LOCK METER FEE | 9,900 | 2,840 | |
| 50.000.355.10.20 | CONNECTION FEE | 169,500 | 151,500 | REFLECTS RATE INCREASE |
| 50.000.361.00.00 | INVESTMENT REVENUE | 149,800 | 56,433 | PREVIOUS YEAR BUDGET TOO LOW |
| 50.000.369.00.00 | MISCELLANEOUS | 9,700 | 17,415 | |
| 50.000.399.00.00 | FUND BALANCE RESOURCES | 0 | 922,792 | NOT NEEDED DUE TO RATE INCREASE |
| 51.000.355.10.20 | MAJOR FACILITY FEES | 246,000 | 210,000 | REFLECTS RATE INCREASE |
| 51.000.361.10.00 | INVESTMENT EARNINGS - MAJOR FACILITY FEES | 57,100 | 22,631 | PREVIOUS YEAR BUDGET TOO LOW |
| 51.000.399.00.00 | RESTRICTED FUND BALANCE RESOURCES | (303,100) | (232,631) | BALANCING OF FUND |
| TOTAL WATER SERVICE ENTERPRISE FUND REVENUES | | <u>\$4,557,105</u> | <u>\$5,397,393</u> | |

WATER SERVICES ENTERPRISE FUND EXPENDITURE APPROPRIATIONS

| ACCOUNT | DESCRIPTION | PROPOSED BUDGET | APPROVED BUDGET | NOTES |
|--|----------------------|--------------------|--------------------|---------------------------------------|
| | | FY2025 | FY2024 | |
| 50.800.432 | WATER ADMINISTRATION | \$1,741,887 | \$1,655,604 | |
| 50.800.432.80 | DEBT SERVICE | \$701,305 | 665,966 | INCREASE DUE TO MDE STORAGE TANK LOAN |
| 50.850.432 | WATER OPERATIONS | \$2,113,913 | 3,075,823 | REDUCED CAPITAL PROJECTS DUE TO ARPA |
| TOTAL WATER SERVICE ENTERPRISE FUND EXPENDITURES | | <u>\$4,557,105</u> | <u>\$5,397,393</u> | |

TOWN OF NORTH EAST
PROPOSED BUDGET: FISCAL YEAR 2025
STORM WATER MANAGEMENT ENTERPRISE FUND ANTICIPATED REVENUES

| ACCOUNT | DESCRIPTION | PROPOSED BUDGET FY2025 | APPROVED BUDGET FY2024 | NOTES |
|---|--|---------------------------|---------------------------|--|
| 55.000.340.20.00 | SERVICE CHARGES - STORM WATER MANAGEMENT | \$190,426 | \$189,812 | |
| 55.000.370.00.00 | ARPA SWM FUND REVENUE | \$0 | \$270,892 | ARPA FUNDS TRANSFERRED IN AS SPENT & BUDGET AMENDED |
| 55.000.399.00.00 | FUND BALANCE RESOURCES | \$0 | \$109,039 | NOT NEEDED DUE TO DEPRECIATION OF NORTH EAST ISLES & TIMBERBROOK END |
| TOTAL STORM WATER MANAGEMENT ENTERPRISE FUND REVENUES | | <u>\$190,426</u> | <u>\$569,743</u> | |

STORM WATER MANAGEMENT ENTERPRISE FUND EXPENDITURE APPROPRIATIONS

| ACCOUNT | DESCRIPTION | PROPOSED BUDGET FY2025 | APPROVED BUDGET FY2024 | NOTES |
|---|------------------------|---------------------------|---------------------------|---|
| 55.725.431 | STORM WATER MANAGEMENT | \$190,426 | \$569,743 | REDUCED DUE TO NO ARPA PROJECT AND DEPRECIATION OF NORTH EAST ISLES & TIMBERBROOK END |
| TOTAL STORM WATER MANAGEMENT ENTERPRISE FUND EXPENDITURES | | <u>\$190,426</u> | <u>\$569,743</u> | |

Town of North East Staffing Table - Fiscal Year 2024-2025

Ordinance 2024-05-01/ Exhibit II

(*) 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.

| DEPARTMENTS POSITIONS | | POSITIONS(*) | | POSITIONS(*) | |
|---------------------------|------------------------------------|--------------|-----------|--------------|----------|
| | | FY2024 | FY 2025 | FY 2024 | FY 2025 |
| | | FT | FT | PT | PT |
| General Government | | | | | |
| Admin | Town Administrator | 1 | 1 | | |
| Admin | Assistant Town Administrator | 1 | 1 | | |
| Admin | Town Clerk | 1 | 1 | | |
| Admin | Clerk | 0 | 0 | 1 | 1 |
| Admin | Grant Writer | 1 | 1 | | |
| Finance | Director of Finance | 1 | 1 | | |
| Finance | Finance Associate II | 1 | 1 | | |
| Finance | Finance Associate I | 0 | 0 | | |
| Finance | Billing Specialist II | 1 | 1 | | |
| Finance | Billing Specialist I | 0 | 0 | | |
| Planning | Director of Planning | 1 | 1 | | |
| Planning | Planning & Zoning Assistant | 1 | 1 | | |
| Planning | Planning & Zoning Assistant | 0 | 0 | 1 | 1 |
| | Total | 9 | 9 | 2 | 2 |
| Maintenance | | | | | |
| | Maintenance Supervisor | 1 | 1 | | |
| | Maintenance I | 2 | 2 | | |
| | Maintenance II | 2 | 2 | | |
| | Maintenance III/Seasonal | 0 | 0 | | |
| | Total | 5 | 5 | 0 | 0 |
| Public Safety | | | | | |
| | Chief | 1 | 1 | | |
| | Captain | 0 | 0 | | |
| | Lieutenant | 1 | 1 | | |
| | Detective Sergeant | 0 | 0 | | |
| | Sergeant | 1 | 2 | | |
| | Corporal | 5 | 1 | | |
| | Master Patrolman | 0 | 2 | | |
| | Patrolman 1st Class | 3 | 2 | | |
| | Patrol Officer | 1 | 5 | | |
| | Uncertified - Cadet | 0 | 0 | | |
| | Administrative Assistant | 1 | 1 | | |
| | Crossing Guard | | | 2 | 2 |
| | Total | 13 | 15 | 2 | 2 |
| Water | | | | | |
| | Superintendent | 1 | 1 | | |
| | Chief Operator | 1 | 1 | | |
| | Chief Distribution System Operator | 1 | 1 | | |
| | Operator | 1 | 2 | | |
| | Trainee | 1 | 1 | | |
| | Administrative Assistant | 1 | 1 | | |
| | Total | 6 | 7 | 0 | 0 |
| GRAND TOTAL | | 33 | 36 | 4 | 4 |