

**COUNTY COUNCIL OF CECIL COUNTY
WORK SESSION MINUTES
November 23, 2021**

OPEN SESSION – Elk Room

4:30 P.M.

NOTE: The recording and transcription of this meeting are available on the County website at www.ccgov.org/council.

PRESENT: Council Members: Robert Meffley, William Coutz, and Al Miller. James Massey, Council Manager; Terry Hale, Council Assistant, members of the administration, and members of the public.

Absent: Jackie Gregory, Donna Culberson

Call to Order

Council President Meffley called the meeting to order at 4:30 pm, and announced that there were three Council Members present, which constitute a quorum. Vice President Gregory and Councilwoman Culberson were absent.

CLOSED SESSION

November 9, 2021

5:30 P.M.

On motion made by Councilman Coutz, seconded by Vice President Gregory, the Council moved to convene a closed session, pursuant to the Maryland Annotated Code, General Provisions § 3-305 (b)(1) to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or any other personnel matter that affects one or more specific individuals.

Roll Call Vote: Coutz-Y, Miller-Y, Gregory-Y, Meffley-Y

The motion was approved unanimously by a vote of 4 to 0. Council district 4 is vacant.

PRESENT: Council Members: President Meffley, Vice President Gregory, Councilman Coutz, Councilman Miller; James Massey, Council Manager; Terry Hale, Council Assistant. Also: Ed Larsen, Donna Culberson, and Richard Wilson.

The Council conducted interviews with the three nominees for the 4th councilmanic district.

On motion made by Councilman Coutz, seconded by Vice President Gregory, the Council concluded the work session at 6:59 p.m.

Council President Meffley suspended the rules because Councilman Coutz was delayed. He arrived at 4:38 pm.

COUNCIL MANAGER REPORT

James Massey, Council Manager, announced that the newly formed Residential Noise Committee will meet on Tuesday, December 14 at 6:30 pm in the Elk Room of the County Administration

Building. Members include Ron McNeal, Garrett Preisch, John Bragg, Gianmarco Martuscelli, Sam Goldwater, Bill Meehan, Gordon Speir, and Paula Gilley. Major George Stanko will be representing the Sheriff's Office.

COUNCIL MEMBER ITEMS

Councilman Miller commented that it was a busy week. He attended the School of Technology open house and stated how pleased he was that over 900 students attended who were interested in attending the school next year. He attended the Citizen of the Year banquet and applauded Margie Blystone, the award winner for her years of volunteering on behalf of the Town of Elkton. He attended the First Responders Appreciation Dinner and commended the men and women who were recognized. He also encouraged the public to get vaccinated and advised that shots and boosters were available through the Health Department by online registration.

Council President Meffley attended the ribbon cutting of the county's new Port Deposit Wastewater Treatment Plant that will serve the Town of Port Deposit and developments at Bainbridge. He attended the Citizen of the Year Banquet and praised Margie Blystone for her dedication to the Town. He attended the First Responders Appreciation Dinner and commended all the first responders for their service. He also attended the Philadelphia Eagles game.

Councilman Coutz thanked the audience and administration for attending. He attended the First Responders Appreciation dinner and stated that the event recognized volunteers and employees from fire companies, municipal police, and county law enforcement.

Council President Meffley asked Lawrence Scott, County Attorney, about the use of the county seal by private organizations and businesses. Mr. Scott stated that there have been wide differences of opinions on the use of a government seal. He stated that the County has not specified any requirements to use the seal. He stated that some organizations such as the Republican Central Committee are recognized by the State and may have the right to use the seal. He also stated that the county seal has not been copyrighted or trademarked. He stated that the county is not in a position to deny the use of the county seal to other organizations.

Approval of Minutes

Councilman Miller requested a correction in the minutes on page 3 under Council Member Comments that he spoke to the Rising Sun Historic Society. The minutes will be amended to reflect this change.

On a motion made by Councilman Coutz, seconded by Councilman Miller, the Council moved to approve the minutes of the Council work session of November 16, 2021, as amended. The motion was approved by a voice vote of 3 to 0.

FY 2021 Annual Report

James Appel, Finance Director, provided a summary of the annual report for Council Members. He also distributed copies of the Comprehensive Annual Financial Report for FY 2021. The revenue and expenditures by major departments in the general fund, showed the actual revenue of \$228,808,943, compared to a budget of \$207,679,894, resulted in

\$23,626,823 better than budget. The report showed the actual expenditures of \$207,364,863, compared to a budget of \$209,862,637, resulting in \$2,497.774 better than budget. He stated that actual revenues over expenditures is \$23,626,823 better than budget.

He said that the good budget year may have been due to a boom in real estate property tax and that most departments came in under budget.

Council questions and comments ensued. Councilman Miller clarified that the \$2.1M supplemental appropriation to the public schools will show in the FY 22 budget from the fund balance. Council President Meffley clarified that the purchase of the former Cecil Bank building of \$1.7M included the purchase cost of the building of \$1.3M and an estimated \$360,000 for additional improvements. Councilman Miller clarified that the administration building improvements were paid by Cares Act funding. Mr. Scott offered a tour of the renovated spaces. Council President Meffley requested a cost breakdown of renovations. Lawrence Scott, County Attorney, stated that the Council had already approved the use of Cares Act funds by legislation. Mr. Scott stated that Cares Act funding could be used for emergency services, for COVID related costs and salary adjustments. Council President Meffley asked to see a list in more detail.

Mr. Appel reviewed the changes in the fund balance during FY 21. The fund balance in the general fund shows a beginning balance of \$54,524,880; and an ending balance of \$75,968,960, which is an increase of about \$21M. He stated that \$2,775,429 was set aside for the motor vehicle fund, \$3,209,820 for the IT fund, and \$363,583 to inventory and prepaid. He stated that there are two items committed, which include two ambulances (\$50,000) and CIP carryover for the school system (\$32,000).

Mr. Appel reviewed the assigned projects in the Fund Balance of \$57,798,566. He stated that the emergency reserve, also called rainy day fund, is \$21,095,051, which is 10% of the FY 21 revenue budget. He stated that the budget stabilization reserve is \$6,328,515, which is 3% of the FY 21 revenue budget. He stated that the carryover total from three ambulances and fire truck is \$575,000. He stated that the remaining projects to finish will total about \$58M, which leaves an unassigned balance of \$11,539,070. Mr. Appel stated that the county is required to keep 60 days of general fund revenue, which is \$34.6M. He explained that the total of emergency rainy day fund, budget stabilization fund, and unassigned fund balance is about \$39M. These calculations are shown on the summary sheet.

Councilman Miller expressed his concern about progress in paving roads. Mr. Scott assured him that the Public Works Department has scheduled the work and offered to provide a list of roads to be repaved or make a presentation to Council. He stated that part of the delay was because of a lack of staff and equipment. Councilman Miller asked about budget concerns for FY 23 and FY 24. Mr. Scott stated that there is uncertainty in the future but Cecil County is in a good financial position. Council President Meffley asked about a change in benefit package for public safety pension. Mr. Scott stated that there has not been a decision made. Councilman Miller clarified that the county has sufficient funds to support the Kirwan Commission recommendations.

Mr. Coutz asked about the concern that Singerly Fire Company's viability because of the increasing demands for emergency services and their current shortage of ambulances because of repair. Mr. Scott stated that the Director of Emergency Operations and president of Singerly Fire Company are working on this issue. He stated that the county has a vested interest in the success of all fire

companies and that funding issues have always been an issue. Mr. Scott stated that the county has a statutory obligation to Maryland to run paramedic services to residents in Cecil County. Mr. Scott stated that if Singerly Fire Company could not provide ambulances, the County would ultimately have to buy their own; and that the county could ask county paramedics to drive the ambulances. He stated that he hoped that Wayne Tome, Emergency Operations Director, and Singerly Fire Company President resolve this challenge.

Mr. Appel reviewed the landfill fund that shows actual revenue of \$9,825,204 compared to a budgeted revenue of \$8,260,625, which shows \$1,564,579 better than budget. He stated that actual expenditures of \$7,701,062, compared to a budgeted expenditure of \$7,728,284, shows \$27,222 better than budget. He said that comparing actual budget to actual expenditures show an operating gain of \$1,591,801.

Mr. Appel reviewed the wastewater fund that shows actual revenue of \$8,904,123, compared to budgeted revenue of \$8,141,432, which shows \$762,691 more than budget. He stated that actual expenditures of \$9,214,133, compared to budgeted expenditures of \$8,623,080, shows \$591,053 more than budget. He said that comparing actual budget to actual expenditures show an operating gain of \$171,638. He stated that the county will be conducting a wastewater study to evaluate connection fees. The Council discussed the philosophy of having developers pay sewer hookup fees versus having current rate payers pay for the additional cost of operation. The administration estimates that the actual cost of a hookup to be between \$18,000 to \$20,000. The Council also discussed the cost of hookups for residential and commercial properties. The administration voiced their support for commercial development in the Route 40 corridor where water and sewer services are located.

Councilman Coutz clarified that the administration has discussed changes to the benefit package with the Public Safety Pension Board, which would require Council approval. He also discussed his concern that Singerly Fire Company may be unable to provide current ambulance service without additional funding. The administration assured him that the county has a vested interest and statutory obligation to the State to run paramedic services to Cecil County residents.

Mr. Appel reviewed the statement of revenues, expenses, and changes in fund net position proprietary funds. Having already reviewed the wastewater and landfill enterprise funds, he focused on the non-major property management, which is the building at 107 Chesapeake Blvd that houses the Sheriff's Office and Emergency Operations Department. The report showed an operating revenue of \$919,535, operating expense of \$570,193, and non-operating revenue loss of \$219,857. The change in net position is \$300,336. The ending net position is \$795,425.

Mr. Appel reviewed the combined statement of revenues, expenses, and changes in fund net positions for internal service funds, which includes health insurance, workers compensation, information technology and motor vehicle. The health insurance fund with a change in position at \$1.6M, ending with \$5.2M.

Mr. Appel stated that the CAFR was audited and approved by SB & Company. The CAFR also received the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association.

2021 Redistricting Plan

Council President Meffley stated that the Redistricting Commission presented their proposed plan and report to the Council on November 16. He said that the map and report are available on the Council website and copies are available from the Council office.

He announced that a public hearing on this redistricting plan is scheduled on Tuesday, December 7 at 7:00 pm during the Council's legislative session. He explained that if no other redistricting plan is adopted by the Council by February 10, 2022, the Commission's proposed plan becomes law. There were no Council questions or comments.

FY 2023 Council Budget

Council Manager Massey provided a proposed Council departmental budget for FY 2023. He reviewed the proposed budget with Council Members and highlighted the budget categories. He stated that the Council budget has remained flat for several years but certain budget lines have been increased to reflect the increase in costs.

Mr. Massey asked the Council Members to review the proposed budget so that additional discussion and approval can be held so the budget can be submitted to the Finance Department by January 20.

Adjournment

Councilman Coutz moved to adjourn the work session, which was seconded by Councilman Miller. Council President Meffley adjourned the work session at 5:43 pm.

The next Council work session will be held on Tuesday, December 7, 2021 at 4:30 pm in the Elk Room of the County Administration Building. The session will also be livestreamed on the County Council's webpage at www.ccgov.org/council. Members of the public who do not have broadband access should contact the Council Office for instructions to be connected via telephone.


James Massey
Council Manager

Approved:


Robert Meffley, Council President