



TALBOT COUNTY, MARYLAND

County Council

MINUTES

April 18, 2023

SPECIAL LEGISLATIVE DAY

Present – President Chuck Callahan, Keasha N. Haythe, Lynn L. Mielke, Dave Stepp, County Manager Clay Stamp, and County Attorney Patrick Thomas. Vice President Pete Leshar was absent.

- I. Agenda – Mr. Callahan requested and received unanimous consent for approval of the Agenda of Tuesday, April 18, 2023.
- II. Disbursements – Mr. Callahan requested and received unanimous consent for approval of the Disbursements of Tuesday, April 18, 2023.
- III. Introduction of Legislation:

AN ACT TO ESTABLISH THE 2023-2024 ANNUAL BUDGET AND APPROPRIATION ORDINANCE was read into the record by the Clerk and brought forward for introduction. Prior to introduction, County Manager, Clay Stamp, stated that the strategy used to develop the proposed budget includes: maintaining a strong focus on public safety and education to utilize the County's traditional, successful practice of conservative budgeting by estimating revenues and expenditures; maintaining an investment in our employees, the backbone of our service delivery in the current highly competitive workforce environment; investing in core infrastructure projects for public safety in the areas of health, education, and the environment; and maintaining a healthy fund balance for any future uncertainties including inflation, supply chain disruptions and cost fluctuations. Mr. Stamp stated that the FY24 Budget addresses costs associated with State-mandated funding for education, required boards, and the increase in the minimum wage. He highlighted several items incorporated in the FY24 Budget including funding for a new EMS station and personnel in the northern portion of the county; funding for replacement of the current CAD system at the 911 Center; funding increases to the volunteer fire departments to address operational costs and to support training, personnel retention and recruitment efforts. He concluded his presentation by outlining funding allocations to the Board of Education and various County road and sewer infrastructure improvement projects. Martha Sparks, Finance Director, utilized a PowerPoint presentation to outline various facets of the proposed FY24 Budget which totals \$128,849,000. She stated that the proposed FY24 Budget continues the County's practice of underestimating revenues and overestimating expenditures, which, in her opinion, has served the County well and has placed the County in a healthy financial position. Ms. Sparks stated that the proposed budget includes revenues which are two percent (2%) more than the FY23 property tax revenues as allowed under the County Charter; an additional 1 cent (\$.01) increase in the property tax rate to support public safety as authorized by Talbot County voters in November 2020; a 4.8 cent (\$.048) Education Supplement for Talbot County Public Schools, as well as \$286,000 over the County's mandated local share, plus an additional \$900,000 allocated for school renovations. She stated that the budget includes \$6.8 million for transfers for Capital Projects and \$1.1 million for Capital Outlay (equipment-related) purchases; a four percent (4%) Cost of Living Adjustment (COLA) plus a one-step increase for employees, and additional positions which focus on public safety. Ms. Sparks provided statistical information and charts detailing County General Fund Revenues for FY23, anticipated for FY24, and General Fund Expenditures for same, including the percentage of increase or decrease from FY23. Talbot County continues to have the lowest

property tax rate in the state and the second lowest income tax rate in the state. Council members expressed their appreciation to Ms. Sparks and County staff for their diligence and hard work in preparing the budget. The legislation was introduced by Mr. Callahan, Ms. Haythe, Ms. Mielke, and Mr. Stepp as Bill No. 1529. Public hearings were scheduled for Tuesday, May 2, 2023 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton and at 7:00 p.m. in the Easton Elementary School Cafeteria located at 307 Glenwood Avenue, Easton, Maryland 21601. The FY2023-2024 County Budget, as introduced, is available on the County website at www.talbotcountymd.gov.

IV. County Manager’s Report:

- A. Request from Finance Office to Approve 4th Quarter Budget Transfers for Fiscal Year 2022-2023 - Martha Sparks, Finance Director, stated that § 615 of the Talbot County Charter provides for transfers between agencies of the County government and within the same fund only during the last quarter of the fiscal year, upon the recommendation of the County Manager and the approval of the County Council. Ms. Sparks stated that most of the items identified are Capital Outlay items which can be purchased with funding appropriated in FY23; the amount requested for transfer is \$600,504. Council discussion ensued with Ms. Sparks. Upon motion by Ms. Haythe, seconded by Ms. Mielke, the Council approved the 4th Quarter Budget Transfers as outlined by voting 4 – 0 as follows:

Mr. Callahan - Aye
Mr. Stepp - Aye
Ms. Mielke - Aye
Ms. Haythe - Aye

- V. Public Comments: Members of the public were afforded an opportunity to comment on matters of interest to them.

VI. Council Comments:

- Mr. Stepp – Mr. Stepp concurred with Mr. Callahan’s previous comments and expressed his appreciation to all those involved with drafting the FY24 Budget. He stated that, in his opinion, it is good to see that we are able to keep the budget where it is, particularly in light of inflation and the mandated State requirements.
- Ms. Mielke - Ms. Mielke expressed her appreciation to County staff and leadership, stating that “*you guys hit it out of the park*”, just like Babe Ruth did 100 years ago today at the opening of Yankee Stadium.
- Ms. Haythe - Ms. Haythe concurred with her colleagues’ comments to staff and expressed her appreciation to everyone who helped the new Council members with the budget process. She stated that earlier today she had attended the ribbon-cutting ceremony for the new segment of Rails-to-Trails in Easton. She stated that attending the ceremony reminded her how open communication and partnership between the County and the municipalities can become even better. She stated that it was good to be there with Mayor Willey, Al Silverstein, Ron Engle and Megan Cook and

to see, in her opinion, the good work they are doing in the Town of Easton with regard to the trails.

Mr. Callahan – Mr. Callahan commended the new members of the Council for, in his opinion, doing a great job with their first budget. He also commended Mr. Stamp and staff.

Following Mr. Callahan’s comments, Mr. Stamp reiterated Ms. Haythe’s comments regarding the importance of communication and open communication. He stated that Sarah Kilmon had recently been hired as the County’s new Communications Manager and Public Information Officer for the purpose of increasing and improving communication with members of the public and with other jurisdictions. Ms. Kilmon will be officially introduced at the April 25th Council meeting.

VII. Upon motion by Ms. Mielke, seconded by Ms. Haythe, the Council voted to adjourn and to reconvene on Tuesday, April 25, 2023 at 4:30 p.m. in Open Session and immediately adjourn into Closed Session for discussion of legal, personnel and real estate matters as listed on the statement for closing that meeting, and at 6:00 p.m. for the regularly scheduled meeting by voting 4 - 0 as follows:

- Mr. Callahan - Aye
- Mr. Stepp - Aye
- Ms. Mielke – Aye
- Mr. Haythe - Aye

The meeting adjourned at 6:32 p.m.

The transcript of the April 18, 2023 County Council meeting is available for review in the Office of the Talbot County Manager during regular office hours.

CASH STATEMENT 04/18/2023

BALANCE 4/11/2023	92,643,468.18
TOTAL ADP PAYROLL PPE 3/31/2023	(744,322.35)
PENSION DED PPE 3/13/2023	(45,619.77)
DEFERRED COMP DED PPE 3/13/2023	(19,469.30)
DEFERRED COMP PPE 3/31/2023 PLAN 401(A)	(8,174.18)
CIGNA CLAIMS PAID THRU 4/10/2023	(211,377.36)
SANITARY CHARGES/COUNTY OWNED PROPERTIES	(947.88)
WELLS FARGO GOLF EQUIP LEASE PYMT 4/2023	(4,092.00)
INTEREST ON ACCOUNTS 3/2023	416,125.04
DEPOSITS	641,776.57
CHECKS	(132,054.41)

ACH DISBURSEMENT(S)	(442,482.75)
WIRE TRANSFERS	(3,537.35)
VOIDED CHECK(S) #	
VOIDED ACH #	
BALANCE 04/18/2023	<u>92,089,292.44</u>

INVESTMENTS - CERTIFICATES OF DEPOSIT

<u>Certificate Date</u>	<u>Maturity Date</u>	<u>Yield</u>	<u>Amount</u>
PNC-MLGIP INVESTMENTS TOTAL		4.82%	20,757,738.00
BAYVANGUARD BANK			10,276,913.49
TOTAL INVESTED			<u>31,034,651.49</u>
PETTY CASH BALANCE			<u>18,105.00</u>
<u>GRAND TOTAL ALL FUNDS</u>			<u>123,142,048.93</u>