



TALBOT COUNTY, MARYLAND

County Council

MINUTES

May 2, 2023

Present – President Chuck Callahan, Vice President Pete Leshner, Keasha N. Haythe, Lynn L. Mielke (via telephone), Dave Stepp, County Manager Clay Stamp, and County Attorney Patrick Thomas.

- I. Agenda – Mr. Callahan requested and received unanimous consent for approval of the Agenda of Tuesday, May 2, 2023.
- II. Minutes – Mr. Callahan requested and received unanimous consent for approval of the Minutes of Tuesday, April 18, 2023.
- III. Disbursements – Mr. Callahan requested and received unanimous consent for approval of the Disbursements of Tuesday, May 2, 2023.
- IV. Proclamation: Older Americans Month – May 2023 – “Aging Unbound” – The Clerk read a proclamation into the record in recognition of May as Older Americans Month. The proclamation spoke of the contributions of older Americans to their communities and how those communities can become even better by providing programs and services which support the needs and preferences of senior citizens so that they can participate in same and live independently for as long as possible. Childlene Brooks, Manager, Brookletts Place – The Talbot County Senior Center in Easton and Ann DeMart, Manager, Bay Hundred Senior Center in St. Michaels expressed their appreciation to the Council for the County’s support of senior citizens in Talbot County. Council discussion ensued with Ms. Brooks and Ms. DeMart. Upon motion by Mr. Leshner, seconded by Ms. Haythe, the Council approved the proclamation by voting 5 – 0 as follows:
 - Mr. Callahan – Aye
 - Mr. Stepp – Aye
 - Mr. Leshner – Aye
 - Ms. Mielke – Aye (via telephone)
 - Ms. Haythe - Aye

Ms. Haythe presented the Proclamation to Ms. Brooks and Ms. DeMart who accepted on behalf of their respective senior centers.
- V. Proclamation: Motorcycle Safety Awareness Month – May 2023 – The Clerk read a proclamation into the record in recognition of Motorcycle Safety Awareness Month. The proclamation spoke of the increased use of motorcycles as an energy efficient means of travel and for recreation and the importance of awareness on the part of both vehicle operators and motorcycles of each other on the roadways to reduce accidents, injuries and deaths. Upon motion by Mr. Stepp, seconded by Mr. Leshner, the Council approved the proclamation by voting 5 – 0 as follows:
 - Mr. Callahan – Aye
 - Mr. Stepp – Aye
 - Mr. Leshner – Aye
 - Ms. Mielke – Aye (via telephone)
 - Ms. Haythe – Aye

Ken Eaton, Executive Director, ABATE of Maryland, Inc. introduced Mark Kernzer, Associate Director, ABATE of Maryland, Inc. for Queen Anne’s County. Mr. Eaton spoke about his organization’s efforts before the Maryland General Assembly with regard to legislation related to motorcycles and to promote motorcycle safety throughout the state.

Mr. Stepp presented the Proclamation to Mr. Eaton and Mark Kernzer, who accepted on behalf of ABATE of Maryland, Inc.

VI. County Manager’s Report:

A. Board and Committee Appointments – Mr. Stamp stated that the County has vacancies on the following boards and committees: Adult Public Guardianship Review Board; Agricultural Resolution Board; Animal Control Board; Board of Appeals; Board of Electrical Examiners; Commission on the Aging, Historic Preservation Commission; Public Works Advisory Board; and the Talbot County Property Tax Assessment Appeals Board. Individuals who are interested in serving should contact the County Manager’s Office at 410-770-8010 or visit the County website at www.talbotcountymd.gov.

B. Bid No. 23-05, FURNISHING AND DELIVERY, WITH POSSIBLE APPLICATION, OF CRS-2L EMULSIFIED ASPHALT WITH POLYMER – Requested Council approval to award Bid No. 23-05 to the lowest responsive and responsible bidder, Slurry Pavers, Inc., in the sum of \$2.63 per gallon delivered, and \$2.98 per gallon delivered and applied. Council discussion ensued with Brian Moore, Superintendent, Roads and County Facilities. Upon motion by Mr. Leshner, seconded by Mr. Stepp, the Council approved the award by voting 5 – 0 as follows:

Mr. Callahan – Aye
Mr. Stepp – Aye
Mr. Leshner – Aye
Ms. Mielke – Aye (via telephone)
Ms. Haythe – Aye

C. Letter of Support – Requested Council approval to forward a letter in support of extending the operational dates of the Mid-Shore II Regional Landfill in Ridgely, Maryland beyond 2030 to approximately 2042. Mr. Stamp stated that Maryland Environmental Service has indicated that space is available at Mid-Shore II until approximately 2042. Council members expressed their appreciation for the request and discussion ensued. Upon motion by Mr. Leshner, seconded by Ms. Haythe, the Council approved forwarding a letter of support of extending the operational dates by voting 5 – 0 as follows:

Mr. Callahan – Aye
Mr. Stepp – Aye
Mr. Leshner – Aye
Ms. Mielke – Aye (via telephone)
Ms. Haythe – Aye

VII. Public Comments: There were no comments.

VIII. Council Comments:

Mr. Leshner – No comments.

Ms. Haythe - Ms. Haythe stated that this morning, she and Mr. Stepp had attended the Talbot County Garden Club rededication of the fountain garden in Idlewild Park at “Five Corners”. She stated that the Garden Club maintains the flowers at the fountain garden and many couples who get married at the Tidewater Inn and the various churches in the area, specifically St. Mark’s, pose in front of the water fountain for pictures. She stated that, in her opinion, it was a great day to be able to present the Garden Club with a commendation from the Council. She stated that the fountain is near and dear to her heart as 24 years ago, on May 15th, she and her husband had their wedding party pictures taken at the fountain. Ms. Haythe concluded her comments by encouraging those who had not already done so to take some selfies at the fountain.

Ms. Mielke - No comments.

Mr. Stepp - Mr. Stepp stated that on April 27th he had attended the Local Emergency Planning Committee meeting in his capacity as the Council’s liaison to the Committee. He stated that, in his opinion, it is interesting to see what goes on behind the scenes by our local leaders to ensure that our community is safe, not only for day-to-day operations, but for unanticipated events as well, and that it is good to know that there are volunteers who donate their time to make the community safe for everyone.

Mr. Stamp stated that he had recently attended the Talbot County Paramedic Foundation meeting and that he is happy to report that the County’s partnership with the Paramedic Foundation and the Department of Emergency Services and the volunteer fire departments is healthy and moving forward. He stated that since the Paramedic Foundation’s presentation to the Council earlier this year, publicly accessible AEDs (Automated External Defibrillators) have been installed at Idlewild Park and North Easton Park, and additional locations are being considered.

Mr. Callahan – Mr. Callahan stated that once more AED stations are implemented within the county, it might be a good idea to have Department of Emergency Services staff provide a demonstration of the equipment during a Council meeting.

IX. Public Hearings:

Prior to the public hearing on the Constant Yield, as required by State law, Vice President Pete Leshner read the following statement into the record:

The County Council, in the FY 2024 Proposed Budget, is proposing to adopt a real property tax rate of 68.20 cents per \$100 of assessed valuation for all properties located outside the incorporated towns. This is 2.55 cents higher than the current real property tax rate. This rate is 5.3% higher than the constant yield rate of 64.76 cents, and will generate \$1,694,247 more in property tax revenues in FY 2024 from the unincorporated area of the county. Properties located within the incorporated towns will again be granted a tax rate differential which sets their real property tax rates between 6 and 13.3 cents lower than the

County rate. The County real property tax rates for properties located within the Towns are higher than the constant yield rate for the Towns. The County Council will not adopt the FY 2024 tax rate today. The FY 2024 tax rate will be adopted as part of the FY 2023 – 2024 Annual Budget and Appropriation Ordinance, currently scheduled for adoption on Tuesday, May 23, 2023.

Mr. Leshar stated that the County is raising rates within the tax cap allowed by Talbot County taxpayers, including the crucial additional \$.01 as approved by county taxpayers in November 2020. He stated that, as promised, the bulk of the additional funding raised will be directed toward public safety.

Following the statements by Mr. Leshar, a public hearing was held on the Constant Yield and members of the public were afforded an opportunity to comment on the Constant Yield. No public comment was received.

Bill No. 1529, AN ACT TO ESTABLISH THE 2023-2024 ANNUAL BUDGET AND APPROPRIATION ORDINANCE was read into the record by the Clerk and brought forward for public hearing. Prior to the public hearing, County Manager, Clay Stamp briefed the Council on the strategy for developing the FY24 Budget which included a strong focus on public safety and education utilizing the County's traditional and successful practice of conservative budgeting by underestimating revenues and over estimating expenditures. He stated that the FY24 Budget reflects a significant investment in the County's employees in what has become a highly competitive workforce environment; prioritizes funding for capital improvement projects; addresses public safety, health and education, economic stability, the environment and infrastructure; addresses escalating costs associated with State mandated funding requirements, the minimum wage increase, and addresses the maintenance of a healthy fund balance for future economic uncertainties due to inflation and supply chain challenges, as well as the required rainy day fund for unanticipated events. Mr. Stamp stated that the FY24 Budget includes funding for an EMS station and personnel in the northern end of the county in order to improve response times and patient outcomes; funding for replacement of the Computer Aided Dispatch (CAD) software system at the 911 Center; and increased funding for the county's volunteer fire departments to address operational costs, personnel retention, and recruitment efforts. He stated that the Budget also provides a funding increase for the Board of Education to comply with the State-mandated funding for schools, as well as funding for additional requests including social workers, and capital funding for Chapel District Elementary School and White Marsh Elementary School. Mr. Stamp concluded his presentation by stating that the FY24 Budget includes funding for infrastructure for roadway improvements and extension of sewer service to several areas throughout the county to help alleviate dependence on septic systems. Finance Director, Martha Sparks, 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 for a total of \$50.9 million, an increase of \$4.1 million from FY23. She stated that in addition, \$900,000 has been allocated for school renovations. She stated that the budget includes \$6.68 million in transfers to Capital Projects, \$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 16 additional positions with a 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. Ms. Sparks stated that 68.2 percent of the County's revenues are derived from property and income taxes, with 44.1 percent derived from property taxes. She stated that the County property tax rate will increase 6.14 cents over the FY23 rate; a 9% increase, of which 2.34 cents is the County real property tax rate; the remaining 5.52% is attributable to the education supplement. Ms. Sparks stated that the tax bill of a property owner with a property assessment of \$300,000 will increase \$184, \$144 of which is attributable to the education supplement. She stated that the County's rating issued by Moody's Investor Service in September 2022 listed the "County's strengths as low long-term liabilities with a manageable long-term capital plan and a very strong reserve position." Fitch Ratings, also issued in September 2022, stated that the "County's financial resilience is in the highest category based on the strength of its fund balance position, its ample expenditure flexibility and its strong ability to adjust revenues through policy action to counterbalance its historically volatile revenues." Members of the public were afforded an opportunity to comment on the legislation. Written comments on Bill No. 1529 will be accepted until Noon on Friday, May 5, 2023; emailed comments can be sent to publiccomments@talbotcountymd.gov.

The Council meeting recessed at 2:30 p.m. The public hearing on Bill No. 1529 will continue at 7:00 p.m. at the Easton Elementary School Cafeteria.

IX. Public Hearing continued:

The Council meeting reconvened at 7:00 p.m. in the Easton Elementary School Cafeteria. Bill No. 1529 was read into the record by the Clerk and brought forward for continuation of the afternoon public hearing. Prior to the public hearing, Mr. Stepp gave an overview of the FY24 proposed Budget as he had done at the 2:00 p.m. public hearing. Ms. Sparks utilized a PowerPoint presentation to provide an overview of various facets of the FY24 proposed Budget and statistical information and charts detailing County General Fund Revenue and Expenditures, proposed projects included in the Capital Projects Fund, as she had done at the 2:00 p.m. public hearing. Members of the public were afforded an opportunity to comment on the legislation. Written comments on Bill No. 1529 will be accepted until Noon on Friday, May 5, 2023; emailed comments can be sent to publiccomments@talbotcountymd.gov. Bill No 1529 is eligible for vote on Tuesday, May 23, 2023.

Upon motion by Mr. Stepp, seconded by Ms. Haythe, the Council voted to adjourn and to reconvene on Tuesday, May 9, 2023 at 3.30 p.m. for a work session with the Local Delegation; and to convene 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 5 - 0 as follows:

Mr. Callahan - Aye
Mr. Stepp - Aye
Mr. Leshner - Aye
Ms. Mielke – Aye (via telephone)
Mr. Haythe - Aye

The meeting adjourned at 7:32 p.m.

The transcript of the May 2, 2023 County Council meeting is available for review in the Office of the Talbot County Manager during regular office hours.

XI, Summary of Closed Session Held on May 2, 2023:

1. Statement of the time, place, and purpose of the closed session:

Time of closed session: 12:35 p.m. to 1:25 p.m.
 Place of closed session: County Council Office
 Purpose of the closed session: To consider various matters as set forth in the statement for closing the meeting

2. Record of the vote of each member as to closing the session:

Names of members voting aye: Callahan, Haythe, Leshner, Mielke, Stepp
 Members opposed: None
 Abstaining: None
 Absent: None

3. Statutory authority to close session and listing of each topic actually discussed, persons present, and each action taken in the session:

Topic Description	Statutory Authority	Reason for Closed Session Discussion	Persons Present	Action Taken
To consult with County Attorney regarding letter received from Maryland Department of the Environment	GP § 3-305(b)(7)	Attorney-client privilege regarding legal advice	Chuck Callahan, Keasha Haythe, Pete Leshner, Lynn Mielke, Dave Stepp, Clay Stamp, Patrick Thomas, Ray Clarke, Jessica Morris	No action

CASH STATEMENT 05/02/2023

BALANCE 4/25/2023	92,441,552.45
TOTAL ADP PAYROLL PPE 4/14/2023	(757,309.93)
ADP PAYROLL ADJUSTMENT PPE 4/14/2023	(393.03)
TOTAL ADP MONTHLY PAYROLL PPE 4/30/2023	(18,198.75)
PENSION DED PPE 4/14/2023	(46,455.08)

DEFERRED COMP DED PPE 4/14/2023	(19,767.23)
DEFERRED COMP PPE 4/14/2023 PLAN 401(A)	(8,143.04)
DEFERRED COMP DED PPE 4/30/2023	(490.49)
PENSION DED PPE 4/30/2023	(965.54)
CIGNA CLAIMS PAID THRU 4/28/2023	(63,772.80)
ENTERPRISE LEASE PYMT 4/2023	(16,164.16)
ROADS SALES & USE DUE 4/20/2023	(1,530.12)
GOLF COURSE SALES & USE DUE 4/20/2023	(685.92)
COMMUNITY CENTER SALES & USE DUE 4/20/2023	(228.86)
USDA/RD QTRLY BOND PYMT #92-12 4/2023	(16,408.00)
BANK CHARGES 3/2023	(5,954.75)
DEPOSITS	1,021,489.14
CHECKS	(490,421.64)
ACH DISBURSEMENT(S)	(369,332.16)
WIRE TRANSFERS	(161,606.64)
VOIDED CHECK(S) #	0.00
VOIDED ACH #	0.00
BALANCE 05/02/2023	<u>91,485,213.45</u>

INVESTMENTS - CERTIFICATES OF DEPOSIT

<u>Certificate Date</u>	<u>Maturity Date</u>	<u>Yield</u>	<u>Amount</u>
PNC-MLGIP INVESTMENTS TOTAL		4.83%	20,829,525.69
BAYVANGUARD BANK			10,276,913.49
TOTAL INVESTED			<u>31,106,439.18</u>
PETTY CASH BALANCE			<u>18,105.00</u>
<u>GRAND TOTAL ALL FUNDS</u>			<u>122,609,757.63</u>