TOWN OF RISING SUN MAYOR & COMMISSIONERS TOWN MEETING MINUTES

Let it be remembered that the Mayor and Board of Commissioners of the Town of Rising Sun, held a Town meeting on the 3rd floor of the Town Hall on Tuesday evening June 22, 2010 at 7:00 PM. For the record the meeting place and time were duly posted as required.

<u>MEMBERS IN ATTENDANCE</u>: Mayor Judith M. Cox, Commissioner Clinton E. Bowers, Commissioner Jim Majewski, Commissioner Thomas S. Mumey and Commissioner Augie Pierson.

MEMBERS ABSENT: (None)

STAFF/CONSULTANTS PRESENT: Town Administrator Calvin A Bonenberger, Jr.

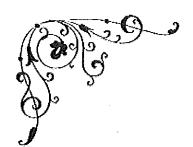
GUESTS: See Attached List

<u>MEETING OPENING</u> – The meeting was called to order at 7:00 PM by Mayor Judith M. Cox followed by a pledge of allegiance and a moment of silence.

APPROVAL OF MEETING MINUTES – Mayor Cox's asked for any corrections to the minutes for the June 8th, 2010 Town Meeting. Commissioner Majewski corrected the word sentence on page 4 under new business in which the sentence regarding the street lights was modify from the "lights street lights that are now working along Main Street" to the "street lights that are not working along Main Street". Commissioner Pierson made a motion to approve the minutes as amended seconded by Commissioner Mumey. The amended minutes were approved unanimously. The Mayor notified the Town of a budget meeting that was advertised and open to the public on Saturday June 19th. It was a work session so there were no minutes. There was no one from the public present. The elected body and Town Administrator were present.

Mayor Cox made a correction to the agenda regarding item #6 to reflect that the approval of the budget will take place.

<u>PRESENTATIONS</u>, <u>ORDINANCES AND RESOLUTIONS</u> — The Mayor requested Mr. Bonenberger to read resolution 2010-09 which is designed to raise the collection fees associated with the collection of trash, recyclables and yard waste. After reading the resolution into the minutes, a motion was made by Commissioner Pierson, seconded by Commissioner Bowers to approve the resolution, which would raise the rates for such collection by a charge of \$6 more per quarter. The





motion passed unanimously. Mr. Bonenberger distributed revised versions of resolution 2010 and 2011 which were modify at the request of the Town Attorney. Mr. Bonenberger read resolution 2010-10 into the minutes. This resolution is designed to develop a policy on records retention and the scanning archiving of the Town's records. A motion was made by Commissioner Pierson, seconded by Commissioner Mumey to approve resolution 2010-10. The motion passed unanimously. Mr. Bonenberger read resolution 2010-11 into the minutes. This resolution is designed to establish the general operation and guidelines for the establishment and maintenance of Town Safety Deposit Boxes, Bank Accounts, Investment Funds, and other similar financial instruments. A motion was made by Commissioner Pierson, seconded by Commissioner Mumey to approve resolution 2010-11. The motion passed 3-1 with Commissioner Majewski abstaining from the vote.

The Town Administrator presented the annual Budget for the Town of Rising Sun for fiscal year 2010/2011. Mr Bonenberger stated that as directed he provided the budget in the form of summary sheets for the board's approval. Mr. Bonenberger summarized that the revenue projections for this year's budget were actually rolled back and projected to be less than the year before in order to be conservative in our estimates. Mr. Bonenberger also reminded the board members that the summary sheet will show the individual departments within the general fund to be operating at a deficit mainly due to the fact that the total taxes collected and allocated to the general fund were not allocated to each individual department. However the total of all department expenses were offset by the Total revenue collected and allocated to the General fund, thereby resulting in a balanced budget for the general fund. He also reminded the board that funds were set aside for certain big expenses that might occur, such as replacement of the Town Hall HVAC system or upgrades to the Town Hall Fire Alarm system. He also reported that although the employees had received a 3% pay increase, they were now required to contribute 10% of the total cost for the health care benefits that they receive. He reminded the board that this budget also includes roughly \$120,000 in cuts from State Subsidies that are typically provided to the Town such as the Highway user fees and the police protection funds. Mr. Bonenberger emphasized that the Town also budgeted for emergency incidents that may occur each year and in fact the Town properly budgeted \$25,000 for emergency expenses that were in fact realized as a result of the snow storms of December and February. This allows the Town to delegate annual cash flow to issues and events that might normally pose a problem for a community because they are unexpected and can impact the Towns cash flow. He also explained the capital expenses that will be required going forward and how the Town has been allocating funds each year to go towards future capital expenses in order to spread these cost over several years as opposed to one time large hits to the annual budget. Mr. Bonenberger explained that the sewer and water funds are more difficult to pin point because of all of the capital expenses associated with the resolution of the Town's sewer and water issues. He stated that the sewer and water budgets were balanced but that we should





anticipate a having a budget amendment meeting in 3-4 months. Upon conclusion of the presentation, a motion was made by Commissioner Mumey seconded by Commissioner Majewski to approve the budget as presented. Motion passed unanimously.

The Chairperson of the Rising Sun Planning and Zoning Board, Mr. Bill Smith presented a recommendation to have Mr. Matt Telep of 101 Stone Run Drive in Bryans Grace. He has lived in the Town for 5 years and is currently a Maryland State Trooper. He is highly recommended by members of the Planning and Zoning Board. Commissioner Mumey made a motion, seconded by Commissioner Pierson to approve Mr. Telep for appointment to the Planning and Zoning Board. Motion passed unanimously.

MAYOR'S REPORT – (No Report)

FINANCES - The Town Administrator reviewed the financial reports that were provided by the Town Accountant. He walked the board through the statements explaining the details of the reports. He explained that the Town has a lot of money moving from the various funds. That is due to the big ticket items that are coming due as the Town pays for the various consultants that are working to solve the water and sewer issues. It is important that we have accurate accountings of funds in the proprietary accounts because that is the money that will be used to jump start the sewer and water projects in the future. Commissioner Pierson asked for clarification on the recently passed resolution that would enable the Town to reimburse itself for moneys spent now on the project. Mr. Bonenberger explained that these cost could be reimbursed through future loan financing. He further explained the reasoning behind the Town essentially loaning money to itself. This option would enable the Town to keep adequate reserves of funds set aside to handle any unexpected emergencies that might occur once the sewer plant is constructed. The start up of the construction projects will drain the Town's reserve funds. Borrowing money to reimburse itself will reestablish those funds quicker than building them up with user rates over an extended amount of time. Mr. Bonenberger presented an agreement from William Saddler, the Town's current auditor, to complete the final year of a 3 year contract to provide audit services to the Town. A motion was made by Commissioner Pierson, seconded by Commissioner Bowers to accept the engagement letter for annual auditing services to the Town at a cost of \$18,600. Motion was passed unanimously. Mr. Bonenberger presented a letter of engagement from Wagner & Associates to provide annual Accounting services to the Town at a cost of \$45,000 per year for a base services and an additional cost of \$10,000 for work associated with working with the Auditor to complete the annual audit. In addition there is an hourly rate structure in the agreement to cover such services that are not typical accounting services for the Town. Commissioner Mumey requested to know if the Town Attorney had reviewed the contract. Mr. Bonenberger stated that the agreement had been previously reviewed by the Town Attorney. A motion was made by Commissioner Mumey





seconded by Commissioner Pierson to approve the letter of engagement with Wagner and Associates. Motion passed unanimously. Mr Bonenberger reviewed the final draft of the fiscal policies draft that the Town has been working on for several months. He stated that this policy was in response to the management letter that the Town had received by the Auditor as part of the annual audit. He stated that the comments presented by the elected body over the past months had been incorporated into the document. Commissioner Pierson made a motion seconded by Commissioner Bowers to approve the fiscal policy. Commissioner Majewski asked about the oversight of the policy. Commissioner Mumey stated that it was his understanding that the policy could be amended as needed. Mr. Bonenberger stated that it is basically a policy that if adopted and approved, the board would direct the Town Administrator to follow. Furthermore it represents the board's wishes on how the Town's financial practices and procedures should be conducted. With no other questions the motion passed unanimously.

SEWER AND WATER REPORT – Commissioner Majewski – reported on an amendment to the agreement with Davenport and Associates to expand upon their services to the Town in regards to the financial analysis being provided to the Town in reference to the sewer and water issues. Commissioner Majewski made a motion, seconded by Commissioner Pierson, to approve the amendment of the current Davenport agreement to not exceed \$150,000. Motion passed unanimously. Commissioner Majewski reminded the board that the money could be recovered through the loan proceeds as previously reported.

Commissioner Pierson asked how the water levels were. Commissioner Majewski stated that the levels are holding their own and that the pumps were being run about 22-24 hours per day.

<u>STREETS AND SIDEWALKS REPORT</u> — Commissioner Bowers reported that the storm water repairs on Ryan Drive had been completed. He also reported that Ron would be scheduling repairs on North Walnut Street and would be sending a schedule to the Police on the road closures.

PUBLIC SAFETY - (No Report)

<u>PARKS AND RECREATION</u> — Commissioner Mumey reported that he would be meeting the following night, with the contractor to review how the log cabin would be demolished.

TOWN ADMINISTRATOR'S REPORT – Mr. Bonenberger provided a follow up report on the issues raised by Ms Dee Emsley in regard to proper procedures regarding the Town's election process. He stated that Town employee Stephany Ondriks had done a great job of confirming the rules and regulations with the County election board and how other Towns were operating. He stated that the





Board had actually asked him to develop a policy if needed to address the issues. It appears that there are no restrictions on the media being present in the election area and since the Town was in compliance with the state and county standards, there was no policy to create. Stephany did meet with the election board and addressed some concerns that they had.

<u>PLANNING AND ZONING BOARD</u>- Mr. Bonenberger reported that after some confusion that he had inadvertently created, that there was a planning and zoning board meeting scheduled for June 28.

BOARD OF ZONING APPEALS – (No Report)

<u>CODE ENFORCEMENT</u> — Mr. Bonenberger reminded the board that the Auditor had suggested that the no permits should be issued if the permit fees had not been collected prior to issuance. Upon some discussion it was decided that the Town Administrator should provide more information to the board to make a decision

HISTORICAL PRESERVATION COMMISSION - (No Report)

OLD BUSINESS. (No Report)

<u>NEW BUSINESS</u>. Commissioner Majewski congratulated Sandi Didra for having been elected Mayor and Chris Callahan for having been elected Commissioner.

<u>CITIZEN'S INPUT</u> – Chris Callahan expressed his opinion that permits should not be issued until the fee is collected.

A Mr. Jim Wright, representing Southern States regarding their interest in having the Town's water lines extended to the homes that have previously been affected by well contamination by Southern States. These are homes outside the incorporated limits of Rising Sun. He read a letter expressing this interest. He was advised the Town would take this under advisement and get back to him at a later date. He was advised the Town's most pressing issue right now was trying to resolve the water and sewer issues and that there were several other properties waiting for a solution and all the details would have to be worked out.

<u>ADJOURNMENT</u> – With no other business before the board a motion was made by Bowers to adjourn the meeting.

Meeting Adjourned at 8:15 p.m.



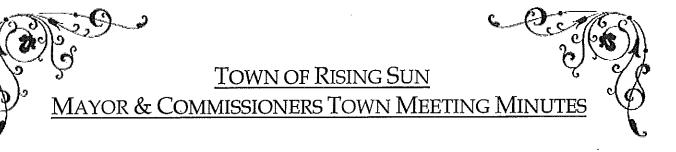


Respectfully submitted

Calvin A Bonenberger Jr.,
Town Administrator / Acting Town Clerk

Motion to approve the minutes made by Commissioner August Pierson, seconded by Commissioner Thomas S. Mumey at the July 13, 2010 Town Meeting

Motion Passed 4 to 0



DECLARATION AND VERIFICATION OF AUTHENTICITY

I, Calvin A Bonenberger, Town Administrator and Interim Town Clerk for the Town of Rising Sun, Maryland, do herby certify that the above and foregoing minutes are a true, perfect and complete copy of the Minutes adopted by the Mayor and Commissioners of the Town of Rising Sun, Maryland, and is identical to the original thereof appearing in the official records of the Town of Rising Sun, Maryland and the same has not, since its adoption, been rescinded or amended in any respect.

IN TESTIMONY WHEREOF, I have hereunto set my hand and have affixed the seal of the Town of Rising Sun as of this 14^{th} day of July 2010.

Respectfully submitted

Calvin A Bonenberger Jr., Town Administrator / Acting Town Clerk

CERTIFICATE & TOWN SEAL

(STATE OF MARYLAND)

(COUNTY OF CECIL)

(TOWN OF RISING SUN)