

**COUNTY COUNCIL OF CECIL COUNTY
WORK SESSION MINUTES
December 15, 2020**

The County Council of Cecil County met in work session in an online virtual meeting because of the current health crisis and based on the Governor's orders to avoid public meetings. Council Members and presenters participated in this meeting; the public observed the meeting by connecting online at www.ccgov.org/council and selecting "livestream".

The following members of the Council were present:

Robert Meffley, Council President
Al Miller, Council Member
Jackie Gregory, Vice President
William H. Coutz, Council Member
George Patchell, Council Member

NOTE: The video and audio recording with transcription of this meeting is available on the County website at www.ccgov.org.

Call to Order

The meeting of the County Council of Cecil County of December 15, 2020 was called to order by Council President Meffley at 4:30 p.m.

Roll Call of Council Members

Council President Meffley asked for a roll call of attending Council Members. The Council Manager called the roll and recorded the following Council Members in attendance:

Roll Call Vote: Coutz-Present, Miller-Present, Patchell-Present, Gregory-Present, Meffley-Present.

Council President Meffley announced that there were five Council Members present, which constitute a quorum.

Suspension of Rules

Vice President Gregory made a motion to suspend the rules to allow Council Members who are connected to participate and vote in this work session, because of the current health crisis and orders by the Governor to avoid public meetings. The motion was seconded by Councilman Miller.

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

The motion was approved unanimously.

Approval of Minutes

On a motion made by Councilman Miller, seconded by Vice President Gregory, the Council moved to approve the minutes of the Council work session of December 8, 2020, as presented. Motion was approved unanimously.

FY 2020 Comprehensive Annual Financial Report (CAFR)

James Appel, Finance Director, provided an overall view of the FY 2020 budget. He stated that actual revenue is \$209M, compared to a budget of almost \$203M; which shows about \$6.5M better than budget. The budget compared to the previous year was about the same; \$202.9M this year, it was \$202.6M in FY 2019, so tracking fairly well on the expense side. On the expense side, it was \$206M compared to budget of \$209M, so about \$3M better than budget and higher than previous year of \$195M.

Mr. Appel introduced Rebecca Anderson, Deputy Finance Director, to continue the presentation. She credited the entire Finance Department staff for their contributions to this year's budget records. She explained how her projections in September were affected by income tax, the Jobs Act, recordation deed transfer tax. She explained why recordation tax yielded \$3.3M because of the Smithfield organization. She stated that some of the revenue was unfavorable as a result of COVID. Permit fees did not bring in as much revenue as anticipated. She also reminded Council that the expense budget, beginning in April 2020, was affected by limiting purchases to mission critical items, which resulted in \$3M over budget. She stated the federal funds from the Cares Act helped the county budget.

On page 2, Ms. Anderson stated that the county added \$3M to the fund balance at the end of the year because of the revenue and expense numbers. The fund balance was increased from \$51M in FY 2019 to \$54M in FY2020. She stated that the rainy day fund, established to be 10% of budget, has a balance of \$20.7M and the Budget Stabilization Fund has a balance of \$2M.

On page 3, Ms. Anderson stated that the landfill performed better than budgeted because residents had more time to discard items. The landfill balance has a positive net position of \$1.9M. However, their investments did not perform as anticipated because of the shutdown. She stated that wastewater operational revenue was up because of the increase in users and the increased rate. There was a one-time write-off of about \$9M associated with the Port Deposit wastewater treatment plant. She reminded the Council that the location for the treatment plant was changed, which resulted in \$900,000 written off against the operating expenditures of FY 20. She stated that the user rate is doing okay. The budget shows depreciation because of capital improvements that are being made. She stated that these figures will be monitored. She also noted an intergovernmental capital grant from the State that supported construction of these wastewater treatment plants and the CECO project.

Vice President Gregory clarified that the county is still looking at extending bonds for a longer time to offset any rate increases.

On page 5, Ms. Anderson reminded the Council of the property management fund of the buildings owned by the County including 107 Chesapeake Blvd, which houses the Sheriff's Office and Emergency Services Department. These properties provide the County with a profit of \$50,000. There is expectation that a new roof will be required in a few years.

Page six, Ms. Anderson presented figures about the health insurance fund, which is currently in a positive position of about \$3.5M. She noted that the fund does not have a reserve policy. The standard reserve is three months of the highest claim months, which would be \$4.6M. She stated

that the County's workers' compensation is self-insured. She said that this fund continues to do well. Although there is no reserve policy, the fund sits at a net position of \$4.1M.

She invited the Council to ask any questions tonight or in the future.

Council President Meffley thanked Mr. Appel and Ms. Anderson for their presentation.

Review of Legislative Agenda

The Council proceeded with the review of the legislative agenda.

Resolution No. 66-2020 Appointment – Social Services Board – Dianne Fox, will be introduced at tonight's session. Dan Schneckenburger, Director of Administration, provided comments. There were no Council questions or comments.

Resolution No. 67-2020 Annexation - Town of Elkton –Belle Hill Road et al- Zoning Designation, will be introduced at tonight's session. Dan Schneckenburger, Director of Administration, provided comments. Council questions and comments ensued. Additional comments were made by Scott Flanigan, Public Works Director, who recommended disapproval of the Resolution unless the Town of Elkton will take over Belle Hill Road. Steve O'Connor, Acting Director of Land Use and Development Services, provided a summary of state annexation regulations that require Council approval of the rezoning. Council President Meffley expressed concern about the Town's ability to service these parcels with water and sewer. Vice President Gregory expressed concern that the existing roadbed was not constructed for heavy truck use. Council President Meffley noted that there was a county parcel that would be surrounded by the Town's annexation, which could create another zoning problem.

Resolution No. 65-2020 Approval – COVID Supply Storage – Multiple Year Contract, will be considered for approval at tonight's session. Dan Schneckenburger, Director of Administration, provided comments and noted that John Donohue, Deputy Chief of Emergency Services, is available for any questions. There were no Council questions or comments.

Under New Business, Cecil County Public Schools budget amendment #81, in the amount of \$5,593 for November 2020, will be considered for approval at tonight's session. There were no Council questions or comments.

Council Manager Report

Council Manager Massey updated the Council on Health Department report, Clean Chesapeake Coalition plans, Cecil County Public Library closures, and Drug and Alcohol Abuse Council meeting.

Council Member Items

Council Members agreed to hold their comments until this evening's work session.

Adjournment

Council President Meffley asked for a motion to adjourn. Councilman Coutz made a motion for adjournment, which was seconded by Vice President Gregory. Motion was approved unanimously. Council President Meffley adjourned the work session at 5:17 pm.

The next Council work session will be held on Tuesday, December 22, 2020 at 4:30pm, which is planned as a virtual meeting because of the current health crisis. The session will be livestreamed on the County Council's webpage. Members of the public who do not have broadband access should contact the Council Office for instructions to be connected via telephone.

Approved:



Robert Meffley
Council President

1-6-21

for 

James Massey
Council Manager