

**COUNTY COUNCIL OF CECIL COUNTY
WORK SESSION MINUTES**

January 30, 2024

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, Rebecca Hamilton, Al Miller, Donna Culberson, and Jackie Gregory; David Culver, Council Manager; Terry Hale, Council Assistant, members of the administration and members of the public.

Call to Order

Council President Gregory called the meeting to order at 4:30 pm and announced that there were five Council Members present, which constitute a quorum.

Approval of Minutes

On a motion made by Vice President Meffley, seconded by Councilwoman Culberson, the Council moved to approve the minutes of the Council work session of January 30, 2024, as presented. The motion passed 5 to 0.

Presentations

- a. Review of 2023 Annual Comprehensive Financial Report

Director of Finance Shon McCollum reviewed the 2023 Annual Comprehensive Financial Report. He noted that the audit gave an unqualified, clean audit opinion for FY23. He noted that the Fund Balance grew by another \$26 million to \$134 million of which \$98.1 million is Assigned, \$7.7 million is Non-spendable, \$10 million is Committed and \$18.3 million is Unassigned. He noted that the Enterprise Funds performed as expected and the Landfill net position increased by \$1.7 million and Wastewater's net position improved by \$0.7 million. He noted that the Combined Enterprise net position stands at \$81.8 million of which Wastewater is \$59.7 million with \$13.6 million Unrestricted, the Landfill at \$20.7 million with \$14 million Unrestricted and Property Management at \$1.4 million with \$0.7 million Unrestricted. He also noted the Health Insurance and Workers Compensation net position is \$14.5 million of which the Health Insurance is \$10.6 million and Workers Compensation is \$3.9 million, all of which is unrestricted.

Councilwoman Hamilton inquired on the transfer out financing sources and Director McCollum noted this is debt service and other expenses. Councilwoman Culberson inquired on the positive variance at the Detention Center and if this was on not being fully staffed and the pre-trial program and Director McCollum noted it was a combination of both. Councilman Miller noted the decrease in charges for services and Director McCollum noted it was lower permit activity and property transfers. Vice President Meffley noted the increase in property tax revenue and the under budgeting of income tax and property tax revenue and Director McCollum noted he takes a conservative approach to revenue estimates.

Director McCollum reviewed the fund balance and the Assigned, Unassigned, Non-spendable and Committee Funds. Councilman Miller inquired on the increase in the emergency reserve and budget stabilization funds and his authorization to increase these without Council approval and

Director McCollum noted that the legislation set a minimum for these funds not a maximum and that the reserve is set to comply with the bond rating agencies suggested guidelines. Vice President Meffley also inquired on the budget stabilization fund and how it is classified and Director McCollum noted is it Assigned Fund Balance. Councilman Miller also inquired into the vehicle lease program and Assigned Fund Balance for this program and Director McCollum noted the agreements with Enterprise and Bank of America and how the program functions. President Gregory inquired on the interest rate for vehicles and the expected life for them and Director McCollum noted they seek the lowest interest rate, and that the vehicles are in a five-year cycle. President Gregory also inquired on the cyber security software allocation in the Fund Balance and Director McCollum noted this is utilized by IT for software upgrades over multiple years. Councilman Miller inquired on the health care reserve in the Fund Balance and Director McCollum noted this is to cover unexpected costs since we are self-insured and also noted the upcoming challenges of the Maryland CARES Act. Councilwoman Hamilton commented on the impact of the CARES Act and Director McCollum noted it would apply to all eligible employees. Councilwoman Hamilton also inquired on the business incentives and the State loan program and Director of Administration Steven Overbay noted the various programs that need matching funds from the County and these funds are reserved for that purpose. President Gregory inquired on the detention center camera project and Director McCollum noted it is ongoing to upgrade the cameras as the technology improves. Vice President Meffley questioned the use of pay go funds and Director McCollum noted that they are used for capital projects. President Gregory inquired if North East High School is using pay go funds and Director McCollum noted they were. President Gregory requested Director McCollum to review the Fund Balance classifications and he reviewed the categories and how they could be spent. Councilwoman Culberson and Councilman Miller also commented on the categories and the budget stabilization fund.

Director McCollum reviewed the landfill and wastewater funds. Councilwoman Culberson inquired if the increase in revenue was because of increase fees or usage and Director McCollum noted it was usage. Vice President Meffley inquired on the variances in these funds and Director McCollum noted this was a reporting error from the previous ACFR and this shows the correction. Councilman Miller inquired on the spending of the ARPA funds and Director Overbay noted they will all be spent within the deadline. Vice President Meffley inquired if the paramedic station in the ARPA funding could be built bigger for training purposes at the School of Technology and Director Overbay noted they could be expanded in the future if the need arises. Councilwoman Hamilton inquired on the funding phases for the North East Middle and High School project and Director Overbay noted it will be in phases because of the size of the project.

b. Monthly Review of County Contracts

Director of Finance Shon McCollum reviewed the contracts over \$100,000 for the month of December. He noted that they had 6 contracts over this amount for December, with 2 of them for Public Works, 2 for Community Services and 2 for Emergency Services. The 2 for Emergency Services were for reimbursement to fire companies for apparatus. The Community Services contacts were for seniors' meals and trauma therapy. The 2 for Public Works were for a truck tarping station and wastewater force main inspections. Vice President Meffley inquired on the fire company reimbursement and Director McCollum noted these are for new ambulances. Councilman Miller noted that the number of bidders or no bidders for some projects and Director McCollum noted that it depends on the project.

Council Manager Report

Council Manager Culver noted the updated Council Manager report is in the packet. He noted that numerous event invitations are being received and please respond to them as soon as possible so we can send notice on attendance.

Council Member Items

Councilwoman Hamilton noted she was on a business trip last week. She reviewed SB0039/HB0304 as well as SB0378/HB0659 which establishes penalties for stealing firearms. Council agreed to send a letter of support on SB0378.

Vice President Meffley noted he attended the Board of Education Budget Meeting on January 24. He also noted MRDC had 25 openings and filled 9 of them. He also noted that under the Blueprint Program, MRDC is able to accommodate the younger children and the teachers are equally paid and trained as CCPS. He also requested that the Administration work with the BOE on the funding for the chiller at the Cecil School of Technology.

Councilman Miller reviewed SB193 on requirements for chickens in egg laying operations and Council agreed to send a letter of opposition on this bill. He also noted he attended a meeting with Community Connects Us in Port Deposit and noted the cleanup they are doing on buildings in the Town. He also requested that the Administration work with them on tipping fees for these cleanups. He also attended and spoke to Cub Scout Pack 28 in Rising Sun.

Councilwoman Culberson noted the intel numbers for the previous week. She also reviewed HB0047/SB0381 which is the Fairness in Girls' Sports Act, HB0076/SB0018, which allows children to get shots from pharmacists without parental consent and HB0558 which mandate the State Health Department to create curriculum for children sex education. She noted she would send the link to these bills. Council agreed to send a letter of opposition on HB0558 and letter of support on HB0047.

President Gregory noted she attended the Eastern Shore Delegation Meeting on January 26 and they discussed community college funding and support for full funding. They also discussed the Blueprint funding issues and the shortage in the highway user fund. She also is attending the MACo Legislative Sessions and is reviewing bills. She noted HB0196 that requires seat belts on buses. She also reviewed HB0333 on election disinformation. She noted HB0356 on school bus cameras and Council agreed to oppose the change to make it a warning. She also noted SB0484 on housing and that this is an initiative of the Governor. She also noted HB0081 which requires all Counties adopt Charter government and also voting by district and not at large and Council agreed to oppose this bill. She also noted Congressman Harris visited Cecil County on January 26 and toured Freedom Hills, Bainbridge, the Northrop Grumman plant and the Farm Museum.

Councilwoman Culberson also noted she, along with MDE and officials from Rising Sun, met on the mushroom plant in Rising Sun and the odor complaints. She noted the Attorney General is preparing a case and that citizens should continue to notify MDE on odor.

CLOSED SESSION

President Gregory announced that the Council is going into Closed Session and asked Council Manager Culver to read the announcement.

Council Manager Culver announced that County Council is entering 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.

Council President Gregory asked for a motion to recess the work session and to go into a closed session.

Councilwoman Culberson made a motion to go into closed session, which was seconded by Councilwoman Hamilton.

Roll Call Vote

Hamilton - Y, Miller - Y, Culberson - Y, Meffley - Y, Gregory – Y

PRESENT: Council Members: Robert Meffley, Rebecca Hamilton, Al Miller, Donna Culberson and Jackie Gregory; David Culver, Council Manager; Terry Hale, Council Assistant, Also: Andrew Ondish, Philadelphia Road Consulting, LLC

Council President Gregory recessed the work session at 6:31 pm.

Vice President Meffley made a motion to adjourn the closed session and reconvene the work session, which was seconded by Councilwoman Hamilton.

Roll Call Vote

Hamilton - Y, Miller - Y, Culberson - Y, Meffley - Y, Gregory – Y

President Gregory reconvened the work session at 7:01 pm

President Gregory announced that no further items are on the January 30, 2024 Work Session agenda.

Adjournment

Councilwoman Hamilton made a motion to adjourn, which was seconded by Vice President Meffley. Council President Gregory adjourned the work session at 7:02 pm.

The next Council work session will be held on Tuesday, February 6, 2024, 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.

Approved:


Jackie Gregory, Council President



David M. Culver
Council Manager