

**COUNTY COUNCIL OF CECIL COUNTY, MARYLAND  
LEGISLATIVE SESSION DAY 2015-24**

**RESOLUTION NO. 67-2015**

**Title of Resolution:** Property Management Enterprise Fund - 107 Chesapeake Blvd.

**Synopsis:** A Resolution to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland for the fiscal year ending June 30, 2016 in order to create a department with two divisions and establish a revenue and expenditure budget within the Property Management Enterprise Fund Budget.

**Introduced by:** Council President on behalf of the County Executive

**Introduced and ordered posted:** December 15, 2015

**Scheduled for consideration:** January 5, 2016

By: \_\_\_\_\_  
Council Manager

Notice and title of Resolution having been posted by \_\_\_\_\_ at the County Administration Building, 200 Chesapeake Blvd., Elkton and consideration by the Council having been scheduled on \_\_\_\_.

By: \_\_\_\_\_  
Council Manager

**Explanation:** CAPITALS LETTERS UNDERLINED INDICATE MATTER ADDED TO EXISTING DOCUMENT.  
~~Strike through~~ indicate matter deleted from existing document.  
Underlining indicates language added to ordinance by amendment.  
~~Double Strike Through~~ indicates language stricken out of document by amendment.

## Property Management Enterprise Fund - 107 Chesapeake Blvd

1           **WHEREAS**, in accordance with Section 505 of the Cecil County Charter, on April 1, 2015, the County  
2 Executive submitted a proposed budget to the County Council for Fiscal Year 2016; and

3           **WHEREAS**, in accordance with Section 506 of the Cecil County Charter, the County Council held  
4 public hearings on the proposed budget submitted by the County Executive for Fiscal Year 2016; and

5           **WHEREAS**, in accordance with Section 507(b) of the Cecil County Charter, on June 2, 2015, the  
6 County Council adopted the budget for Fiscal Year 2016; and

7           **WHEREAS**, Cecil County has entered into an agreement to purchase a facility located at 107  
8 Chesapeake Boulevard, Elkton, Maryland in FY2016; and

9           **WHEREAS**, the County Council has passed legislation authorizing the aforementioned purchase and  
10 the creation of a new Property Management Enterprise Fund in order to efficiently manage the facility and  
11 to provide services to the tenants of the building; and

12           **WHEREAS**, the new Property Management Enterprise Fund will have the need to define a new  
13 department and two divisions within the fund to account for a) the income and related expenditures for  
14 the Administrative Services (interest, depreciation expense, etc.) attributable to the functions of owning  
15 and managing the building, and b) the income and related expenditures for the Common Area  
16 Management (CAM) of the building; and

17           **WHEREAS**, the County Executive is revising the Fiscal Year 2016 Property Management Enterprise  
18 Fund of Cecil County to establish the following amounts within the fund as follows:

- 19           a.) Administrative Division within the Property Management Enterprise Fund's revenue for the  
20 remaining six months of FY2016 will be comprised of rent from tenants forecasted to be  
21 \$329,741 and the related expenditure budget that includes depreciation, bond interest expense,  
22 equipment repair and maintenance and professional services is budgeted to be \$223,750.
- 23           b.) Common Area Management Division within the Property Management Enterprise Fund's  
24 revenue for the remaining six months of FY2016 will comprise of Common Area Charges to the  
25 tenants in the amount of \$84,048 and the related Common Area expenditures budget such as  
26 trash removal, snow removal, and preventative maintenance in the amount of \$84,048.
- 27           c.) The Property Management Enterprise Fund is expected to record a surplus for FY2016 that is the  
28 result of rents collected versus expenses incurred, and the majority of this surplus will be  
29 transferred to the General Fund, estimated to be approximately \$75,000.

30           **WHEREAS**, the Common Area Charges (CAM) may be increased or decreased within the fund during  
31 the fiscal year based on the expectation to recapture the common area operating costs through the  
32 Common Area charge to the tenants of the building, and will be charged to the tenants in accordance with  
33 their specific leases (often in a pro-rata share based on a tenants leased square footage).

34           **NOW THEREFORE, BE IT HEREBY RESOLVED** that the Annual Budget and Appropriation Ordinance  
35 for Cecil County, Maryland for Fiscal Year 2016 is hereby amended to create one department (two cost  
36 centers) within the Property Management Enterprise Fund and establish both revenue and expenditure  
37 budgets within the two departments to facilitate the County’s ownership and responsibilities to the tenants  
38 of 107 Chesapeake Boulevard. The budget of the Administrative Division forecasts revenues of \$329,741,  
39 expenditures of \$223,750, and a transfer out of \$75,000, and the budget of the Common Area  
40 Management Division consists of \$84,048 in revenue and \$84,048 of expenditures.

41           **AND BE IT FURTHER RESOLVED** that this Resolution shall take effect on the date of its passage by  
42 the County Council of Cecil County, Maryland.

**INTRODUCED: December 15, 2015**

**ADOPTED: \_\_\_\_\_**

\_\_\_\_\_

President of the Council

ATTEST:

\_\_\_\_\_

Council Manager