

FINANCE & UTILITY COMMISSION MEETING
Wednesday, July 17, 2024, 5:00 PM

Mayor Nathan Brown convened the Commission meeting at 5:00 p.m. Those present included Commission Members Carroll Jones, Brian Keller (virtual), John Dayton (virtual), and Jerry Bonano (virtual). Staff Members present included Julie Martorana, Jeremy Mose, Carrie Myers, John Gerstner, Matt Campbell, and Rikki Bruchey.

CJ Miller Paving Proposal – Mr. Gerstner stated the proposed total paving was \$334,631 for FY25, which would commence in late September/early October. The Commission consented to recommend approval to the Council.

B&O Park – Phase 2 Construction – Mr. Mose stated this phase was for \$668,610 and would be paid for through LPPI and CPP grant funds, with the remainder being funded through a bond issued to the City. This phase would include all proposed amenities except the shipping container, swing set, and fencing. The Commission consented to recommend approval to the Council.

Old Police Station Sale – Mayor Brown stated staff feels it is time to sell the property located at 20 East A Street. There has been interest in the property from prospective buyers, and staff felt it was important to move while the real estate market was still active. Mayor Brown stated the property does not meet any future needs of the City due to parking constraints and the condition of the building itself. The Commission consented to recommend approval to the Council.

Frederick County Urban Entitlement District Participation – Mayor Brown stated Frederick County was attempting to become a designated entitlement community through CDBG. If this designation was awarded, the County would receive guaranteed CDBG funding from FY25-27. They have reached out to municipalities to see if they would be interested in participating in the program, with the promise of distributing guaranteed CDBG money for those fiscal years based off population and income need. The City would stand to receive around \$145,000 per year in guaranteed CDBG funding without having to apply to that program, which is highly competitive. Applicable projects would still need to comply with the CDBG program, but this money in the City would go directly towards the sidewalk replacement projects already underway with CDBG funds obtained through a competitive grant.

After a lengthy discussion weighing the pros and cons of receiving guaranteed CDBG money each year versus having to apply for funding, which is never guaranteed, the Commission consented to recommend inclusion in the Frederick County entitlement community to the Council.

Trash Discussion – Mayor Brown recapped previous discussions about how the City's trash funds were extremely upside-down, meaning the general fund subsidized the trash accounts each year. He stated he's recently heard of other local communities changing their trash program to allow residents to pay a flat rate per container (provided by the City/trash company), and if they need more than one container, they would have to pay the rate set by the City.

Another option discussed was running the trash account like an enterprise fund, and setting trash rates each year through the budget process to truly cover the expenses generated from the trash

service and tipping fees. The Commission consented to recommend to the Council that staff begin looking at all options far in advance of the next budget cycle. This would be an agenda item at the August Council Meeting.

Finance Reports – Ms. Bruchey stated all end of fiscal year finance reports were very preliminary, but currently show a small surplus in each account. She stated the preliminary audit begins in late July, with the full audit commencing in September.

The meeting adjourned at 5:55pm.

Report prepared by Carrie Myers