



## **BERLIN MAYOR AND COUNCIL**

### **Meeting Agenda**

**Berlin Town Hall**

**10 William Street**

**Monday, July 13, 2020**

**SPECIAL NOTICE:** We will be live streaming Mayor and Council Meetings during the ongoing Coronavirus/Covid-19 State of Emergency. Your patience and understanding as we work to meet the restrictions on gathering size, while still conducting Town business is truly appreciated.

- Meeting packets will be posted by 5:00 p.m. on the Wednesday before the meeting.
- Written questions will be accepted to provide the Mayor and Council the opportunity to review and discuss BY 12:00 PM/NOON on the day of the meeting. Submit to:
  - Email: [info@berlinmd.gov](mailto:info@berlinmd.gov), please use M&C Comments as your subject
  - Fax to: 410-641-2316
  - Mail to: Berlin Town Hall, Attn: M&C Comments, 10 Williams St., Berlin, MD 21811. Mail should be posted no later close of business on the Friday before the meeting to help ensure delivery.
  - Drop off in one of the two drop boxes at Town Hall – one is at the rear of the building behind the stair tower, and the other is at the corner of Bay and Williams Street on the building.

**To access the Meeting via live stream on Facebook, please click on the blue Facebook icon at the top of any page on the Town website, [www.berlinmd.gov](http://www.berlinmd.gov), or type @berlinmd in the Facebook search bar.**

**No response will be given to questions and comments submitted via Facebook during a regular meeting.**

**PUBLIC HEARINGS:** If a public hearing is scheduled, questions will also be taken via Facebook during the Public Hearing portion of that meeting. A staff member will monitor the questions for duplicates, language and appropriateness to the Public Hearing topic. Depending on the volume of questions, we may not be able address everyone.

**Responses will be given out loud via the live stream; they WILL NOT be responded to via the comments on Facebook.**



## BERLIN MAYOR AND COUNCIL

### Meeting Agenda

Berlin Town Hall  
10 William Street  
Monday, July 13, 2020

#### 7:00 PM REGULAR SESSION – Council Chambers (livestream)

1. Approval of the Minutes for:
  - a. Executive Session of 06/08/20 (Statement of closure already disclosed)
  - b. Regular Session of 06/22/20
2. Swearing in of new Parks Commission members – Mayor Williams
3. Motion 2020-18: Motion approving Steven Black, owner of Arby's, to purchase and finance one additional EDU – Town Administrator Jeffrey Fleetwood
4. Draft Reserve Policy – Town Administrator Jeffrey Fleetwood and Finance Director Natalie Salah
5. Discussion of sewer fund balance reduction owed to general fund – Town Administrator Jeffrey Fleetwood and Finance Director Natalie Salah
6. Departmental Reports – Town Administrator Jeffrey Fleetwood
7. Town Administrator's Report
8. Comments from the Mayor
9. Comments from the Council
10. Comments from the Public (Questions or comments submitted prior to 12 noon on Monday, June 8, 2020 will be addressed at this time. Questions submitted on Facebook will not be answered during the meeting.)
11. Comments from the Press
12. Adjournment

Anyone having questions about the meetings mentioned above or needing special accommodations should contact Town Administrator Jeffrey Fleetwood at (410) 641-4002. Written materials in alternate formats for persons with disabilities are made available upon request.

*TTY users dial 7-1-1 in the State of Maryland.  
TTY users outside Maryland dial 1-800-735-2258*



**BERLIN MAYOR AND COUNCIL**  
**Meeting Minutes**  
**Monday, June 22, 2020**

**7:00 PM REGULAR SESSION – Berlin Town Hall Council Chambers**

**Present:** Mayor Gee Williams, Vice-President Elroy Brittingham, Councilmembers Thom Gulyas, Zackery Tyndall, Dean Burrell, and Troy Purnell.

**Staff Present:** Town Administrator Jeff Fleetwood, Deputy Town Administrator Mary Bohlen, Planning Director Dave Engelhart, Town Attorney David Gaskill, and Administrative Manager Kelsey Jensen.

Due to the Coronavirus/Covid-19 State of Emergency, this meeting was broadcast live via Facebook. No other persons besides two members of the press and intern Will Meadows were present in the Council Chambers other than those specified.

Following the Lord's Prayer and Pledge of Allegiance, Mayor Williams called the meeting to order at approximately 7:00 PM.

1. Approval of the Minutes for:

a. Executive Session of 06/08/20:

Councilmember Burrell said he would like his opinion stated in paragraph three. Mayor Williams said they will hold off on approving until the next meeting when the changes are made.

b. Statement of Closure for Executive Session of 06/08/20:

Mayor Williams read the Statement of Closure.

c. Regular Session of 06/08/20:

On the motion of Councilmember Gulyas, the Regular Session Minutes of June 8, 2020 were approved by the following vote:

Name	Counted toward Quorum				
	Aye	No	Abstain	Recused	Absent
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell	X				
Thom Gulyas	X				
Zackery Tyndall	X				
<i>Voting Tally</i>	5				

2. Motion 2020-17: Motion approving Pop's Kitchen at 15 Gay Street to place four picnic tables and a small bike rack on the front patio

Planning Director David Engelhart introduced the Becks who expressed interest in having four picnic tables and a small bike rack on their property. Councilmember Burrell asked if they were on the sidewalk or on the property; Mr. Engelhart said it is on the property more of a veranda area, he also mentioned that they are heavy composite tables. Mr. Fleetwood asked when they anticipate opening; the Beck's said hopefully within the month.

On the motion of Councilmember Gulyas, Motion 2020-17 was approved by the following vote:

Name	Counted toward Quorum				
	Aye	No	Abstain	Recused	Absent
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell	X				
Thom Gulyas	X				
Zackery Tyndall	X				
<i>Voting Tally</i>	5				

3. Public Hearings: (questions not submitted prior to noon on Monday, June 22, 2020 will be taken via Facebook livestream)

a. Ordinance 2020-04: Ordinance amending chapter 12, "Elections" Section 12-130, "Absentee Voting"

Deputy Town Administrator Mary Bohlen said the proposed change would still require voters to apply to vote by absentee ballot, but would eliminate the need for a stated reason for the request.

With no questions from the State or County, Mayor Williams opened the public hearing via Facebook at 7:10 PM. With no comments via Facebook Mayor Williams closed the public hearing at 7:13 PM.

On the motion of Councilmember Gulyas, Motion 2020-17 was approved by the following vote:

Name	Counted toward Quorum				
	Aye	No	Abstain	Recused	Absent
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell	X				
Thom Gulyas	X				
Zackery Tyndall	X				
<i>Voting Tally</i>	5				

b. Resolution 2020-02; Re-zoning Worcester County Tax Map Number 25, Parcels 0004 and 0461 from M1A Industrial District to B-2 Shopping District

Mayor Williams opened the public hearing at 7:16 PM and explained the Resolution. Planning Director David Engelhart explained that the prior zoning classification was incorrect so there is a need to present the findings of fact. Chris Carbaugh explained the findings and future plans for the site, a neighborhood shopping center.

Via Facebook, Resident Tony Weeg asked "are water and waste water already extended there or will that take new money and work? Will developer fund this? How will it connect to downtown? Will it be another strip mall?". Mayor Williams responded that water and wastewater are already extended there because of SonRise Church. Mr. Carbaugh explained that they are not trying to become a typical strip mall, they are looking for outdoor green space and outdoor seating more of a community-based shopping center.

Councilmember Brittingham asked how it will compare to the shopping center in Cambridge; Mr. Carbaugh said he cannot compare the two because he hasn't walked or been involved with Cambridge, but thinks it will better the Cambridge area.

Resident Tony Weeg asked "how will the people of Berlin connect to it? Will the downtown corridor be considered when getting there? And how does a walking person or biking person connect? What sidewalk?" Mayor Williams noted that both U.S. Rt. 50 and MD Rt. 818 (Main Street) were state highways and that walking and biking on main roads is not encouraged.

Resident Robert Johnson asked "What type of businesses do you anticipate being a part of this shopping center?" Mr. Carbaugh said it will be zoned B2, so they are focusing on

restaurants, pharmacies, retail, and gift shops, but are open to seeing what is desired and needed in the area.

Town Administrator Jeffrey Fleetwood reminded all that the purpose of the public hearing is for re-zoning, not the intended use of the property.

Administrative Manager Kelsey Jensen stated that the following question was posed but was unrelated to the re-zoning aspect: Resident Lisa Oliveras-Carper asked "Route 50 (Walmart) shopping center is mostly vacant stores, Ocean pines is full of vacant stores... how do you fill stores with businesses when we already have spaces that are unoccupied?". Mayor Williams indicated that this question is irrelevant to rezoning.

Councilmember Tyndall indicated that, if it is B2 and apartments are allowed in that area, then he would like to see more walkability and connection to downtown; Mr. Carbaugh said he agrees, and if that becomes an option it will be discussed with the Town.

Councilmember Tyndall then asked if a traffic study would be completed; Mr. Engelhart said the access management plan would be submitted to SHA and at that point they would determine what access is needed and he will pass that information along to the Mayor and Council.

With no further questions, Mayor Williams closed the public hearing at 7:41 PM.

On the motion of Councilmember Purnell, the findings of fact, the Mayor and Council report from 2014, and Resolution 2020-02 were approved by the following vote:

Name	Counted toward Quorum				
	Aye	No	Abstain	Recused	Absent
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell	X				
Thom Gulyas	X				
Zackery Tyndall	X				
<i>Voting Tally</i>	5				

4. Discussion re: 2020 Municipal Election Staff Report

Deputy Town Administrator Mary Bohlen explained that this staff report was completed to present different options for the Mayor and Council to consider. It was done in an abundance of caution with safety in mind, since we do not know how COVID will affect the fall elections. Mayor Williams also pointed out that Districts 1 & 2 will still vote at Buckingham Presbyterian and Districts 3 & 4 will be voting at the Berlin Police Department. Councilmember Tyndall asked if they choose to go with option two how soon would a decision need to be made, Ms. Bohlen said for planning purposes sooner is better, but ballots are not printed until after the filing deadline, so they have some time.

5. Departmental Reports given by Town Administrator Jeffrey Fleetwood:

- a. Economic and Community Development: Buzz Meadery will be opening this Friday. There will be pollinator facts on Facebook, in stores, and in the Welcome Center in honor of pollinator week.
- b. Water Resources: Water repairs and locates were made on South Main Street. Also, they power washed the wellhouses last week. Mr. Fleetwood then introduced intern Will Meadows; he is a student at Salisbury University and is focused on stormwater.

6. Town Administrator's Report – Jeffrey Fleetwood

Mr. Fleetwood read the Keep America Beautiful letter on the record.

7. Comments from the Mayor: Mayor Williams had no comments.

## 8. Comments from the Council:

Councilmember Burrell thanked all Town staff for doing such a tremendous job now, and during the pandemic. He appreciates all of the efforts that have been made to keep the staff and public safe. Mr. Fleetwood agreed and said he would be doing milkshakes as a thank you on July 2<sup>nd</sup>.

Councilmember Gulyas mentioned that he spoke with an officer who was involved in a bad situation and then saved a choking baby the following day, he thanked him for his services.

Councilmember Purnell said he echoed Councilmember Burrell's comments.

## 9. Comments from the Public – none.

## 10. Comments from the Press – none.

## 11. Adjournment:

On the motion of Councilmember Burrell, the Mayor and Council meeting was adjourned at approximately 7:55 PM.

Name	Counted toward Quorum				
	Aye	No	Abstain	Recused	Absent
Elroy Brittingham, VP	X				
Dean Burrell	X				
Troy Purnell	X				
Thom Gulyas	X				
Zackery Tyndall	X				
<i>Voting Tally</i>	5				

Respectfully Submitted,



Kelsey Jensen  
Administrative Manager



**MOTION OF THE MAYOR AND COUNCIL 2020-18**

A MOTION OF THE MAYOR AND COUNCIL OF THE TOWN OF BERLIN APPROVING STEVEN BLACK, AS THE OWNER OF ARBY'S, TO PURCHASE AND FINANCE ONE ADDITIONAL EDU FOR THE PROPERTY LOCATED AT 10627 OCEAN GATEWAY, BERLIN, MD 21811.

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2020 BY THE MAYOR AND COUNCIL OF THE TOWN OF BERLIN, MARYLAND BY AFFIRMATIVE VOTE OF \_\_\_\_\_ TO \_\_\_\_\_ OPPOSED, WITH \_\_\_\_\_ ABSTAINING, AND \_\_\_\_\_ ABSENT.

\_\_\_\_\_  
Elroy Brittingham, Sr. Vice President

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2020 by the Mayor of the Town of Berlin.

\_\_\_\_\_  
Wm. Gee Williams, III, Mayor

ATTEST: \_\_\_\_\_  
Jeffrey Fleetwood  
Town Administrator

## **WATER AND SEWER USE AND ALLOCATION AGREEMENT**

Made this 13th day of June, 2020 by and between Steven Black hereinafter referred to as "Owner", and the Town of Berlin, hereinafter referred to as "Berlin or "Town of Berlin".

### **WITNESSETH:**

**Whereas**, the Owner is the owner in fee simple of certain property located in Worcester County, Maryland and known as 10627 Ocean Gateway (Arby's), Berlin, MD., Tax Map 0025, Parcel 0438; hereinafter referred to as the "Property"; and

**Whereas**, the Property consists of a One commercial building. ("Building"). The Building contains One unit ("Unit"); and

**Whereas**, Berlin Standards and Specifications require the following:

**Whereas**, the Property is allocated under policies and procedures of Berlin a Water and Sewer allocation of one (1) Equivalent Dwelling Unit ("EDU) equal to 250 gpd; The property already has two (2) EDU(s), this agreement is adding one (1) for a total of three (3) EDU(s); and

**Whereas**, the Owner may in the future desire to subdivide the Property, or divide the Property by metes and bounds or by other means for the purpose of sale or otherwise change the permitted uses or intensify or increase a previously permitted use on the Property so as to modify the water and sewer usage attributable to the Property; and

**Whereas**, this Agreement is not intended and shall not be construed as authorizing any EDU's in addition to the one (1) EDU(s) allocated to the Property; and

**Whereas**, this Agreement is intended only to authorize the specific uses so as to assure the Town of Berlin that the use of the Property does not utilize in excess of one (1) EDU(s), not to exceed 250 gpd.

**Now, Therefore**, in consideration of permission granted by the Town of Berlin to allow Owner or Owner's successors, personal representatives and assigns, a water and sewer allocation from the Town of Berlin equal to one (1) EDU(s) or 250 gpd for the Project, the Owner does hereby covenant and agree for itself, and for all its purchasers, lessees, successors and assigns, to and with the Town of Berlin, as follows:

1. Historical metered flows were determined by the master meter on the Property from 24 months of continuous usage immediately prior to the approval date of this agreement and these flows were used in the allocation of one (1) EDU(s) or 250 gpd.

2. Owner specifically acknowledges and agrees that any changes to the approved use including any increase to or enhancement of a previously approved use may not be made without the prior express written approval of the Town of Berlin.
3. The Property is only approved for one (1) EDU(s), Owner is to notify the Town of Berlin for approval of any change in use or ownership. The Owner further agrees and understands that a Zoning Permit shall be required for any change of use.
4. The Town shall monitor water consumption as an indication of actual sewer flow to a non-residential unit or project for a period of twenty-four months following completion of the entire project. If the flow exceeds the established EDU's allocated to the property, the owner of the non-residential unit or project will be assessed additional Special Connection Charges as appropriate, at the rate previously paid by the owner to reflect the additional flow in excess of the previously allocated number of EDU's. Any fractional portion shall be rounded to the next highest whole number. The owner agrees that it is required to purchase additional EDU'S if the actual flow exceeds the established EDU'S allocated to the property, and understands and agrees that the failure to purchase additional EDU'S may result in the termination of water and sewer service to the property at the discretion of the Town of Berlin.
5. Flow projections for the Property shall be calculated by the Town utilizing the flow projections provided in the Guidance Document, titled Wastewater Capacity Management Plans, 2006, published by the State of Maryland Department of the Environment, as amended, ("Guideline") except for medical office use.
6. Effective December 31, 2006, when the proposed use is for medical office space, flow projections for such use shall be calculated by the Town by multiplying the gross square footage of such medical office space times 0.10 to determine the projected flow in gallons per day ("Medical Office Guideline".)
7. Effective February 25, 2008, when the proposed use is for carry-out only, flow projection for such use shall be calculated by the Town by multiplying the gross square footage, to include all seating and food preparation area, including non-public space behind the counter but not a walk in refrigerated space if within the footprint of the building, times 0.5 gpd to determine the projected flow in gallons per day. If seating is planned the numbers of seats are multiplied by 25 gpd and the greater flow of the seating or square foot flow will be used. ("Carry -out Guideline".)
8. The Town shall review each request for a change in use, expansion of the use, or intensification of the use and, within 45 days of submission, calculate the projected flow pursuant to the Guidelines and Medical Office Guideline. Uses, which result in projected or actual flows in excess of the EDU allocated hereunder, shall not be permitted. The Town may extend the 45-day period provided that it notifies the Owner in writing that it requires additional time to calculate the projected flow.

9. The foregoing covenants shall be deemed to run with and bind the Property and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. Enforcement by the Town may include but not be limited to injunctive relief, the application of use surcharges or other fees or any other remedy deemed appropriate by the Town.

IN WITNESS WHEREOF, the parties hereto set their hands and seals as of the day and year first above written.

ATTEST:

**OWNER's Name**

\_\_\_\_\_

\_\_\_\_\_(Seal)  
Type name & title if any

STATE OF MARYLAND, WORCESTER COUNTY, TO WIT:

I HEREBY CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2020, before me, a Notary Public of the State and County aforesaid, personally appeared \_\_\_\_\_ and acknowledged the foregoing agreement to be his/her respective act.

AS WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
Notary Public

My commission expires:

**Town of Berlin**

ATTEST:

\_\_\_\_\_  
MAYOR

STATE OF MARYLAND, WORCESTER COUNTY, TO WIT:

I HEREBY CERTIFY that on this \_\_\_\_\_ day of \_\_\_\_\_, 2020,  
before me, a Notary Public of the State and County aforesaid, personally appeared  
\_\_\_\_\_ and acknowledged himself to be the \_\_\_\_\_ of the  
Town of Berlin, and that he, as such \_\_\_\_\_, being authorized  
so to do, executed the foregoing agreement for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
Notary Public  
My commission expires:

**TOWN OF BERLIN**

**WATER & SEWER ALLOCATION APPLICATION**

**DATE: July 13, 2020**

The undersigned hereby makes application under the provisions of Ordinance 2009-02 Water and Sewer Allocation for the Town of Berlin. Fill in all applicable blanks.

**APPLICANT DATA**

Name: Steven Black

Mailing Address: 10220 Bunting Road  
Bishopville, MD 21813

Telephone: 410 726-8795 (home)

**PROPERTY DATA**

Project Name: Arby's

Street Address: 10627 Ocean Gateway Town: Berlin

Tax Map: 0025 Parcel: 0438

Acreage: 15.212 Zoning: B-2

Current Master Water and Sewerage Plan Designation: W-2 S-2

Existing Use: Non-Residential Commercial

Existing Allocation: sewer: 2 at 250 gpd water: 2 at 250 gpd

Zoning: B-2

**PROJECT DATA**

Description: Arby's has two EDUs and after evaluation the property requires three total

Application is for: sewerage: 1 water: 1

Total EDU's Required: 3

Amount Due: \$1,668.60

Balance Due: \$15,017.40

(Balance of EDU charge must be paid in full prior to the issuance of a Building Permit for structures that are being built.)



# Mayor & Council of Berlin

10 William Street  
Berlin, MD 21811  
410-641-2770  
www.berlinmd.gov



## EQUIVALENT DWELLING UNIT (EDU) FINANCING REQUEST

### Applicant:

Contact Person: Steven Black  
Company Name (if applicable): Arbys  
Mailing Address: 10220 Bunting Rd.  
Bishopville, MD 21813  
Phone: 410-726-8797 Alt. Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### Project:

Name (if applicable): Arby's  
Property Address: 10627 Ocean Gateway  
Map, Grid, Parcel: 0025, 0438  
Number of EDU's to be financed (up to five): One  
Amount to be financed: \$16,686

### Description of Project/Services

Property has two EDUs currently, but  
upon review requires one additional  
EDU dvc to 1 usage.

Deposit required: 10% = \$1,668.60  
Balance due after deposit: \$15,017.40

Deposit paid: \_\_\_\_\_  
(date)

By my signature below, I acknowledge that I will pay the total amount of the equivalent dwelling units within five (5) years. I will be charged an annual financing fee of 3%. If my application is denied, I am able to appeal in writing to the Mayor and Council within thirty (30) days of the denial. There shall be no appeal to any court and there shall be no right to review of appeal by any person other than the applicant. I will provide the Town Administrator with any requested documentation before my approval. I understand that the property owner's balance shall be paid in full upon transfer of the property. I understand that I will be responsible to pay any construction inspection fees and charges, and they shall be added to the final agreement.

### Signed:

Name/Title \_\_\_\_\_ Date: \_\_\_\_\_  
Name/Title \_\_\_\_\_ Date: \_\_\_\_\_

Town of Berlin \_\_\_\_\_ Date: \_\_\_\_\_

Public Works Agreement construction inspection fees and charges paid: \_\_\_\_\_

01/30/17



## Draft Resolution

### A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF BERLIN, ESTABLISHING A GENERAL FUND RESERVE POLICY.

Whereas, the Mayor and Council have the authority to set financial policies for the Town, and

Whereas, the Mayor and Council have determined a policy regarding the establishment and maintenance of General Fund Reserves is consistent with best practices in municipal finance, and

Whereas the Mayor and Council must establish reserves in a manner consistent with the Government Accounting Standards Board (GASB), and

Whereas, the Mayor and Council are able to immediately establish reserves required by grantors, bondholders and higher levels of government and continue the Employee Healthcare Reserve, and

Whereas, the Mayor and Council recognize the benefit of establishing additional reserve categories and target balances as goals to work toward, and

Whereas the Mayor and Council have established a plan to reach those target balances.

NOW THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Berlin, Maryland that the following General Fund Reserve Policy is established:

#### **Purpose**

The Town will establish and maintain reserve balances to:

- (a) Guard its citizens against service disruptions in the event of economic uncertainties, local disasters and other financial hardships;
- (b) Provide for fluctuations in revenues and expenditures while ensuring adequate cash flow;
- (c) Enable the Town to implement innovative opportunities for the betterment of the community;  
and
- (d) Demonstrate continued credit worthiness to bond rating agencies and the financial community.

#### **General Fund Reserves**

In compliance with GASB Statement No. 54, the General Fund shall contain reserves, which shall be classified as Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, or Unassigned Fund Balance.

#### **Reserves Established**

The Town shall maintain minimum fund balances according to the requirements forth in this section.

- (a) Restricted Fund Balance shall be maintained as required by grantors, bondholders and higher levels of government.
- (b) Committed Fund Balance shall be maintained as follows:

There shall be an Employee Healthcare Reserve, in the amount of not less than \$300,000, to mitigate the increase in employee health care costs.

- (c) The Unassigned Fund Balance shall consist of the balance of all amounts not otherwise expended, encumbered, or reserved.

#### **Reserve Categories and Target Balances**

The Town shall transfer \$100,000 per year from Unassigned Fund Balance to obtain minimum fund balances according to the requirements and in the order set forth in this section.

- (1) There shall be a Budget Stabilization Reserve, in an amount sufficient to ensure continuity of Town General Fund operations for a three-month period.
- (2) There shall be a Capital Reserve in the amount of \$100,000 to pay for unplanned but essential capital projects.
- (3) There shall be a Debt Reduction Reserve, in an amount reasonably estimated to pay the Town's debt service (principal plus interest) on any outstanding, long term debt instruments for one year;
- (4) There shall be a Disaster Response and Recovery Reserve, in the amount of \$250,000, to pay the Town's cost of emergency repairs to or replacements of parts of the Town infrastructure damaged by any natural or man-made disaster, or to abate or prevent further damage to life or property.

The Budget Stabilization Reserve and Capital Reserve shall be designated as Assigned Fund Balance. The Debt Reduction Reserve and Disaster Response and Recovery Reserve shall be designated as Committed Fund Balance.

#### **Transfer of Committed Fund Balance**

- (a) On occurrence of a condition for which the Disaster Response and Recovery Reserve was created, the Town Administrator may transfer funds, up to the balance of such reserve, to the appropriate department or departments in the operating budget to abate the condition for which the reserve was created. Any such transfer shall be reported to the Mayor and Council in an open and public meeting within thirty days.
- (b) Except as provided above, no transfer shall be made from the Committed Fund Balance, e.g. the Debt Reduction Reserve, or Employee Healthcare Reserve, without expressed approval of the Mayor and Council given at an open and public meeting.
- (c) Committed Fund Balance shall not be replenished without express approval of the Mayor and Council given at an open and public meeting.

#### **Use, Transfer and Replenishment of Assigned Fund Balance**

- (a) No transfer shall be made from the Assigned Fund Balance, e.g. the Capital Reserve and the Budget Stabilization Reserve, without expressed approval of the Mayor and Council given at an open and public meeting.
- (b) Assigned Fund Balance shall not be replenished without express approval of the Mayor and Council given at an open and public meeting.

### **Transfer and Replenishment of Unassigned Fund Balance**

- (a) No transfer shall be made from the Unassigned Fund Balance without expressed approval of the Mayor and Council given at an open and public meeting.
- (b) All appropriations that have not been expended, lawfully encumbered, or placed in another reserve, and all surplus revenues as of June 30 shall be placed in the Unassigned Fund Balance.

### **Report on Fund Balance Levels**

- (a) The Town Administrator shall report on the fund balance levels to the Mayor and Council as follows:
  - (1) During the annual budget adoption process, the Town Administrator shall project the ending fund balances and reserve levels; and
  - (2) When the auditor presents the Town's audited financial statements to the Mayor and Council, the Town Administrator shall report the actual fund balances as of the end of the fiscal year.
- (b) At any time, if the Unassigned Fund Balance reduced to zero, or is projected to be reduced to zero within the fiscal year, the Town Administrator shall provide a report to the Mayor and Council, along with a plan to maintain the Unassigned Fund Balance with a positive balance.