

Council Meeting Agenda – December 14, 2023

VIA ZOOM CONFERENCE CALL AND IN-PERSON

The Council may entertain a motion in open session to enter into a closed session, in accordance with Section 3-305(b) of the Open Meetings Act (Maryland Code, General Provisions Article).

- Call to Order: Alexander
- FY23 Audit Report: Eva Webb (Page 2)
- Weather Report: Keith Allen
- Opportunity for Council to Hear Residents' Comments: TBD
- Approve November 16 Council Meeting Minutes (Page 48)
- Manager's Report: Silliman (Page 65)
- Discussion and possible introduction of the 2024 Election Plan (Page 66)
- Committee Reports
- Ordinance Development Process: Blander (Page 81)
- Discussion of possible building code revisions: Alexander
- Discussion and possible introduction of a building code amendment restricting bio retention planter boxes (Page 89)
- Treasurer's Report: Blander (Page 94)
- Opportunity for Council to Hear Residents' Comments: TBD

Join Zoom Meeting

<https://us02web.zoom.us/j/88331175094?pwd=OFNvZkFzbnA4coovdWI4KzA1Q2JjUT09>

Meeting ID: 883 3117 5094

Passcode: 525784 One tap mobile: (301) 715-8592



October 30, 2023

To the Chairperson and Council of the
Village of Martin's Additions, Maryland
7013B Brookville Road
Chevy Chase, Maryland 20815

We have audited the financial statements of the governmental activities and the general fund of the Village of Martin's Additions, Maryland for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated September 11, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Village of Martin's Additions, Maryland are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2023. We noted no transactions entered into by the Village of Martin's Additions, Maryland during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected..

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

The following material adjustments were identified during the audit:

- To record additional accounts payable of approximately \$19,000 which also increased expenses.
- To record additional accounts receivable of approximately \$17,000 which also increased revenues.
- To reclassify the second tranche of ARPA funds of approximately \$490,000 to deferred inflows as the qualifying expenditures have not been incurred. This also reduced revenues by the same amount.

The net effect of all proposed audit adjustments was to reduce net income by approximately \$521,000.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 30, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Village of Martin's Additions, Maryland's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Village of Martin's Additions, Maryland's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and budgetary comparison information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Chairperson, Council and management of the Village of Martin's Additions, Maryland and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

LSWG, P.A.

**VILLAGE OF MARTIN'S
ADDITIONS, MARYLAND**

**Financial Statements,
Supplementary Information
and Independent Auditor's Report**

**For the Years Ended
June 30, 2023 and 2022**

LSWG

**CERTIFIED PUBLIC ACCOUNTANTS
& BUSINESS ADVISORS**

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
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June 30, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Council of the
Village of Martin's Additions, Maryland

Opinions

We have audited the accompanying financial statements of the governmental activities and the general fund of the Village of Martin's Additions, Maryland, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Village of Martin's Additions, Maryland's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Village of Martin's Additions, Maryland, as of June 30, 2023 and 2022, and the respective changes in financial position and for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Martin's Additions, Maryland, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Martin's Additions, Maryland's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Martin's Additions, Maryland's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Martin's Additions, Maryland's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial

statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

LSWG, P.A.

Rockville, Maryland
October 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Village of Martin's Additions, we offer the Village of Martin's Additions financial statements and this narrative overview and analysis of the financial activities of the Village of Martin's Additions for the fiscal year ended June 30, 2023. We encourage readers to consider the following information.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Village of Martin's Additions exceeded its liabilities and deferred inflows at the close of the fiscal year by \$5,192,199 (net position). Of this amount, \$4,241,960 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$666,835.
- As of the close of the fiscal year, the Village of Martin's Additions governmental funds reported an ending fund balance of \$4,413,959, an increase of \$634,651 in comparison with the prior year. Of the total fund balance, \$1,912,192 is available for spending at the government's discretion (unassigned fund balance) and \$2,500,000 has been assigned for street improvements, capital projects and a reserve fund. The remaining \$1,767 is nonspendable as it represents prepaid expenses.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village of Martin's Additions basic financial statements. The Village of Martin's Additions basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. (Exhibits A-1, A-2 and A-3) The government-wide financial statements are designed to provide readers with a broad overview of the Village of Martin's Additions finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Village of Martin's Additions assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Martin's Additions is improving or deteriorating.

The statement of program activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements of the Village of Martin's Additions are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Village of Martin's Additions include general government, public works, public safety, and recreation. The government-wide financial statements report only on the Village of Martin's Additions.

Fund financial statements. (Exhibits A-4 and A-5) A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Martin's Additions, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Martin's Additions are governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village of Martin's Additions maintains one individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of which is considered to be a major fund.

The Village of Martin's Additions adopts an annual appropriated budget for its general fund. A budgetary comparison schedule (Exhibit B-1) has been provided for the general fund to demonstrate compliance with this Budget.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as one useful indicator of a government's financial position. In the case of the Village of Martin's Additions, assets exceeded liabilities by \$5,192,199 at the close of the most recent fiscal year.

Approximately 19% of the Village of Martin's Additions total assets reflect its investment in capital assets (e.g., land, buildings, machinery, and equipment). The Village of Martin's Additions uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Village of Martin's Additions Net Position

	Governmental Activities
Current and other assets	\$ 5,503,491
Noncurrent assets	<u>1,003,158</u>
Total assets	<u>6,506,649</u>
Deferred Outflows	<u>-</u>
Current liabilities	139,355
Noncurrent liabilities	<u>213,866</u>
Total liabilities	<u>353,221</u>
Deferred Inflows	<u>961,229</u>
Invested in capital assets	\$ 950,239
Unrestricted	<u>4,241,960</u>
Total net position	<u>\$ 5,192,199</u>

The unrestricted net position of \$4,241,960 may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities increased the Village of Martin's Additions net position by \$666,835. Revenues increased by \$237,775 from fiscal year 2022 to fiscal year 2023. The significant changes included: income taxes increased \$74,775 and interest income increased \$158,310.

Expenses increased \$91,278 from fiscal year 2022 to fiscal year 2023. The significant changes included: building review and permits increased \$28,950, community events increased \$16,159 and street expenses increased \$25,123.

Village of Martin's Additions Changes in Net Position

	Governmental <u>Activities</u>
Revenues:	
Program revenues:	
Charges for services	\$ 49,249
Operating grants and contributions	41,774
General revenues:	
Taxes	1,202,674
Other	<u>217,068</u>
Total Revenues	<u>1,510,765</u>
Expenses:	
General government	349,662
Building & zoning	84,910
Public works	308,612
Public safety	42,477
Recreation	49,983
Interest	<u>8,286</u>
Total Expenses	<u>843,930</u>
Increase in net position	666,835
Net position, July 1, 2022	<u>4,525,364</u>
Net position, June 30, 2023	<u>\$ 5,192,199</u>

Taxes of \$1,202,674 comprised 80% of the total revenues of \$1,510,765. The taxes include both property and income taxes.

CAPITAL ASSETS

At the end of fiscal year 2023, the Village's governmental activities have invested \$27,394 in office equipment, \$1,381 in leasehold improvements and \$1,191,352 in infrastructure, as reflected in the following schedule. Total depreciation for the 2023 fiscal year was \$34,304 and accumulated depreciation for all assets was \$259,450. Net capital assets for the Village at the end of the fiscal year were \$960,677.

Governmental Activities - Capital Assets

	Governmental Activities
Non-Depreciable Assets	None
Other Capital Assets	
Infrastructure	\$ 1,191,352
Equipment	27,394
Leasehold Improvements	<u>1,381</u>
Total Capital Assets	1,220,127
Accumulated Depreciation on Other Capital Assets	<u>(259,450)</u>
Net Capital Assets	<u>\$ 960,677</u>

Governmental Activities - Capital Assets

	Governmental Activities
Lease Asset – current portion	\$ 22,163
Lease Asset – noncurrent portion	<u>42,481</u>
Total Lease Assets	<u>\$ 64,644</u>
Lease Liability – current portion	23,386
Lease Liability – noncurrent portion	<u>51,696</u>
Total Lease Liabilities	<u>\$ 75,082</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The Village of Martin's Additions uses fund accounting to ensure and demonstrate compliance with finance related requirements.

Governmental funds. The focus of the Village of Martin's Additions governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Martin's Additions financing requirements.

Total general fund revenue was \$1,500,936. This was a \$237,776 increase over fiscal year 2022. The increase was largely a result of a \$74,775 increase in income taxes and an increase in miscellaneous revenues (largely interest income) of \$159,815.

Total general fund expenditures were \$866,285. This was an increase of \$146,249 over the prior year. The increase is largely a result of the general government costs increasing \$115,469 and public works expenses increasing \$55,830.

Total fund balance increased \$634,651 for a total fund balance of \$4,413,959. Of this amount \$1,912,192 is unassigned and can be used for future plans of the Village, \$2,500,000 is assigned for future capital projects and a reserve and \$1,767 is nonspendable as expenses have been prepaid.

General fund budgetary highlights. Generally, budget amendments fall into one of three categories: (1) amendments made to adjust the estimates that are used to prepare the original Budget once exact information is available; (2) amendments made to recognize new funding amounts from external sources, such as County and State grants; and (3) increases in appropriations that become necessary to maintain services. During the fiscal year the Village made amendments that fall into category one above. A detailed analysis of these changes can be found in Exhibit B-1 of the financial statements.

There were a few significant budget versus actual variances. Income tax revenues received were \$448,763 more than budgeted as the Village budgets conservatively. Also, permit fees were \$28,481 more than budgeted. Due to much higher interest rates, interest income was \$159,335 more than budgeted.

There were several actual expense amounts that were less than budgeted, largely in the designated funds which were budgeted at \$2,500,000 and total current year expenses were \$62,608. Also, snow removal services were \$29,280 less than budgeted.

Actual expenses were \$22,449 more than budgeted for waste collection and recycling largely due to a diesel surcharge. Community events were \$14,983 more than budgeted due to additional events being held in the current year.

ECONOMIC FACTORS

Overall, fiscal year 2023 was a positive year. The Village provided all the services budgeted for and completed the year by adding \$634,651 to the fund balance. The second ARPA payment of \$489,547 was received in August of 2022.

The Village Council maintained a conservative approach in formulating the fiscal year 2024 budget to ensure that the Village has a healthy financial position into the future. In fiscal year 2024, the Village plans to utilize the American Rescue Plan funds to enhance the safety and usability of Village streets, address drainage issues, and tackle other eligible projects.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Martin's Additions finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village Manager of the Village of Martin's Additions, 7013B Brookville Road, Chevy Chase, Maryland, 20815.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Statements of Net Position
June 30,

	Governmental Activities 2023	Governmental Activities 2022
Assets		
Current Assets		
Cash and cash equivalents	\$ 284,502	\$ 280,945
Investments	5,183,345	4,023,532
Receivables, net	1,055	-
Due from other governments	10,659	17,461
Prepaid expenses	1,767	1,767
Lease asset - current portion	22,163	22,163
Total Current Assets	5,503,491	4,345,868
Noncurrent Assets		
Lease asset - net of current portion	42,481	64,644
Capital assets, net	960,677	937,381
Total Noncurrent Assets	1,003,158	1,002,025
Total Assets	6,506,649	5,347,893
Deferred Outflows	-	-
Liabilities		
Current Liabilities		
Accounts payable	69,910	48,716
Refundable deposits	36,230	24,000
Lease liability - current portion	23,386	21,222
State tax credit liability - current portion	9,829	9,829
Total Current Liabilities	139,355	103,767
Noncurrent Liabilities		
Lease liability - net of current portion	51,696	75,082
State tax credit liability - net of current portion	162,170	171,999
Total Noncurrent Liabilities	213,866	247,081
Total Liabilities	353,221	350,848
Deferred Inflows	961,229	471,681
Net Position		
Invested in capital assets, net	950,239	927,884
Unrestricted	4,241,960	3,597,480
Total Net Position	\$ 5,192,199	\$ 4,525,364

The accompanying notes are an integral part of these statements.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND

Statement of Program Activities

For the Year Ended June 30, 2023

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenue		Net (Expenses) Revenue and Changes in Net Position	Total
			Charges for Services	Operating Grants and Contributions	Governmental Activities	
Governmental Activities						
General government	\$ 349,662	\$ 8,286	\$ 8,768	\$ 8,955	\$ (331,939)	\$ (331,939)
Building and zoning	84,910	-	40,481	-	(44,429)	(44,429)
Public works	308,612	-	-	32,819	(275,793)	(275,793)
Public safety	42,477	-	-	-	(42,477)	(42,477)
Recreation	49,983	-	-	-	(49,983)	(49,983)
Interest	8,286	(8,286)	-	-	(8,286)	(8,286)
Total Governmental Activities	\$ 843,930	\$ -	\$ 49,249	\$ 41,774	(752,907)	(752,907)
General Revenues						
Property taxes					44,082	44,082
Income taxes					1,158,592	1,158,592
Intergovernmental					50,404	50,404
Interest					164,335	164,335
Miscellaneous					2,329	2,329
Total General Revenues					1,419,742	1,419,742
Change in Net Position					666,835	666,835
Net Position, Beginning of Year					4,525,364	4,525,364
Net Position, End of Year					\$ 5,192,199	\$ 5,192,199

The accompanying notes are an integral part of this statement.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Statement of Program Activities
For the Year Ended June 30, 2022

Functions/Programs	Indirect			Program Revenue		Net (Expenses) Revenue and Changes in Net Position	Total
	Expenses	Expense Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities		
Governmental Activities							
General government	\$ 300,371	\$ 7,030	\$ 13,108	\$ 1,040	\$ (286,223)	\$ (286,223)	\$ (286,223)
Building and zoning	49,240	-	11,015	-	(38,225)	(38,225)	(38,225)
Public works	304,789	-	-	33,586	(271,203)	(271,203)	(271,203)
Public safety	39,899	-	-	-	(39,899)	(39,899)	(39,899)
Recreation	33,823	-	-	-	(33,823)	(33,823)	(33,823)
American Rescue Plan Act	17,500	-	-	17,500	-	-	-
Interest	7,030	(7,030)	-	-	(7,030)	(7,030)	(7,030)
Total Governmental Activities	\$ 752,652	\$ -	\$ 24,123	\$ 52,126	\$ (676,403)	(676,403)	(676,403)
General Revenues							
Property taxes					42,457	42,457	42,457
Income taxes					1,083,817	1,083,817	1,083,817
Intergovernmental					55,703	55,703	55,703
Interest					6,025	6,025	6,025
Miscellaneous					8,739	8,739	8,739
Total General Revenues					1,196,741	1,196,741	1,196,741
Change in Net Position					520,338	520,338	520,338
Net Position, Beginning of Year					4,005,026	4,005,026	4,005,026
Net Position, End of Year					\$ 4,525,364	\$ 4,525,364	\$ 4,525,364

The accompanying notes are an integral part of this statement.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND

Balance Sheets
Governmental Funds
June 30,

	2023 General <u>Fund</u>	2022 General <u>Fund</u>
Assets		
Cash and cash equivalents	\$ 284,502	\$ 280,945
Investments	5,183,345	4,023,532
Receivables, net	1,055	-
Due from other governments	10,659	17,461
Prepaid expenses	1,767	1,767
Total Assets	<u>5,481,328</u>	<u>4,323,705</u>
Deferred Outflows	<u>-</u>	<u>-</u>
Liabilities		
Accounts payable	69,910	48,716
Refundable deposits	36,230	24,000
Total Liabilities	<u>106,140</u>	<u>72,716</u>
Deferred Inflows	<u>961,229</u>	<u>471,681</u>
Fund Balances		
Nonspendable	1,767	1,767
Assigned	2,500,000	2,500,000
Unassigned	1,912,192	1,277,541
Total Fund Balances	<u>\$ 4,413,959</u>	<u>\$ 3,779,308</u>
Reconciliation of Total Governmental Fund Balances To Net Position of the Governmental Activities		
Total Governmental Fund Balances	\$ 4,413,959	\$ 3,779,308
Right to use lease assets used for governmental activities are not financial resources and therefore not reported in the funds	64,644	86,807
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(247,081)	(278,132)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	960,677	937,381
Net Position of Governmental Activities	<u>\$ 5,192,199</u>	<u>\$ 4,525,364</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Statements of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Years Ended June 30,

	2023 General Fund	2022 General Fund
Revenues		
Property taxes	\$ 44,082	\$ 42,457
Taxes - state shared	1,148,763	1,073,988
Licenses and permits	49,250	24,123
Intergovernmental	83,223	89,289
Grants	-	17,500
Miscellaneous	175,618	15,803
	<u>1,500,936</u>	<u>1,263,160</u>
Total Revenues		
	<u>1,500,936</u>	<u>1,263,160</u>
Expenditures		
General government	428,098	312,629
Public works	335,898	280,068
Public safety	42,477	39,899
Recreation	49,983	33,823
ARPA expenditures	-	17,500
Debt service	9,829	36,117
	<u>866,285</u>	<u>720,036</u>
Total Expenditures		
	<u>866,285</u>	<u>720,036</u>
Excess of Revenues Over (Under) Expenditures	634,651	543,124
Fund Balance - Beginning of Year	<u>3,779,308</u>	<u>3,236,184</u>
Fund Balance - End of Year	<u>\$ 4,413,959</u>	<u>\$ 3,779,308</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Reconciliation of the Statements of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statements of Program Activities
For the Years Ended June 30,

	<u>2023</u>	<u>2022</u>
Net Change in Fund Balance - Total Governmental Funds	\$ 634,651	\$ 543,124
Amounts reported for governmental activities in the Statement of Program Activities are different because:		
Debt service payments in the Statement of Revenues, Expenses and Changes in Fund Balance does (does not) require the use of current financial resources and therefore are not reported as an expense in the Government-wide financial statements	31,051	29,087
Amortization expense for right to use lease asset	(22,163)	(22,163)
Governmental funds report capital outlays as expenditures. However, in the Statement of Program Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation does (does not) exceed capital outlay in the current period.	<u>23,296</u>	<u>(29,710)</u>
Net Change in Net Position - Governmental Activities	<u>\$ 666,835</u>	<u>\$ 520,338</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

The Village of Martin's Additions, Maryland (the Village) was incorporated in 1985 under the laws of the State of Maryland. The Village operates under a Council form of government consisting of a Council Chairperson and Village Council. The Village Council has the authority to appoint a Village Manager who shall be responsible for the day-to-day operations of the Village government and for carrying out the policies determined and approved by the Village government. The Village provides the following services as authorized by its charter: public safety (traffic), streets, sanitation, building permits and general administration services. The basic financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental and financial reporting principles. The Village has implemented accounting and financial reporting requirements of GASB Statements No. 34, Basic Financial Statements and Management's Discussion and Analysis for States and Local Governments. GASB Statement No. 34 adds the following components to the financial statements:

Management's Discussion and Analysis – A narrative introduction and analytical overview of the government's financial activities. This analysis is similar to analysis the private sector provides in their annual reports.

Government-Wide Financial Statements – These include financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads). Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter. The government-wide statements include the Statement of Net Position and the Statement of Program Activities.

Statement of Net Position – The Statement of Net Position displays the financial position of the Village. All assets, deferred outflows, liabilities and deferred inflows of resources associated with the operation of the Village are included on the Statement of Net Position. The net position of a government is broken into three categories –1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

Statement of Program Activities – The Statement of Program Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 1 - Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

Budgetary Comparison Schedules – Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. The Village and many other governments revise their original budgets over the course of the year for a variety of reasons.

The financial statements were prepared in accordance with GASB Statement No.14, The Financial Reporting Entity, which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with the basis for assessing the accountability of the elected officials. The financial reporting entity consists of the Village of Martin's Additions, Maryland. There are no organizations for which the Village is financially accountable and there are no component units of the Village.

B. Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the Village as a whole) and fund financial statements. The reporting model focus is on both the Village as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as the fiduciary fund. The government-wide financial statements (i.e., the statement of net position and the statement of program activities) report information on all of the activities of the Village. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. The Village has only one governmental fund, the general fund, to account for all activities of the government, and does not have any business type activities or fiduciary activities at this time.

The statement of program activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 1 - Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Reimbursements are reported as reduction to expenses. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when the grantor eligibility requirements are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Village considers revenue to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation debt principal and interest payments which are reported as expenditures in the year due.

Property taxes, franchise fees, utility taxes, licenses, intergovernmental revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports unearned revenues on its governmental funds balance sheet. Unearned revenues arise from taxes levied in the current year which are for subsequent years' operations. For governmental fund financial statements unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

The Village reports the following major governmental funds:

The General Fund – This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 1 - Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Assets

1. Deposits and Investments

Cash and cash equivalents, which are cash and short-term investments with maturities of three months or less, include cash on hand and demand deposit accounts.

2. Prepaid Expenses

Prepaid expenses record payments to vendors that benefit future reporting periods. Prepaid expenses are similarly reported in government-wide and fund financial statements.

3. Capital Assets

Capital assets, which include equipment, are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. General infrastructure assets acquired prior to July 1, 2004 are not reported in the basic financial statements. As of June 30, 2023 and 2022, \$1,191,352 and \$1,133,752, respectively, of infrastructure has been recorded in these financial statements.

Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 1 - Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Assets (continued)

3. Capital Assets (continued)

Property, plant and equipment of the Village are depreciated using the straight line method over the following estimated useful lives:

Office equipment - 5 to 7 years
Sidewalks and curbs – 40 years
Leasehold improvements – 10 years

4. Property Taxes

Property taxes were assessed and collected by Montgomery County and subsequently remitted to the Village. Property taxes are assessed on July 1st and are due and payable one half by September 30th and one half by December 31st. All unpaid taxes levied July 1st become delinquent on October 1st and January 1st. The residential real property tax rates for the Village for fiscal years ended June 30, 2023 and 2022 were \$.0050 per \$100 of assessed taxable value. The public utilities tax rates for fiscal years ended June 30, 2023 and 2022 were \$1.45 per \$100 of assessed taxable value. The personal property tax rates for fiscal years ended June 30, 2023 and 2022 was \$.50 per \$100 of assessed taxable value. Procedures for the collection of delinquent taxes by Montgomery County are provided for in the laws of Maryland.

5. Long-Term Debt

In the government-wide financial statements, outstanding debt is reported as a liability. Long-term debt for governmental activities is not reported as a liability in the fund financial statements. Long-term debt consists of an office lease and state tax liability.

6. Right to Use Asset

The Village has recorded a right to use asset in accordance with GASB 87 – *Leases*. The right to use asset was initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives plus ancillary charges necessary to place the lease in service. The right to use asset is amortized on a straight-line basis over the life of the related lease.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 1 - Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Assets (continued)

7. Net Position

Net positions represent the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide financial statements. Net positions are classified in the following categories:

Invested in capital assets, net of related debt – This amount consists of capital assets net of accumulated depreciation as well as lease assets and reduced by any outstanding debt or lease liabilities that are attributed to the acquisition, construction, or improvement of the assets.

Restricted net position – This amount is restricted by creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted net position – This amount is the net position that does not meet the definition of “net investment in capital assets” or “restricted net position”.

The Village applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

8. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village does not have any of this type of item.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 1 - Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Assets (continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village considered grant revenue collected but not spent to be deferred inflows of resources. See Note 6 for deferred inflows related to grant revenue.

Note 2 – Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund balance and the government-wide statement of net position:

The governmental fund balance sheets include a reconciliation between fund balance – total government funds and net position – governmental activities as reported in the government-wide statements of net position.

Note 3 – Detailed Notes on All Funds

A. Deposits and Investments

Deposits

State statutes require all deposits be insured by the Federal Deposit Insurance Corporation (FDIC) or fully collateralized.

The Village administration is authorized to invest in those instruments authorized by Maryland Statutes. Cash and cash equivalents, as presented on the balance sheets and statements of net position, includes deposits (cash).

At June 30, 2023 and 2022, the carrying amounts of the Village's deposits were \$284,502 and \$280,945, respectively, and the bank balances totaled \$284,267 and \$282,013 respectively. At June 30, 2023 and 2022, there were uninsured balance of \$2,132 and \$1,251, respectively.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 3 – Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Investments - Maryland Local Government Investment Pool

The Village is a participant of the Maryland Local Government Investment Pool (MLGIP), which provides all local government units of the State a safe investment vehicle for the short-term investment of funds. The State Legislature created MLGIP with the passage of Article 95 22G, of the Annotated Code of Maryland. The MLGIP, under the administrative control of the State Treasurer, has been managed by a single Baltimore-based financial institution, PNC Bank. An MLGIP advisory committee of current participants was formed to review, on a quarterly basis, the activities of the Fund and to provide suggestions to enhance the pool. The MLGIP has an AAAM rating. The fair value of the pool is the same as the value of the pooled shares. At June 30, 2023 and 2022, the Village had \$5,183,345 and \$4,023,532, respectively invested in the Pool.

Investment Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Village will not be able to recover all or a portion of the value of its investments or collateral securities that are in the possession of an outside party. There are three categories of custodial credit risk. Category 1 includes investments that are insured or registered or where securities are held by the Village or its agents, in the Village's name. Category 2 includes uninsured and unregistered investments for which the counterparty's trust department or agent in the Village's name holds the securities. Category 3 includes uninsured and unregistered where the securities are held by the financial institution's trust department or agent, but not in the Village's name. At June 30, 2023 and 2022, all of the Village investments are insured or registered, or for which the securities are held by the Village or its agent in the Village's name or are invested in the MLGIP.

Fair Value

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 3 – Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

The Village has the following recurring fair value measurements as of June 30, 2023 and 2022:

- Maryland Local Government Investment Pool mutual funds of \$5,183,345 and \$4,023,532, respectively and are valued using quoted market prices (Level 1 inputs).

B. Receivables

Receivables as of June 30, 2023 and 2022, for the Village's major governmental fund, including the applicable allowances for uncollectible accounts, are as follows:

General Fund:	<u>2023</u>	<u>2022</u>
Receivables	\$ 1,055	\$ -
Less: Allowance for uncollectibles	-	-
	<u>\$ 1,055</u>	<u>\$ -</u>

Due from other governments represents accrued revenue and consists of the following at June 30:

General Fund:	<u>2023</u>	<u>2022</u>
State	\$ 10,281	\$ 14,524
County	378	2,937
Total	<u>\$ 10,659</u>	<u>\$ 17,461</u>

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 3 – Detailed Notes on All Funds (continued)

C. Right to Use Lease Asset

The Village has recorded a right to use lease asset for the leased office space. The related lease is discussed in the commitments section of Note 3E. The right to use lease asset is amortized on a straight line basis over the terms of the related lease.

Right to use activity for the year ended June 30, 2023 was as follows:

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Right to Use Assets				
Office space	\$ 131,133	\$ -	\$ -	\$ 131,133
Less: accumulated amortization	<u>(44,326)</u>	<u>(22,163)</u>	<u>-</u>	<u>(66,489)</u>
Right to Use Assets, Net	<u>\$ 86,807</u>	<u>\$ (22,163)</u>	<u>\$ -</u>	<u>\$ 64,644</u>

Right to use activity for the year ended June 30, 2022 was as follows:

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Right to Use Assets				
Office space	\$ 131,133	\$ -	\$ -	\$ 131,133
Less: accumulated amortization	<u>(22,163)</u>	<u>(22,163)</u>	<u>-</u>	<u>(44,326)</u>
Right to Use Assets, Net	<u>\$ 108,970</u>	<u>\$ (22,163)</u>	<u>\$ -</u>	<u>\$ 86,807</u>

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 3 – Detailed Notes on All Funds (continued)

D. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Capital assets, being depreciated				
Other assets	\$ 2,450	\$ -	\$ -	\$ 2,450
Equipment	24,944	-	-	24,944
Leasehold improvements	1,381	-	-	1,381
Infrastructure	<u>1,133,752</u>	<u>57,600</u>	-	<u>1,191,352</u>
Total capital assets being depreciated	1,162,527	57,600	-	1,220,127
Less accumulated depreciation for:				
Equipment	(23,404)	(3,990)	-	(27,394)
Leasehold improvements	(1,381)	-	-	(1,381)
Infrastructure	<u>(200,361)</u>	<u>(30,314)</u>	-	<u>(230,675)</u>
Total accumulated depreciation	(225,146)	(34,304)	-	(259,450)
Total capital assets, being depreciated, net	<u>937,381</u>	<u>23,296</u>	-	<u>960,677</u>
Governmental activities capital assets, net	<u>\$ 937,381</u>	<u>\$ 23,296</u>	<u>\$ -</u>	<u>\$ 960,677</u>

Depreciation expense was charged to function/programs of the primary government as follows for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Governmental activities		
General government	\$ 3,990	\$ 4,989
Public works	<u>30,314</u>	<u>29,071</u>
Total Depreciation Expense	<u>\$34,304</u>	<u>\$34,060</u>

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 3 – Detailed Notes on All Funds (continued)

E. Long-Term Debt

The Village has a lease for office space. The lease agreement qualifies as an “other than short-term lease” under GASB 87 and therefore has been recorded at the present value of the future minimum lease payments as of the date of its inception.

The lease agreement was executed in 2006 and requires 240 monthly payments until May 1, 2026. Current monthly lease payments are \$2,473 with various increases throughout the lease. The lease liability is measured at a discount rate of 9.75%, which was the prime rate plus 2% at lease inception. The Village has recorded a right to use asset with a net book value of \$64,644 and \$86,807 on June 30, 2023 and 2022, respectively. The Village has an option to renew this lease for an additional ten year term.

Total rent expense for the fiscal years ended June 30, 2023 and 2022 was \$29,676 and \$24,097, respectively.

The future minimum lease obligations and the net present value of the minimum lease payments are as follows:

Year Ending	Principal	Interest	
<u>June 30</u>	<u>Payments</u>	<u>Payments</u>	<u>Total</u>
2024	\$ 23,386	\$ 6,294	\$ 29,680
2025	25,771	3,909	29,680
2026	25,925	1,281	27,206
2027	-	-	-
2028	-	-	-

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 3 – Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

The following summarizes the changes in long-term liabilities for the year ended June 30, 2023:

	Beginning <u>Balance</u>	Increase/ <u>(Decrease)</u>	Ending <u>Balance</u>	Amount Due Within <u>One Year</u>
Lease liability	\$ 96,304	\$ (21,222)	\$ 75,082	\$ 23,386
State tax credit liability	<u>181,828</u>	<u>(9,829)</u>	<u>171,999</u>	<u>9,829</u>
	<u>\$ 278,132</u>	<u>\$ (31,051)</u>	<u>\$ 247,081</u>	<u>\$ 33,215</u>

The following summarizes the changes in long-term liabilities for the year June 30, 2022:

	Beginning <u>Balance</u>	Increase/ <u>(Decrease)</u>	Ending <u>Balance</u>	Amount Due Within <u>One Year</u>
Lease liability	\$ 115,562	\$ (19,258)	\$ 96,304	\$ 21,222
State tax credit liability	<u>191,657</u>	<u>(9,829)</u>	<u>181,828</u>	<u>9,829</u>
	<u>\$ 307,219</u>	<u>\$ (29,087)</u>	<u>\$ 278,132</u>	<u>\$ 31,051</u>

F. Fund Balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

Nonspendable – such as fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable and property held for resale. Prepaid expenses of \$1,767 and \$1,767 are classified as nonspendable at June 30, 2023 and 2022.

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or through enabling legislation. The Village has no restricted fund balances.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 3 – Detailed Notes on All Funds (continued)

F. Fund Balance (continued)

Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal action of the Village of Martin's Additions. The Village has no committed fund balances.

Assigned fund balance – includes amounts to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The Village has the following assigned fund balances at June 30:

	<u>2023</u>	<u>2022</u>
Streets	\$ 500,000	\$ 500,000
Walkability	500,000	500,000
Other Capital projects	500,000	500,000
Reserve	<u>1,000,000</u>	<u>1,000,000</u>
Total Assigned Fund Balance	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>

Unassigned fund balance – is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Order of Fund Balance Spending Policy

The Village's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year.

First non-spendable fund balance is determined. Then restricted fund balances for specific purposes are determined, followed by committed fund balance and assigned fund balance. Unassigned fund balance cannot fall to a negative balance.

Note 4 – Commitment and Contingencies

A. Risk Management

The Village is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Village's general liability risks are financed through participation in the Local Government Insurance Trust which is a self-insurance pool. The Village paid annual premiums of \$2,661 and \$2,553 for the fiscal years ended June 30, 2023 and 2022, respectively to the pool for its general, auto, worker's compensation, public official bond and property insurance coverage. Claims over the past three years have been significantly less than that amount.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 4 – Commitment and Contingencies (continued)

A. Risk Management (continued)

The agreement with the pool provides that it will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of \$1,000,000 in aggregate. Settled claims resulting from these risks have not exceeded insurance coverage, and no significant reductions in insurance coverage have occurred, in any of the past three years.

B. Employee's Pension Plan

In 2010, the Village adopted a 457 retirement plan. This plan allows employees to contribute to the plan. To be qualified an employee has to have six months of service with the Village and be at least 18 years of age. Employee contributions are 100% vested.

Note 5 – Wynne Case

Maryland's individual income tax is composed of a state and a local rate. Maryland residents are allowed a credit for taxes paid to other states, but the credit is allowed against only the state portion of the tax and not against the local tax portion. The U.S. Supreme Court ruled this practice to be unconstitutional because it results in double taxation of income earned outside of Maryland. As a result, the State of Maryland is requiring Maryland local governments to refund the estimated portion of income tax paid to the local governments in previous years, consisting of the local portion of the tax, that the state may have to re-pay taxpayers that file amended returns claiming a refund for the credit applicable to the local tax rate.

The Town's obligation for State taxes to be refunded to the State are recorded in the liabilities section of the Statements of Net Position. This amount will be repaid to the State over eighty quarters beginning May 2021 through a reduction in the income tax payments.

	Beginning		Ending	Amount Due
	<u>Balance</u>	<u>Reductions</u>	<u>Balance</u>	<u>Within</u>
				<u>One Year</u>
State of Maryland	\$ 181,828	\$ (9,829)	\$ 171,999	\$ 9,829

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2023 and 2022

Note 6 – Deferred Inflows

The American Rescue Plan Act (ARPA) was signed into Federal law in March of 2021, and established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program. This program provides financial support to State and Local governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses. These funds may be used to cover eligible program costs incurred during the period beginning on March 3, 2021 and ending on December 31, 2024, as long as the award funds incurred by December 31, 2024 are expended by December 31, 2026. Any funds not obligated or expended for eligible uses during this period must be returned to the U.S. Treasury.

The Village applied for and was awarded SLFRF funding passed through the State of Maryland in the amount of \$978,728 of which \$489,181 was received in August of 2021 and \$489,547 was received in August of 2022. Eligible expenditures incurred during the fiscal year ended June 30, 2023 and 2022 were \$0 and \$17,500, respectively. The remaining \$961,229 has been included in deferred inflows at June 30, 2023. Revenue recognition of these funds will be deferred until the related eligible expenditures are incurred.

Note 7 – Subsequent Events

Management has evaluated subsequent events through October 30, 2023, the date that the financial statements were available to be issued. There were no significant events to report.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2023

	Budgeted Amount Original	Budgeted Amount Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Taxes				
Local				
Real property tax	\$ 15,000	\$ 15,000	\$ 18,742	\$ 3,742
Utility property tax	15,000	15,000	22,942	7,942
Personal property, ordinary business tax	4,500	4,500	2,398	(2,102)
Total Taxes - Local - Net	34,500	34,500	44,082	9,582
State Shared				
Income tax	700,000	700,000	1,148,763	448,763
Total Taxes - State Shared	700,000	700,000	1,148,763	448,763
Total Taxes	734,500	734,500	1,192,845	458,345
Licenses and Permits				
Business license	-	-	404	404
Permit fees	12,000	12,000	40,481	28,481
Cable T.V. franchise fees	11,000	11,000	8,365	(2,635)
Total Licenses and Permits	23,000	23,000	49,250	26,250
Intergovernmental Revenues				
State highway user	30,000	30,000	32,819	2,819
County tax duplication	50,393	50,393	50,404	11
Total Intergovernmental Revenues	\$ 80,393	\$ 80,393	\$ 83,223	\$ 2,830

(continued)

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2023

	Budgeted Amount Original	Budgeted Amount Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Miscellaneous				
Interest	\$ 5,000	\$ 5,000	\$ 164,335	\$ 159,335
Holiday fund	9,000	9,000	8,955	(45)
Other	-	-	2,328	2,328
Total Miscellaneous	14,000	14,000	175,618	161,618
Total Revenues	<u>\$ 851,893</u>	<u>\$ 851,893</u>	<u>\$ 1,500,936</u>	<u>\$ 649,043</u>

(continued)

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Year Ended June 30, 2023

Expenditures	Budgeted Amount Original	Budgeted Amount Final	Actual Amounts	Variance with Final Budget Positive (Negative)
General Government				
Financial Administration				
Administrative salaries	\$ 126,500	\$ 126,500	\$ 126,026	\$ 474
Payroll taxes and benefits	18,150	18,150	14,032	4,118
Accounting and auditing	22,680	22,680	16,234	6,446
Dues and subscriptions	10,000	10,000	9,419	581
Information technology	18,050	18,050	18,132	(82)
Legal	55,000	55,000	55,042	(42)
Office lease	32,000	32,000	41,373	(9,373)
Office expenses	15,000	15,000	24,968	(9,968)
Office furniture and equipment	2,000	2,000	2,706	(706)
Telephone	3,000	3,000	2,577	423
Storage rental	4,500	4,500	2,848	1,652
Printing and mailing	4,500	4,500	3,832	668
Insurance	8,000	8,000	6,875	1,125
Website	-	-	2,050	(2,050)
Total Financial Administration	319,380	319,380	326,114	(6,734)
Other General Government				
Building review and permits	86,000	86,000	66,450	19,550
Building and permitting	-	-	5,300	(5,300)
Enforcement and oversight	-	-	13,160	(13,160)
Municipal operations	-	-	1,440	(1,440)
GIS update	5,000	5,000	4,781	219
Holiday fund	9,000	9,000	10,853	(1,853)
Total Other General Government	100,000	100,000	101,984	(1,984)
Total General Government Expenditures	\$ 419,380	\$ 419,380	\$ 428,098	\$ (8,718)

(continued)

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	<u>Budgeted Amount Original</u>	<u>Budgeted Amount Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Public Works				
Highways and Streets				
Street lighting - PEPCO	\$ 4,800	\$ 4,800	\$ 3,406	\$ 1,394
Tree maintenance and replacement	30,000	30,000	40,588	(10,588)
Tree planting initiatives	7,000	7,000	15,160	(8,160)
Street cleaning	35,000	35,000	30,227	4,773
Street maintenance - other	7,500	7,500	15,733	(8,233)
Right-of-way landscaping	10,000	10,000	7,837	2,163
Snow removal services	30,000	30,000	720	29,280
Total Highway and Streets	<u>124,300</u>	<u>124,300</u>	<u>113,671</u>	<u>10,629</u>
Designated Funds				
Designated - walkability	500,000	500,000	-	500,000
Designated - streets	500,000	500,000	60,923	439,077
Designated - capital projects	500,000	500,000	1,685	498,315
Designated - reserve	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>
Total Designated Funds	<u>2,500,000</u>	<u>2,500,000</u>	<u>62,608</u>	<u>2,437,392</u>
Sanitation and Waste Removal				
Waste collection and recycling	130,000	130,000	152,449	(22,449)
Leaf bags	8,000	8,000	6,870	1,130
Recycling bins	<u>1,000</u>	<u>1,000</u>	<u>300</u>	<u>700</u>
Total Sanitation & Waste Removal	<u>139,000</u>	<u>139,000</u>	<u>159,619</u>	<u>(20,619)</u>
Total Public Works	<u>\$ 2,763,300</u>	<u>\$ 2,763,300</u>	<u>\$ 335,898</u>	<u>\$ 2,427,402</u>

(continued)

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Budgeted Amount Original	Budgeted Amount Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Public Safety				
Police salaries	\$ 45,982	\$ 45,982	\$ 33,700	\$ 12,282
Police payroll taxes	3,588	3,588	2,662	926
Traffic engineering	10,000	10,000	6,115	3,885
Total Public Safety	<u>59,570</u>	<u>59,570</u>	<u>42,477</u>	<u>17,093</u>
Recreation				
Community events	<u>35,000</u>	<u>35,000</u>	<u>49,983</u>	<u>(14,983)</u>
Total Recreation	<u>35,000</u>	<u>35,000</u>	<u>49,983</u>	<u>(14,983)</u>
Debt Service	<u>-</u>	<u>-</u>	<u>9,829</u>	<u>(9,829)</u>
Total Expenditures	<u>\$ 3,277,250</u>	<u>\$ 3,277,250</u>	<u>\$ 866,285</u>	<u>\$ 2,410,965</u>

The accompanying notes are an integral part of this schedule.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Required Supplementary Information
June 30, 2023

Note 1 – Summary of Significant Budget Policies

The Village Council annually adopts a budget for the General Fund of the primary government. All appropriations are legally controlled at the departmental level for the General Fund. On May 12, 2022, the Village Council approved the original adopted budget for the fiscal year ended June 30, 2023. There were no budget amendments made during the fiscal year.

The budget is integrated into the accounting system, and the budgetary data, as presented in the financial statements for all funds with annual budgets, compares the expenditures with the amended budgets. All budgets are presented on the modified accrual basis of accounting. Accordingly, the accompanying Budgetary Comparison Schedule for the General Fund presents actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. Unexpended appropriations on annual budgets lapse at the end of each fiscal year.

Note 2 – Material Violations

There were no material violations of the annual appropriated budgets for the General Fund for the fiscal year ended June 30, 2023. In addition, there were no excesses of budgetary expenditures for the period.

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Council Meeting Minutes – November 16, 2023

VIA ZOOM CONFERENCE CALL AND IN-PERSON

The audio recording for this meeting is available on the [Village website](#).

Council Members Present: Andrew Kauders; Jeff Blander; Susan Fattig; Arthur Alexander; Katie Howard

Other Attendees Include: Village Manager: Michael Silliman; Village Attorney: Ron Bolt; Marty Langelan; Paul Weller; Natalie Welle; Paula Goldberg; Keith Allen; Susan Kahn; Jean Sperling; Larry Wasson; Hiromi Maruyama; Doug Grob; Susan Kahn; Naomi Naierman.

7:31 PM Call to Order: Alexander

7:32 PM Weather Report: Keith Allen. Allen reported that he is whistling a different toon this year compared to last year as he expects more snow this year.

Arthur Alexander mentioned that the survey received a record-breaking number of responses and reassured everyone that we are enforcing our building code.

Opportunity for Council to Hear Residents' Comments

Marty Langelan asked if there is a standard operating process for introducing legislation. Susan Fattig and Arthur Alexander explained that such a procedure was discussed in 2021 but that has fallen by the wayside.

Susan Kahn asked if a Council member changing their mind will result in the reintroduction of legislation. Susan also asked about the creation of the survey as several questions were unclear.

Jean Sperling said she was very disturbed by comments by Alexander that people don't believe the building code isn't being enforced. Sperling encouraged the Village to publish each building project's permit approval checklist. Sperling also stated that the survey had some weaknesses.

Larry Wasson referenced a historical situation where the building code was not followed.

Doug Grob stated that the building lot coverage at 3419 Cummings was not to Village code. The builder was made to amend their plans to comply with the Village code.

Fire Board Update: Paul Weller and Natalie Straus Welle

Arthur Alexander noted we have an opening on the Fire Board. Paul Weller delivered his report noting that the Fire Department responded to 153 calls in October.

Manager's Report: Silliman

Village Manager Michael Silliman delivered his report with 10 separate updates.

8:43 PM Approve October 19 Council Meeting Minutes

Arthur moved and Susan seconded. Jeff Blander voted against. The minutes pass 4 to 1.

8:48 PM Committee Reports

Marty Langelan delivered the **Election Committee** report. The committee has consolidated five election-related documents and will have an election plan ready for the Council to consider by the December 14th meeting. In the packet for this meeting there was a draft RFP to hire a consultant to assist the committee in verifying the voter roll this year.

Arthur moved to issue the RFP and Katie seconded. This passed unanimously.

Keith Allen delivered the **Community Engagement Committee** report. Allen said the Halloween event was a huge success and was well attended.

Naomi Naierman delivered the **Antisemitism Awareness Task Force** report. The scope of the work they developed is in the packet for this meeting. Naierman discussed the education training program they are planning.

Arthur Alexander reported that the **Storm and Ground Water Task Force** is looking into training opportunities for the Task Force members.

9:11 PM Annual Survey Results and Discussion

Jeffery Blander presented his analysis of the survey results. The presentation is attached to these minutes.

Discussion of building code review and possible amendments

Arthur Alexander noted that we have prepared a draft to amend the building code to restrict structures, like bio retention planter boxes, in the side yard setbacks. Arthur said it will be on the agenda for the December meeting.

Arthur provided additional comments about possible ways to amend the building code to restrict the size of houses in the Village. Arthur did some background research and looked at neighboring municipalities. Susan Fattig recommended we hire an outside consultant. Andrew

Kauders said we care about limiting the lot coverage. Katie Howard voiced her support for limiting the size of houses and maintaining the green space.

10:05 PM Treasurer's Report: Blander

Jeff Blander delivered his report. The audit is complete, and the final report is forthcoming.

10:06 PM Opportunity for Council to Hear Residents' Comments:

Naomi Naierman commented that surveys are a science and recommended we hire an expert to create future surveys. Naierman stated that Susan and Arthur are not respecting the results of the survey as only 20% of respondents wanted the expansion of the Ethics ordinance.

Larry Wasson asked Jeff to clarify what happened regarding Arthur saying there would be no vote until the Survey was complete. Jeff confirmed it was in writing, and Arthur explained the misunderstanding from his perspective. He was stating that there would be no vote on adoption, until a survey was conducted. Jeff understood him to be stating that there would not be a vote on introduction.

Susan Kahn thanked everyone, especially Jeff for the survey presentation and Michael for including the crosswalk at Bradley in the new sidewalk plan.

Marty Langelan asked how much notice residents will have of a possible ethics vote on the December meeting agenda. The Council agreed to delay the ethics vote to January at the earliest and discussed a possible listening session prior to that.

Doug Grob thanked the Council for agreeing to have a discussion and possible introduction of a policy restricting bio retention planter boxes in the side yard setbacks. Doug further discussed the County requirement of these bio retention planter boxes and commented on the maintenance and lifetime of these structures.

Larry Wasson requested improved microphones for Council meetings.

Katie Howard commented on the survey comments that mentioned a new text alert system. Michael Silliman commented that he is developing a plan to transfer to a new email and text alert system.

Jeff Blander asked the Village Manager if the Village is watching out for any more bio retention planter boxes. Michael Silliman responded by saying he is double checking each new project. He has heard of other municipalities now dealing with these bio retention planter boxes.

10:39 PM Adjournment: Alexander

Andrew moved and Katie Seconded. Adjournment was unanimous.

Discussion Methods, Trends, Considerations

VMA Annual Survey 2023

November 16th 2023

Council Member Blander

1

In God we trust, all others must bring Data.

I 
DATA

**Torture the data and it will
confess to everything!**

**If we have data, let's look at
data. If all we have are opinions,
let's go with mine.**

**Errors using inadequate data are much
less than those using no data at all.**

2

Sampling....

Street	2017		2020		2021		2022		2023	
	N	Percent	N	Percent	N	Percent	N	Percent	N	Percent
Bradley Ln	18	11%	14	10%	13	10%	16	11%	19	11%
Brookville Rd	10	6%	4	3%	3	2%	3	2%	5	3%
Chestnut St	8	5%	6	4%	10	8%	10	7%	11	6%
Cummings Ln	8	5%	9	6%	9	7%	11	8%	9	5%
Delfield St	10	6%	7	5%	3	2%	5	4%	9	5%
Melville Pl	2	1%	3	2%	5	4%	4	3%	3	2%
Oxford St	3	2%	3	2%	3	2%	2	1%	2	1%
Quincy St	12	7%	11	8%	12	10%	16	11%	18	10%
Raymond St	19	11%	10	7%	21	17%	18	13%	18	10%
Shepherd St	12	7%	7	5%	11	9%	13	9%	12	7%
Summit Ave	11	7%	11	8%	10	8%	11	8%	9	5%
Taylor St	8	5%	7	5%	3	2%	10	7%	10	6%
Thornapple St	6	4%	7	5%	6	5%	8	6%	10	6%
Turner Ln	14	8%	17	12%	15	12%	15	11%	16	9%
Total Responses	168		144		124		142		22	13%
Households: 321									173	100%
Qualified Voters (2022): 627										

Blank

Taxable Households: 330
Qualified Voters (2023): 747

3

Note on Sampling Frame

- 581 emails sent using constant contact + 16 hand delivered surveys
- Response rate of 29.9% (173/597): 173 completed surveys from the 597 total emails (581) sent using Constant Contact system and those hand delivered (16) whose responses manually entered.
- There are approximately 330 taxable households located within VMA.
- The voter roll for 2023 was 747

Questions:

- What is our goal? **Households (330) or individuals (747)?**
- Who are we missing and why **(747 – 581 = 166)?**
- What should our **sampling frame be going forward?**
- What about **youth representation (parental consent)?**

4

Survey Design – How to Strengthen and Improve for Next Time

The good

- Inputs were considered and incorporated for many item responses to strengthen the quality of the survey, including inter-item reliability, construct and criterion validity, and internal consistency.

The not-so-good:

- Resident or committee input limited
- Normative council member administrative meeting canceled last minute and a “closed” ballot vote taken on key substantive items
- No source documentation or full visibility into item development

5

Go Forward



- **Recommendation:** The council should widely support a more inclusive process that embraces interested resident, committee, and council members. For their inputs and discussion as normative and encouraged.
- **Solution:** Host an open forum on the survey design, distribute a draft to all committee members and residents, encourage their feedback and input.
- **Question:** Who determines administrative policy and decision making on Annual Survey Development? How does Open Meetings Act apply to opinion questions regarding services, code, and policies?

6

Item and Response Design

7

Example #1a: Content – Water Management and Antisemitism

Storm Water Management

How concerned are you over storm water management and flooding issues in VMA?

Very concerned
Concerned
Neutral
Unconcerned
Very unconcerned

In the past year has your household experienced flooding or other water management issues?

Yes/No

Have you been satisfied with the Village's handling of water management issues in the Village?

Very satisfied
Satisfied
Neither satisfied or dissatisfied
Dissatisfied
Very dissatisfied
Comment

Antisemitism

How concerned are you over antisemitism issues or other religions bias incidents in VMA?

Very concerned
Concerned
Neutral
Unconcerned
Very unconcerned

In the past year have you or a family member experienced antisemitism or religious bias incidents in VMA?

8

Example #1b: Content – Elections

Was the 2023 Village election conducted in a fair and open manner?

Strongly agree

Agree

Neither agree or disagree

Disagree

Strongly disagree

Did you get the information you needed to make an informed decision in the 2023 Village election?

Strongly agree

Agree

Neither agree or disagree

Disagree

Strongly disagree

9

Example #1c Content: Ethics

Context and explanation

VMA\Annual Survey 2023 – Proposed Questions
Ethics Ordinance and Future Scope of Jurisdiction to Cover all Resident Volunteers

Instructions:

- The VMA Council would like to solicit resident feedback on questions specific to reviewing and investigating ethics complaints for all VMA Resident volunteers.
- This includes feedback on whether residents support expanding the future scope of the Ethics Ordinance and Jurisdiction of the Appointed Resident Volunteer Ethics Committee to review and investigate ethics complaints for all VMA resident volunteers.
- The current jurisdiction of the VMA Ethics Committee applies to review and investigate complaints for "Official" positions of "public trust" (Current authority includes: Election and Ethics Committees, Village staff, and Council Members).
- A proposed amendment would expand the jurisdiction of the VMA Ethics Committee to review and investigate complaints for all VMA resident volunteers (expanded authority to include temporary taskforce members, community engagement committee, and tree supervisor).
- The appointed Ethics Committee is currently granted independent jurisdiction by the VMA council as outlined in the Ethics Ordinance to pursue an investigation or dismiss an ethics complaint to safeguard Village Operations integrity.

Item Selection

Proposed Questions for Annual Survey - Ethics

The Village Council adopted an Ethics Committee complaint resolution process for conflicts of interest and impartiality violations in 2021. This process applies ONLY to "statutory" positions mentioned in the Village Charter (Council members, employees, Election Committee, Ethics Committee, and Tree Supervisor).

32. Are you satisfied with this current complaint resolution process?

Very satisfied, Satisfied, Neither satisfied or dissatisfied, Dissatisfied, Very dissatisfied

Comment

The Council is considering expanding the 2021 Ethics Committee complaint resolution process for conflicts of interest and impartiality violations coverage to ALL committees, temporary positions, and task forces.

33. Do you agree with expanding coverage?

Strongly Agree, Agree, Neither agree or disagree, Disagree, Strongly Disagree

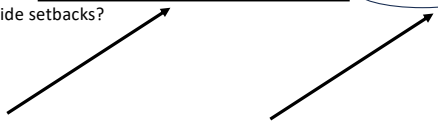
Comment

Footnote: Council Member Blander reviewed entire survey and recommended some changes to improve inter-item variability and overall quality of the survey. Many or most suggestions were adopted.

10

Example #2: Item “Unpacking” - Building Code

The Village currently allows things in the side setbacks (the area between the house and the side boundary), such as swing sets, barbeques, and jungle gyms. Should all things larger than a certain size be disallowed in side setbacks?



Comment: Residents have expressed concern specific to existing code enforcement AND specifically setbacks enforced for water retention devices. Furthermore, how “footprint” calculations derived. How adequately does this capture these concerns?

11

Example #3 – Item Response consistency

- Items 1 through 14: Likert Agreement Scales

- Strongly agree
- Agree
- neither agree or disagree
- Disagree
- Strongly disagree

- Item 19 (Ethics)

- Yes
- No
- Not sure

Satisfaction	Likelihood	Level of concern
1. Very dissatisfied	1. Very unlikely	1. Very unconcerned
2. Dissatisfied	2. Unlikely	2. Unconcerned
3. Neither dissatisfied or satisfied	3. Neutral	3. Neutral
4. Satisfied	4. Likely	4. Concerned
5. Very satisfied	5. Very likely	5. Very concerned

Agreement	Frequency	Awareness
1. Strongly disagree	1. Never	1. Very unaware
2. Disagree	2. Rarely	2. Unaware
3. Neither agree or disagree	3. Sometimes	3. Neither aware or unaware
4. Agree	4. Often	4. Aware
5. Strongly agree	5. Always	5. Very aware

Familiarity	Quality	Importance
1. Very unfamiliar	1. Very poor	1. Very unimportant
2. Unfamiliar	2. Poor	2. Unimportant
3. Somewhat familiar	3. Acceptable	3. Neutral
4. Familiar	4. Good	4. Important
5. Very familiar	5. Very good	5. Very important

12

Trends and Observations

13

Village Operations, Meetings, Events, Services

	Very Satisfied or Satisfied/Strongly Agree or Agree (%)	N (Total)
Village Operations, Staff, Council, and Planning		
Village operations	82%	166
Contacted the Village Office	74%	165
Contact the Village Council	58%	164
VMA newsletter, Weekly Wrap-up, and email alerts	83%	165
Village website	56%	158
Participate in Village planning and decision-making?	51%	164
Meetings		
Community Engagement Committee	72%	26
Ethics Committee Meeting	21%	22
Election Committee Meeting	45%	25
Halloween Party and Parade	90%	70
Events		
Candidate Forum	75%	72
Shred Event	80%	29
Independence Day celebration	84%	56
Volunteer Appreciation event	70%	19
Movie Nights	67%	29
Services		
Autumn curbside leaf vacuuming	84%	164
Police patrols (10 hours weekly)	41%	165
Planting, maintenance of Village trees in ROW	70%	165
Village support of private tree planting	68%	158

14

Q18 (Ethics): Do you favor expanding coverage? – Trends

		Percent	N
Overall	Yes	20%	33
	No	48%	78
	Not sure	32%	53
	Total	100%	164
Recorded	Yes	20%	33
	No or Not sure	80%	131
	Total	100%	164
Adjusted for not sure and blank	Yes	30%	33
	No	70%	78
	Total	100%	111
50/50 allocation of not sure	Yes	36%	60
	No	64%	105

Comment: Residents at this time are overwhelmingly not in favor and unsure of expansion plans

15

Q18 (Ethics): Do you favor expanding coverage? – Comments

- 54 unique comments: 42 Not in favor, 8 Supportive, 3 Maybe, 1 N/A
- Common themes

Not in favor	Supportive	Maybe
Unnecessary	Good governance	Question is confusing
Deterrence to volunteering	Hiring concerns	More information
Over reach & too bureaucratic	Uniformity	
Why keeps coming back		
Doesn't support the process (Yes to ethics!)		
Not all "officials" are the same		

16

Q18 (Ethics): Misunderstanding or misinformation

- If a CEC **member hires** a friend as a food vendor for July 4, doesn't vet that friend and that vendor gives somebody food poisoning, we should be able to file an ethics complaint against the CEC member and that CEC member should follow the same complaint resolution process.
- This should be a no-brainer. As taxpayers and community members, we deserve Council and committee members and staff **who agree to avoid conflicts of interest and/or bias in their official acts**. I would strongly suspect the motives of any volunteer acting in an official capacity that has an issue with such an ethics requirement. This should be a mandatory requirement for volunteer service to the community.

CEC do not hire or execute contracts

All volunteers are obligated to complete a COI as well as take an oath

17

Building Code

Building Code	Very Satisfied or Satisfied/Strongly Agree or Agree (%)	N (Total)
Building height be restricted along other sides of the building	56%	163
Village impose a maximum length on new buildings	48%	156
All things larger than a certain size be disallowed in side setbacks (swing sets, barbeques, and jungle gyms)	36%	159
Satisfied with construction activity restrictions	66%	160
Total	52%	160

Comment: Opportunity to engage residents on a topic with is important, timely, and priority.

18

Future considerations

Sampling

- Being clear about what is our sampling frame?
- Who are we missing and how to increase response rate.

Survey Design

- Be more inclusive and transparent on process and engagement.
- To improve the overall quality of the survey consider “unloading” of items as well as consistency of item responses to improve the richness and interpretation of the data collected

Recommendations

1. **Codify an administrative process in designing the annual survey** that engages a more transparent process that encourages all residents, committee members, and council members to provide inputs and suggestions.
2. **Pause on ANY votes on Ethics in 2023** to address resident concerns, misunderstandings, and provide additional information. Consider a referendum vote during the next election.
3. **Stand-up a temporary resident building code taskforce or working group** to specifically address new construction, enforcement of existing code, and calculations of “footprints”.
4. **Host a stand alone Winter listening session (Tues Dec 12th)** in follow-up to survey and FY midpoint.

19

Unused slides

20

What Pew Research Center and Rand Corp have to say....

- The most important part of the survey process is the creation of questions that accurately measure the opinions and experiences.
- The survey research will be wasted if the information gathered is built on a shaky foundation of ambiguous or biased questions.
- Questionnaire design is a multistage process that requires attention to many details at once.
- One may conduct pilot tests or focus groups in the early stages of questionnaire development in order to better understand how people think about an issue or comprehend a question.
- Pretesting a survey is an essential step in the questionnaire design process to evaluate how people respond to the overall questionnaire and specific questions, especially when questions are being introduced for the first time.
- Questionnaire development is a collaborative and iterative process where staff meet to discuss drafts of the questionnaire several times over the course of its development. We frequently test new survey questions ahead of time....

Election Committee Report for the November 2023 Council Meeting

The 2024 VMA Election Committee held its third and fourth meetings on November 1 and 13, 2023, by Zoom. The Committee is making good progress to consolidate the five 2023 election documents into a single overall 2024 ordinance. We are using the 2023 election procedures as the basis for our work and replacing the 2023 dates with the generic provisions, to make the election procedures a standing, long-term ordinance so the Council and the Committee will not have to develop a new election ordinance every year. We will have the updated overall ordinance ready to present to the Council on schedule, before the next Council meeting on December 14.

The Committee has been careful to make sure that the process is transparent and that all the information is accessible. We've welcomed the residents' participation at each meeting, provided the mark-ups of the documents in the public packets before the meetings, and put the recordings and the detailed minutes on the VMA website. The Committee voted section by section to approve the working draft of the ordinance at our meeting on November 13. We will vote on the final, complete document shortly after Thanksgiving, and will be glad to answer any questions the Council may have in the meantime.

The election ordinance should be like a cookbook from now on: Once VMA has all the standard procedures in one place, the future Election Committees can just set the election dates and carry out the provisions.

REQUEST FOR COUNCIL ACTION: The Committee has unanimously voted to ask the Council to approve a short-term contractor to assist with the task of verifying the voter roll for 2024. The proposed RFP and specifications are in the packet for this Council meeting.

We appreciate the VMA attorney's help in preparing the RFP. As Ron Bolt said in the language he added, VMA needs to be very thorough about verifying the 2024 voter roll because of the Council's adoption of a new definition of "qualified voters" and the importance of having accurate, up-to-date voter rolls for mail-vote elections.

Please approve the RFP so the Village Manager can post the announcement as soon as possible. To keep the election cycle on schedule, the voter roll verification process has to begin in about six weeks.

Respectfully submitted by the chair of the 2024 Election Committee, for attachment to the November 16, 2023, Council meeting minutes posted on the Village website.

From: Michael Silliman, Village Manager
To: Village Council
Subject: Village Manager's Report
Date: 12-14-23

Administration:

- The Village office is closed Monday, December 25th and we may close early Friday, December 22nd and Friday December 29th. Otherwise, the Village office is open throughout the month.
- I will be on my annual vacation January 3rd to 12th.
- We are finalizing the contract with Compost Crew to provide a free composting service to everyone who wants it. This will launch January 1st.
-

Maintenance:

- We have already seen snow this year, and I have started building a list of residents that are unable to shovel their public sidewalk. I will provide this list to Rolling Acres prior to any snow event so that they can shovel these areas. Please let me know if you are unable to shovel your sidewalk.
- Leaf vacuuming happens approximately every other week through December. They will return next Monday, and I may have Rolling Acres return in the spring to clean the streets one more time.
- We have plenty of leaf bags, so please come by the office and pick them up if you need them.

Special Projects:

- We have signed up five residents for Chevy Chase at Home memberships so far.
- I have three engineering firms preparing estimates for the designing and permitting phases of the Brookville Road sidewalk project. This will include working with residents to address any concerns or issues.
- By my last count, we planted 31 trees this fall. Thanks to all the residents who requested native trees. If you would like to have a private tree planted in your yard next year, just let me know and I'll add you to the list.
- The Holiday Fund is now open. There is a lock box in the Village office to receive checks. We are unable to receive cash, electronic payments, or credit cards currently.

Buildings:

- A variance request was approved by the Council for 3412 Taylor. We're in the process of issuing permits.
- We have asked Montgomery County to inspect the bio retention planted boxes at 3417 and 3419 Cummings to ensure they are built to design specifications.
- 3415 Cummings is preparing to apply for demo and building permits.
- We are preparing to close out permits for projects at 3500 Raymond, 3409 Thornapple, 3508 Bradley, and 151 Quincy.

SCHEDULE FOR THE 2024 VMA ELECTION

The VMA Election Committee is pleased to present the Council with the proposed schedule for the 2024 Village Council election.

Election Day will be Tuesday, May 7, 2024. The timetable for the election is as follows:

- February 22:** The Committee issues the official public notice of the opening of the nomination period (75 days before Election Day).
- March 23:** Candidate filing deadline (45 days before Election Day).
- April 6:** Deadline for VMA to mail the official VMA election information packet to each household (14 days after the candidate filing date).
- April 7:** Deadline for the Committee to email the updated, verified VMA voter roll to the mail-vote election contractor, to prepare the ballot packets.
- April 23/24:** VMA election forum (the Committee will confirm the candidates' availability for the forum when they initially file as candidates, the month before).
- April 24/25:** The contractor mails the ballot packets to the voters the day after the forum.
- May 7:** Election Day. Last day to add new voters. The Committee supervises the mail-vote drop-box for the sealed ballot envelopes, in front of the Village Office.
- May 14:** Last day for voters to contact the Committee to request replacement ballots.
- May 21/22:** Due date for receipt of the ballot envelopes, and the date for the vote counting session (the Committee will confirm the contractor's availability). If there are curable non-conforming ballot envelopes, the Committee will allow voters 5 business days to cure the envelopes, then close the election. The Committee will review the contractor's final Count of Ballot Report, and then vote to certify and announce the official election results.

Explanation of the Proposed 2024 Election Ordinance

The 2024 VMA Election Committee prepared this proposed election ordinance based on the election rules and procedures approved by the Council for the 2023 election. We kept the 2023 election structure, procedures, and timing, which worked well. We removed the references to last year's specific dates and made the provisions into a standard ordinance.

Election procedures don't normally change from year to year. Future Election Committees should be able to just submit the schedule for that year's election to the Council for approval, and then carry out the regular procedures in the ordinance.

There were five separate election documents in 2023: the main rules and procedures, the voter roll verification procedure, the instructions for the mail-vote contractor, the vote counting procedure, and the provisions for the election forum. We consolidated all five into a single organized election ordinance. This makes the election process more workable for the Committee and makes the provisions more accessible for any voters who might want to see VMA's regulations. By organizing all the procedures in one place, we were able to shorten the document, too. Instead of five sets of procedures totaling about 20 pages in 2023, we now have a unified ordinance that includes all the regulations in about 12 and a half pages.

We incorporated the new VMA Charter definition of "qualified voters" that the Council adopted, as we were required to do, and updated the process for verifying the voter roll. In keeping with the Charter, we also clarified the operational boundary that separates the Council and staff from the Committee's day-to-day election management process. That protects fair elections, and keeps the Village staff from getting saddled with the election work on top of their regular workload. The electoral "firewall" protects the VMA staff from the potential for election-related conflicts of interest.

To protect voting rights, we reviewed the two provisions that prevented some VMA voters from having their ballots counted in previous years: We clarified the ballot curing section, and remedied the discrepancy between the vote counting date and the due date for ballot receipt, so future voters will not be unnecessarily disqualified.

The 2024 Election Committee has voted unanimously to approve these election procedures. We recommend that the Council standardize the Village election process by adopting the 2024 document as a stable, long-term Election Ordinance.

Respectfully submitted by the VMA Election Committee, December 12, 2023

Approved by the 2024 Election Committee at its public meeting on December 11, 2023

Based on the 2023 Election Rules and Procedures adopted by the Council on January 19, 2023

VMA ELECTION ORDINANCE

I. Purpose

The purpose of this Ordinance is to provide for fair and independent elections in the Village of Martin's Additions and to ensure that all qualified voters are able to freely exercise their right to vote.

II. The Village Council Election Process

The Village of Martin's Additions ("VMA") Charter provides for a five-member elected Village Council ("Council"). Per Charter Section 602, Council members are elected to terms of two years. The number of seats open on the Council alternates between two and three seats every other year. Vacancies are filled per Section 408. Charter Section 301 defines the residents who are qualified to vote.

To maintain independent, impartial elections, the Charter requires that the VMA elections be managed by the Election Committee, not by the Council or Village staff. Accordingly, the Council annually appoints an Election Committee ("Committee") to manage the elections in accordance with the Village Charter and the ordinances and regulations adopted by the Council. The Committee shall consist of no fewer than five "qualified voter" volunteers appointed by the Council. The Council may appoint additional qualified voters as short-term assistant Election Committee members, as needed, at the request of the Committee. Committee members complete an Oath of Office and a conflicts of interest disclosure statement, as provided by the Village. The Committee shall issue the election notices; manage, verify, and certify the voter roll; accept nominations and verify candidate eligibility; conduct the public election forum; prepare and authorize the ballots; manage and direct the coordination of the election process with the election service contractor; conduct the vote counting; certify the election results; and otherwise manage the annual elections.

III. General Provisions

1. The Election Committee shall set the date of Election Day between May 1 and May 15 each year, on a date determined from year to year in accordance with Section 602 of the Charter.
2. The Committee shall, no less than six months before Election Day, submit the proposed Schedule for the election cycle to the Council for approval, showing the specific date for Election Day, the nomination period, candidate filing date, election forum date, ballot mailing date, and the due date for ballot receipt and vote counting.
3. Each year the Committee shall instruct the Village staff to publish the official notices of the election and forum and the details of the election cycle for that year in the Village newsletter, in the Village election information packet that is mailed to the Village households, on the Village website, and via the Village's email communication channels. The VMA staff shall post the Committee's election announcements throughout the election cycle.
4. No later than seventy-five (75) days prior to Election Day, the Committee shall open the nomination period by public notice and request that declarations of candidacy and nominations of candidates be

submitted in writing to the Committee. Any qualified voter may declare their candidacy or be nominated by another qualified voter.

5. To be placed on the ballot, no later than forty-five (45) days prior to Election Day each candidate shall submit (a) a statement of interest and qualifications and (b) a conflicts of interest disclosure statement in a form specified by the Village, by email to the Election Committee.
6. The Committee shall publish and mail the official Village election information packet to all VMA households no later than two (2) weeks after the candidate filing date, with the candidates' written statements of interest, the official election and forum notices, and general voting instructions.
7. The Committee shall establish a venue, format, date, and time for an election forum for residents to hear from the candidates and ask questions. The forum shall be moderated by the Committee in accordance with the Forum Procedure specified herein.
8. Pursuant to the Charter and this Ordinance, each qualified voter may cast a mail-in ballot provided by the Committee in accordance with the schedule publicly announced by the Committee.
9. Blank lines shall be placed on the ballot for the purpose of adding write-in candidates at the time of the election. A successful write-in candidate shall be required to submit a conflicts of interest disclosure statement no later than seven (7) business days following the election.
10. In the event that two or more candidates receive the same number of votes where only one can be elected, the Committee shall initiate a runoff election within two weeks after the announcement of the election results. Runoff elections shall be held by mail. If the margin between the winning and losing candidates is fewer than ten (10) votes, a losing candidate may request a recount by notifying the Committee no later than three (3) calendar days after the election results are announced.
11. VMA elections may include referendums. Referendum questions may be placed on the ballot by the Council or by a community petition signed by no fewer than 100 qualified voters, and shall be submitted to the Election Committee in final written form no later than March 15 each year.

IV. Qualified Voters: Who Can Vote?

Pursuant to Charter Section 301, a "qualified voter" is any natural person whose residence is in Martin's Additions and who is eighteen years of age or over, as of Election Day. As used in the Charter, "residence" means the location deemed the voter's primary residence (or "permanent abode" according to case law) and single domicile in the United States for voting purposes, and where the voter intends to return after a temporary residence elsewhere. The address shown on the resident's driver's license or used for other official purposes is generally considered the person's primary residence.

Students aged 18 or older who reside elsewhere during the school year but who maintain their primary residence in Martin's Additions are deemed residents and are entitled to vote in the Village Council election. Renters and caregivers who reside in Martin's Additions are eligible to vote if VMA is their primary residence.

Voters in Martin's Additions need not be registered to vote in Montgomery County or in the State of Maryland and need not be U.S. citizens.

Property ownership does not confer voting rights in VMA. However, property owners who are temporarily residing elsewhere for work or other reasons may maintain their residential right to vote in the next annual Village election by providing the Election Committee with a completed federal FPCA standard form 76, or a

signed and dated declaration that states (a) that VMA is their primary residence and sole U.S. residence for voting purposes and (b) that they intend to return to VMA. Non-resident property owners may submit such signed forms or declarations annually for a maximum of seven (7) consecutive years.

Residents who are temporarily deployed on military service in other locations retain their residential right to vote in Martin's Additions, and can receive a ballot by providing the Election Committee with a completed federal FPCA standard form 76, or a signed and dated declaration that states (a) that VMA is their primary residence and sole U.S. residence for voting purposes and (b) that they intend to return to VMA.

V. Village Voter Roll

The Committee shall verify and certify the annual voter roll in accordance with the Voter Roll Verification Procedure in Appendix A, which is hereby attached to and made an integral part of this Election Ordinance. The Committee shall utilize the most recent electronically available Village resident contact information, the County voter roll, and other appropriate sources to verify the names and addresses of the qualified voters for each annual election.

Eligible voters who are not on the VMA or County voter roll may contact the Committee to request to be added to the VMA voter roll up until 8 PM on Election Day. To be eligible to receive a mail ballot, potential VMA voters who are not on the County voter roll must sign a short Election Committee form to confirm that VMA is the voter's primary residence, and show a driver's license or other documentation acceptable to the Committee in its sole discretion, to confirm the voter's name, date of birth, and current address in Martin's Additions.

The Committee is responsible for adding eligible voters, and is likewise responsible for removing from the voter roll the names of those who are no longer qualified voters, in accordance with the process specified in the Voter Roll Verification Procedure. The Committee shall confirm that the verified voter roll is used in operating the election, and shall certify the final official voter roll for that year after the Committee closes the voter roll on Election Day.

VI. Procedure for Voting

VMA's elections shall be held entirely by mail. The Committee shall utilize the services of a mail-vote election contractor. There shall be no in-person voting. To protect election security, the VMA election contractor shall mail the ballots directly to the voters. Voters will mail their completed ballots back to the election contractor in the postage-paid envelopes issued by the contractor. To ensure that their ballot will be counted, voters must sign the brief affidavit form on the back of the official ballot return envelope.

On Election Day, the Committee shall also provide an opportunity for voters to drop off completed ballot envelopes in a secure, accessible mail-vote drop-box directly supervised by the Committee. Voters may come to the Committee table in front of the Village Office to deposit their sealed ballot envelopes, containing a voted ballot and bearing a completed affidavit, in the Election Committee mail-vote drop-box between the hours of 5:00 PM and 8:00 PM on Election Day.

Promptly after 8:00 PM, the Election Committee shall open the drop-box, count and record the number of ballot return envelopes in the box, and ensure a secure Committee chain-of-custody procedure to promptly convey those completed ballot envelopes directly to the mail-vote contractor. VMA Council members, staff, and other unauthorized persons are not permitted to have access to the ballot envelopes. The election contractor shall securely hold all ballot envelopes received until the date for vote counting.

The Committee shall instruct the contractor to mail the ballot packets to the voters the day after the Election Forum. The contractor shall mail the packet via first class U.S. post or other secure tracked delivery system to

each voter listed on the VMA voter roll at their address of record. Each packet shall include (a) a ballot, (b) the voting instructions prepared by the Committee in consultation with the election contractor, (c) a voting privacy envelope, and (d) a postage-paid ballot return envelope marked with the ballot security control number assigned to that voter.

Traditional absentee ballots will not be necessary, because every person on VMA's voting roll will automatically receive a ballot packet by mail. The Committee will work with the election contractor to identify the projected dates when ballots will begin arriving and shall provide notice to the Village.

If voters are planning not to be at their VMA address during the voting process, they may elect to receive a ballot by mail at a different location by so informing the Committee no later than 8:00 PM on Election Day. No one may vote two ballots at two different addresses.

Voters may also request early ballots by notifying the Committee if they will be out of the country or otherwise unable to receive a ballot by mail during the regular voting period. The Committee shall instruct the contractor to mail early ballots to such voters.

Voters whose ballots have been lost, damaged, spoiled, or for any other reason cannot be voted may request a replacement ballot by contacting the Committee no later than seven (7) days after Election Day. On receipt of such requests, the Committee shall instruct the contractor to cancel the previous ballot sent to that voter and mail the replacement ballot. The contractor must void the original ballot before a second ballot is issued to a voter.

All completed ballot envelopes must be received by the mail-vote contractor no later than 5:00 PM on the day of the vote counting session. The Election Committee shall post public reminders for all qualified voters to return ballots by mail sufficiently early to ensure that their ballot envelopes arrive by the vote counting date.

VII. Nominations and Candidate Filing Process

The Committee shall issue a public call for candidates no less than seventy-five (75) days prior to Election Day. Any qualified voter may run for office. Qualified voters may nominate themselves or be nominated by another resident, in writing. Nominations may be made only by qualified voters; anonymous nominations are not permitted. Qualified voters who nominate themselves must submit an affirmative written statement or email stating that they wish to run for office. Qualified voters who nominate candidates other than themselves must include an email or signed written statement from the proposed candidate expressing their consent to be nominated, and should make the nomination early enough to ensure that the nominee has time to prepare the candidate filing materials before the filing deadline.

To be placed on the official ballot, each candidate shall submit their filing materials to the Election Committee by email no later than forty-five (45) days before Election Day. Submissions are due by 6:00 PM on the filing date; a thirty-minute grace period will be allowed for email submissions to arrive in the Committee's email inbox. The required candidate filing materials are (a) a candidate statement of interest of up to approximately 1000 words, including their qualifications as well as any other information they deem relevant, and (b) a signed and completed conflicts of interest disclosure statement. The Election Committee shall specify the form of both documents when the nomination period opens. The Committee may specify standard formatting for the candidate statements and any standard questions to which all candidates are requested to respond.

The Committee shall maintain a record of the date and time when nominations and candidate filing materials are received, and shall promptly review the submissions. The Committee shall not edit the content of any candidate's statement; the candidate statements of interest and qualifications must be published as submitted. If a candidate's conflicts of interest form is incomplete, the Committee shall notify the candidate by email, and the candidate shall have 24 hours to correct the problem.

VIII. **Announcement of Candidates**

The Committee shall promptly notify the Village of the candidates for office by email announcement, by posting on the Village website, and in the Village newsletter and the official election information packet that is mailed to all VMA households. The information will also be available for review in the Village Office throughout the election period. The Committee shall provide election updates and additional information in the Village newsletters, and by email via the Village public communication channels, and may also distribute information in printed flyers or by other means.

IX. **Election Forum**

The Committee shall host an Election Forum between April 15 and April 30 each year, no less than ten (10) business days before Election Day on a date agreed upon by the Committee and candidates, to allow qualified voters and other residents to hear from candidates and ask the candidates questions. The Committee shall ensure that the forum is impartial, and shall conduct the forum in accordance with the Forum Procedure in Appendix B, which is hereby attached to and made an integral part of this Election Ordinance. The Committee shall ensure that the official Village election information packet containing the candidates' statements of interest is mailed to the residents in time to be received before the forum.

X. **Instructions for the Mail-vote Election Service Contractor**

The Village Manager issues and administers the contract, at the direction of the Committee. The Election Committee manages the election process. The mail-vote service contractor reports to the Committee. The Committee shall keep the Village Manager fully informed.

Election schedule: The Committee shall notify the contractor of the dates for Election Day and the VMA election forum, and shall determine the date for the vote counting session in consultation with the contractor. The vote counting shall take place no less than two weeks after Election Day.

Mailing date for the ballot packets and final received-by date for the completed ballots: The contractor shall mail the ballot packets to the voters on the Committee's instructions, the day after the VMA election forum in late April. The ballot receipt deadline is 5 PM on the day of the vote counting.

Voter roll: The Election Committee shall send the verified voter roll to the mail-vote contractor in early April.

Voter roll changes: Pursuant to this Ordinance, the Committee may add or remove voters until 8 PM on Election Day. The Committee shall instruct the contractor in writing, by email, to add new voters as warranted, or to void a voter's ballot security number if the Committee determines that a ballot was sent to someone who is no longer a qualified voter.

Approval of ballot packet: The contractor shall provide the draft ballot packet (including the voting instructions, ballot format, and envelopes) to the Committee for review at least two weeks before the planned general mailing date. The Committee shall check the content, format, clarity and accuracy of the draft documents and vote to approve the packet before authorizing the contractor to send it to the voters.

Specifications for the ballot packet and equipment on Election Day: The contractor shall:

- a. Rotate the candidates' names on the ballot format to prevent positional bias.
- b. Include the blank lines on the ballot for the write-in votes.
- c. Provide postage-paid ballot return envelopes, and the inner envelopes to protect voting privacy.

- d. Assign a random 6-digit security control number to each voter, and print that number on the voter's ballot return envelope.
- e. Print the affidavit/affirmation form on the back of the return envelopes.
- f. Put tracking codes on both the incoming ballot packets and the return ballot envelopes.
- g. Send a test mailing to the Committee members before the general mailing to the Village, and correct any problems at the direction of the Committee.
- h. Provide a small secure mail-vote drop-box on site in Martin's Additions on the afternoon and evening of Election Day for the completed ballot return envelopes, and provide a secure means to promptly convey those completed ballot return envelopes to the contractor's location for the subsequent vote counting session. The Election Committee shall supervise the drop-box to ensure its security.

Early ballots: The Committee may instruct the contractor to mail early ballot packets to voters who will be out of the country or otherwise unable to receive mail during the general mailing to the Village.

Replacement ballots: The Committee may instruct the contractor to issue replacement ballots up to seven (7) days after Election Day. The contractor shall cancel the original assigned ballot security control number to void the original ballot before sending a voter a replacement ballot with a new control number.

Ballot records: The Committee shall send all ballot instructions to the election service contractor in writing, via email. The contractor cannot issue ballots without the Committee's written instructions. The contractor and the Committee shall each keep a record of all ballots issued, all ballots voided, all replacement ballots sent, and all emails received, to maintain a complete record that can be audited and verified.

XI. Vote Counting Procedure

1. The Committee and contractor shall schedule the vote counting session to be held no less than two weeks after Election Day, after 5 PM on the designated date. The contractor shall make arrangements with the Martin's Additions Village Manager to enable the Committee, the candidates and/or their representatives, and residents to view the vote counting process by Zoom or other remote means, and shall record the vote counting session.
2. The contractor shall include all ballot return envelopes that are received by 5 PM on the date of the vote counting. Prior to the start of the vote counting, the contractor shall inform the Committee of the total number of ballot envelopes received and the number that are still in postal transit as of 5 PM on that date.
3. On the Committee's instructions, the contractor shall begin the vote counting session by presenting any non-conforming envelopes for Committee adjudication. A return envelope that is unsealed, was not issued by the contractor, does not have a valid control number, or does not have a signed affidavit, is non-conforming. If voters within the same household have switched their return envelopes, those envelopes are valid. The contractor shall set aside, unopened, any ballot return envelopes the Committee determines to be non-conforming. The Committee shall notify those individual voters by email, telephone, or in person within 24 hours after the initial vote counting session, to give them a chance to "cure" those envelopes. Voters shall have five (5) business days to cure their ballot envelopes.
4. On the Committee's instructions, continuing the vote counting session, the contractor shall:
 - a. Open the valid envelopes and tally the votes by machine count.
 - b. Present any non-machine-readable ballots for Committee adjudication, to complete the initial vote count.

- c. Provide the Committee with the preliminary tally of the votes for each listed candidate, the name and number of votes for each write-in candidate, the number of envelopes, ballots and/or votes that were disqualified, and the reasons for the disqualifications.
 - d. Work with the Committee to resolve any questions about the initial vote count.
- 5. Candidates or their designated representative(s) — only one per candidate — may observe the tallying, review, and adjudication process, and may raise objections during the process. The candidate or designated representative must identify the challenge at the time of vote counting. Other residents and qualified voters may also observe the process, but they may not raise objections, participate in, or disrupt the counting of the ballots.
- 6. If candidates or their representatives raise objections during the envelope adjudication or ballot review process, the Committee shall resolve such objections by Committee vote during the session and instruct the contractor to include or set aside the envelope, or include or disqualify the ballot or vote, accordingly.
- 7. If a voter cures a non-conforming ballot envelope, the Committee shall instruct the contractor by email to open that envelope and include those votes in the final tally. The Committee shall notify the contractor about any cured ballot envelopes no later than six (6) business days after the initial vote counting session.
- 8. At the conclusion of the ballot-curing process, the contractor shall within 24 hours provide the Committee with the contractor's complete certified Official Count of Ballot Report on all votes received, including the number of votes for each listed candidate, the name and number of votes for each write-in candidate, the total number of ballot envelopes that were received, the number of envelopes, ballots and/or votes that were disqualified, and the reasons for the disqualifications. After reviewing the contractor's Count of Ballot Report, the Committee shall close the election. The Committee shall vote to officially certify the election and shall promptly provide a complete written report of the election results to the Council, the candidates, and the residents of Martin's Additions, by email via the Village public communication channels.
- 9. The Election Committee may specify additional instructions for the contractor as necessary to ensure a fair, inclusive, and accurate election, consistent with the provisions of this Ordinance.
- 10. The contractor shall securely return all ballots, envelopes, and other election materials to the Martin's Additions Village Office by mail or courier.

XII. Election Interference

The Committee shall document and promptly report to the Council any interference with the election process. The Council shall take action to prohibit any person or organization from interfering with the election process, including any interference with the Election Committee officials in the performance of their official duties or interference with persons acting under the instructions of the Committee in the performance of those official election duties.

XIII. Electioneering

- 1. Residents may distribute candidates' information to Village residents, provided that such distribution complies with applicable laws, including Sections 7-208 and 9-106 of the Village Code and the United States postal service regulations (for example, no unstamped non-postal material may be placed in residents' mailboxes).

2. All candidates' brochures and election materials must prominently state that they have been paid for by, or on behalf of, the candidates.
3. Use of the Village logo and/or letterhead on election campaign materials is prohibited. Candidates' materials shall not imply, suggest, or give the impression of any official endorsement by the Village of Martin's Additions.
4. Candidates' campaigns may give residents token gifts that display candidate information, provided that such gifts do not exceed \$1 in fair market value.
5. On Election Day, the Committee shall set and enforce a reasonable "No Electioneering Zone" around the election table where voters may place their ballot envelopes in the Election Committee ballot drop-box. That zone shall prohibit electioneering within a 50 foot radius of the election table. Sound amplification systems such as bullhorns will not be permitted.

XIV. Election Committee Meetings and Public Comments

All Election Committee meetings shall comply with the Open Meetings Act. VMA elections are voter-friendly, and all VMA election procedures are public documents, available on request. The Committee shall provide public mark-ups to show proposed regulatory changes and shall allow a reasonable opportunity for public comments on each meeting agenda item before the Committee makes its decisions. Voters have the right to receive timely, accurate election information and provide public comments about the VMA election rules and regulations.

XV. Election Records

All election records, including nominations, candidate statements, ballots, envelopes, and all materials pertaining to voter rolls and the voting process, shall be securely stored at the Village Office, in accordance with the Village's Document Retention Schedule.

APPENDIX A: VOTER ROLL VERIFICATION PROCEDURE

The Election Committee shall implement this procedure to verify the Village residents who are "qualified voters" as defined by the Charter and this Ordinance. The Committee shall update and certify the voter roll for each annual Village Council election, consistent with Maryland Code, Elections Article, Section 3-403, and the Village Charter and Code of Ordinances. The VMA voter roll is an official government document. The Committee must have a clear, auditable factual basis for its decisions about who receives a ballot.

The Election Committee shall send all instructions about the VMA voter roll to the mail-vote contractor in writing (by email), to provide a documented public record. The mail-vote contractor sends the ballots directly to the qualified voters.

The VMA staff assists the Committee by posting the Committee's notices and communications to residents, hiring election service contractors, and providing the standard electronic government data: (1) the current Village Office List of VMA residents; (2) the certified VMA voter rolls from prior years; and (3) the current County voter roll for the addresses in Martin's Additions. The VMA staff does not verify the voters, make decisions about who shall receive a ballot, or manage the election process; the Village staff members are employees of the Council, including the incumbent candidates, which can create a potential conflict of interest. The Election Committee is responsible for the voter roll and the election process.

The Committee shall exercise due diligence to maintain the accuracy of the voter roll, and authorize the contractor to send ballots to all qualified voters on the VMA voter roll. The Committee shall not remove potential voters from the VMA voter roll without due process, which includes (1) a documented factual basis for the decision, (2) written notification, and (3) a reasonable procedure for the individual to challenge the decision if the person wishes to do so.

A. Voter Eligibility

The Committee shall define voter eligibility in accordance with the provisions specified in Section 301 of the Village Charter and Section IV of the Ordinance.

B. Timing

The Committee shall approve the verified updated voter roll by a Committee vote and submit it electronically to the designated mail-vote contractor no later than April 7 each year to allow time for the printing and mailing of ballots to the qualified voters.

C. Voter Roll Verification Process

1. The Committee may utilize the services of a temporary contractor to assist in the voter roll verification process.
2. Acknowledging that there is no single, perfect way to update and verify a voter roll, the Committee shall update the VMA voter roll, beginning in January each year, by using the following procedures and consulting other sources of relevant information the Committee deems appropriate:
 - a. Compare the prior year's VMA voter roll with the VMA Office List of current residents and notifications of move-ins/move-outs in the Village, and resolve discrepancies by verifying current residency as defined in the Village Charter, by applying the steps below.
 - b. Compare the County voter roll for VMA's addresses, as provided to the Committee by the VMA Office, with the prior year's VMA voter roll, and resolve discrepancies by verifying current residency as defined in the Village Charter, by applying the steps below.
 - c. Conduct a check of relevant property records and other public records as necessary to resolve questions of current residency and property ownership.
 - d. Conduct an inquiry in person or in writing with the occupants of any given property to resolve questions of residency.
 - e. Send an annual notice to each voter by first-class U.S. mail and use the returned mail to help identify persons who may no longer be current residents.
 - f. Distribute information to all VMA households regarding the procedure to sign up to vote in VMA, and inform residents and qualified voters that they should contact the Committee if they have a question relating to their status on the voter roll, or if they or other members of their household have undergone a change in status affecting their eligibility to vote in VMA.
 - g. Check the working draft of the VMA voter roll to delete duplicate entries.
3. Based upon the review conducted in Section C.2. above, the Committee shall identify any names and addresses for which (a) owners or residents cannot be verified; (b) conflicting information has been identified during the review of the voter roll, the Village Office List of residents, or County voter records; or (c) issues have been identified by the Village Manager with respect to the current status of an address.

4. The Election Committee shall then vote to either (a) begin a further review of any name and address identified as having an outstanding issue or (b) decline to conduct further review and leave the status unchanged. Where the Election Committee votes to continue review, the review process is as follows:

- a. The Election Committee shall use the most recent contact information from the Village Office to contact the potential voter by email or telephone to communicate the issue that has arisen as to voter eligibility and to gather additional information. If there is no response within ten (10) calendar days, the Committee shall send a written notification via U.S. mail to the potential voter, to say that a question has arisen related to their eligibility and request that the individual contact the Committee to resolve the question. The person shall have ten (10) days to respond to the written notification, to provide additional information to the Committee.
- b. If the issue concerns a person who is not on the VMA or County voter roll and the additional information confirms that the individual is eligible to vote and would like to be included on the VMA voter roll, the Committee shall add the person to the voter roll upon receiving a written request from the individual that includes the documentation specified in section E.2. below.
- c. If the issue concerns a previously qualified voter who is already listed on the VMA voter roll, and the additional information confirms that the individual remains eligible to vote, the Committee will add notes to the voter roll detailing the steps taken to confirm eligibility.
- d. If the issue relates to a previously qualified voter and the additional information demonstrates that the person is no longer eligible to vote in the Village Election, the Committee shall take the following action:
 - i) If the person does not appear on the County voter roll, the Committee shall remove the person from the VMA voter roll upon receiving written confirmation from the person verifying that they are no longer an eligible voter in VMA, or documentation from public records that the individual is no longer a qualified voter in VMA.
 - ii) If the person appears on the County voter roll, and the Committee confirms that the person is no longer an eligible voter in VMA, the Committee shall notify the Village Manager, who shall inform the County Board of Elections. When the County notifies VMA that the person has been removed from the County voter list for VMA, the Election Committee shall remove the person from the VMA voter roll. If it is not possible for the ineligible individual to be removed from the VMA voter roll prior to Election Day, the Committee shall vote to designate the individual as “Not Qualified.”
- e. If there is no response to the Committee’s outreach efforts within 30 days after the date of the Committee’s initial written notification regarding the questions about eligibility, the Committee may vote to declare the individual “Not Qualified” and remove them from the list of qualified voters. Individuals deemed “Not Qualified” will not be mailed ballots nor included on the version of the voter roll submitted to the election service contractor.
- f. Any voter removed from the VMA voter roll or designated “Not Qualified” shall be notified of that decision, in writing, by the Election Committee. The Committee shall mail the notice to the last known address of the voter, and include information describing the challenge process set forth below.

D. Transmitting the Voter Roll to the Contractor

Upon conclusion of the process delineated in Section C, the Committee shall vote to approve and send the updated, verified voter roll to the election contractor. The Committee shall duly mark the copy of the verified voter roll designated by the Committee for transmission to the election contractor, record the time and date of its approval and transmission, and confirm that the verified voter roll is used in operating the election.

If, following the transmission of the voter roll to the election contractor, (1) an individual identifies that they are no longer a qualified voter or requests to be taken off of the voter roll, or (2) the Committee receives documentation from public records that a person is not a qualified voter (e.g., a County death record), the Committee shall instruct the election contractor to cancel the ballot sent to that individual.

E. Adding to the Voter Roll

1. Eligible voters may contact the Committee to request to be added to the VMA voter roll up until 8:00 PM on Election Day.
2. Voters who are not on the County voter roll and are seeking to be added to the VMA voter roll must sign a short Election Committee form to confirm that VMA is the voter's primary residence, and show a driver's license, a recent utility bill, or other documentation acceptable to the Committee in its sole discretion, to confirm the voter's name, date of birth, and current Martin's Additions address.
3. If a new voter provides the required documentation after the transmission of the voter roll to the contractor, the Committee shall provide written instructions by email directing the election contractor to send a ballot to the new voter in time for that ballot to be voted and returned prior to the deadline for ballot receipt.

F. Challenges to Removal from the Voter Roll

1. Whenever any voter is removed for any reason from the VMA voter roll or declared "Not Qualified," the Committee shall send a written notice of the action and the reason for the action to the last known address of the voter. Individuals may challenge their removal or designation as "Not Qualified" by notifying the Committee via its email inbox, or by certified mail addressed to the Election Committee at the Village Office, within 30 days of the date of the notice.
2. This challenge may only be brought by the individual whose eligibility is at issue or their legally designated representative. At the time of the challenge, the challenging party shall present evidence to the Committee as to why a decision removing them from the VMA voter roll or declaring them to be "Not Qualified" is improper, inaccurate, or otherwise in need of reconsideration.
3. Based on the totality of the evidence, including the applicable public records, the Committee shall vote to determine whether the individual should be restored to the voter roll, and shall provide written notice of the decision to the person. If the individual is restored to the voter roll, the Committee shall instruct the election contractor to mail a ballot to the individual with sufficient time to return it prior to that year's deadline for receipt of ballots.

G. Challenges to the Inclusion of a Voter on the Voter Roll.

1. A qualified voter may raise a challenge to the inclusion of a name on the VMA voter roll no later than April 1. The challenging party must provide notification of a challenge to the Committee via its email inbox, or by certified mail addressed to the Election Committee at the Village Office, and include (a) the name and address of the voter whose place on the voter roll is being challenged, and (b) any evidence that the person believes supports the challenge.
2. The Committee shall notify the individual whose eligibility is being challenged, who shall have the right to respond and present any relevant information to the Committee to support its decision-making. The Committee shall review the public records, to gather additional information relating to the voter's eligibility.

3. After review of the information presented and the applicable public records, the Committee shall vote on whether the individual will remain “qualified,” or be removed from the voter roll or designated “Not Qualified.” Any voter removed from the voter roll or designated “Not Qualified” shall be notified in writing, as required in section C.4.f. above.

H. Final Certification and Record-Keeping

After the conclusion of the Election Day deadline for changes to the voter roll, the Committee Chair and Vice-Chair shall review the current copy of the voter roll to confirm that it reflects any updated information and present the roll to the full Committee for a vote to certify. The Chair and Vice-Chair shall then certify the final voter roll by signing and dating a copy of the updated voter roll, initialing and dating the pages, and completing and signing the form attesting that it is the final official version being used for that year’s Village Council Election. Voting records shall be preserved according to the Village’s approved Document Retention Schedule.

APPENDIX B: ELECTION FORUM PROCEDURE

1. The election forum shall be held between April 16 and April 30 each year, at least ten (10) business days before Election Day. The Election Committee shall finalize the venue, date, time, and details for the forum after consulting with the candidates about their preferences and availability. The forum shall run for at least ninety (90) minutes, and may run for up to two hours at the moderator’s discretion. The Committee shall ensure community access to the forum by Zoom or other remote means, to make the forum readily accessible for the candidates and residents. The Committee may hold more than one forum after April 16.
2. The election forum shall be strictly impartial: (a) the forum must cover a broad range of issues, with questions applicable to all candidates; (b) all candidates must have equal time to present their views; and (c) the moderator and Committee members must remain neutral and in no way indicate or imply approval or disapproval of any candidate.
3. One member of the Election Committee shall moderate the forum; a second member shall serve as the timekeeper. The VMA staff shall assist the Committee in setting up the technical logistics.
4. All VMA residents are welcome to participate directly (by Zoom, or via a call-in number). Residents may email questions to the Committee in advance at VMAelections@martinsadditions.org or submit questions to the Committee by other means. Residents may submit forum questions anonymously, and may ask live questions when called on during the forum. No candidate is permitted to see the questions prior to the forum. The Committee shall compile the advance questions from residents and provide the list to the forum moderator.
5. VMA forum structure:
 - a. A 1-minute welcome and introduction from the moderator or Committee chair.
 - b. A 2-minute opening statement from each candidate.
 - c. Residents' questions:
 - 1 minute for each question from a resident.
 - A 2-minute answer from each candidate.
 - Each candidate is allowed a 1-minute follow-up round on each question if a candidate wants to respond.
 - d. A 2-minute closing statement from each candidate.
 - e. The moderator thanks the candidates and residents for participating and closes the forum.

The Election Committee may revise the specific format timing elements at its discretion, provided that all candidates shall have equal time to make their statements and respond to each question.

The moderator:

- a. shall rotate the order of calling on the candidates to respond to the residents' questions.
- b. shall include both live questions from residents and the questions submitted in advance.
- c. shall keep the time balanced fairly among all the candidates to maintain a level playing field.
- d. shall have discretion to choose which questions to ask.

The timekeeper shall hold up "15 SECONDS" and "TIME" cards, as needed, for the candidates, the moderator, and the residents to see. The timekeeper may also use a bell or other means to signal when time is up.

6. The VMA staff shall record the forum and post the audio and video on the VMA website, to be readily accessible to VMA residents.
7. Public notice: The Election Committee shall publish the formal notice about the venue, date, time, Zoom link and call-in number for the forum by email via the Village public communication channels, in the VMA newsletter, and in the official VMA election information packet that is sent by mail to all VMA households. The Committee shall post an additional forum notice by email two days in advance, and again on the morning of the forum. The Committee may also post informal reminders on the village listserv.

Ordinance Process Discussion

Dec 2023 VMA Council Meeting

February 2021 Council Meeting

Draft Policy to Require Explanations of Proposed Ordinances

The minimum process required by the Charter Sec. 502 is generally as follows:

- Council discusses an issue (typically, after placing it on a meeting agenda), and directs counsel to prepare a draft ordinance.
- Council discusses the draft at a second meeting.
- Council introduces the draft at a third open meeting and provides notice of introduction and notice of the hearing date to the residents (per Charter Sec. 502(b));
- Council has a public hearing on the draft at a fourth open meeting, and takes action on the draft, after considering the public comments.
- Typically 3 or 4-month process, or longer, based on how much discussion and amending takes place.
- The Council can do more than the minimum required.
- It is common for a written summary to accompany notice of introduction of an ordinance. Otherwise, the required “notice” is not very helpful. This summary is often included in a newsletter or some other form of notice.

Policy to Require Explanations of Proposed Ordinances

Feb 2021 Presented by Council Member Alexander

Proposed ordinances shall be accompanied by an explanation of the need for the ordinance, arguments against the proposal (if any), and alternative means for accomplishing the ordinance's goals (if any). The explanation should be updated as necessary by including relevant additional arguments, information, research of approaches taken by nearby municipalities as well as opinions arising from subsequent discussions, VMA resident listening forums, and reviews.

Town of Somerset Resolution Adopting Protocol for Amendment of the Town Code

See attached

Town of Somerset
Resolution Adopting Protocol for Amendment of the Town Code

Resolution No.:
Introduced: 11/16/20
Adopted:
Effective Date:

WHEREAS, the Town of Somerset Charter, Section 83-9, provides in pertinent part that, “No ordinance shall be passed at the meeting at which it is introduced, nor shall it be acted upon until notice of its introduction and title has been published ... [and] At any regular or special meeting of the council held not less than six nor more than sixty days after the meeting at which an ordinance was introduced, it shall be passed; or passed as amended, or rejected, or its consideration deferred to some specified future date...”; and

WHEREAS, the Town of Somerset Charter, Section 83-7, provides that, “A majority of the members elected to the council shall constitute a quorum for the transaction of business, but no ordinance shall be approved without the favorable votes of at least three members of the council.”

WHEREAS, the Town of Somerset Charter, Section 83-8, provides in pertinent part that, “The council shall by resolution determine its own rules and order of business...”.

WHEREAS, the Town of Somerset Code, Section 5-22, provides that, “The agenda for the meetings of the Mayor and the Council shall be formulated by the Mayor, with the assistance of the Clerk-Treasurer; provided, however, that no item shall be placed on the agenda by the Mayor without the approval of the President of the Council or, if the President is not reasonably available, with the approval of the next most senior member of the Council. The Clerk-Treasurer shall circulate the agenda to all members of the Council. Any agenda item proposed in a timely manner by two Councilmembers shall be included in the agenda”; and

WHEREAS, the Town Council finds that in order to aid the Council in the discussion, introduction, and adoption of new legislation, the procedures set forth in the attached should be adopted.

WHEREAS, this Resolution was considered in open session on the ____ day of _____, 2020.

NOW, THEREFORE, BE IT:

RESOLVED that, except in the case of an emergency (as defined in the attached) and except when otherwise impractical to do so based upon the circumstances, the attached protocol shall be followed for the adoption of ordinances to amend the Town of Somerset Code; and

RESOLVED, that this Resolution shall be effective immediately upon adoption and shall be filed by the Clerk-Treasurer and kept available for public inspection.

ATTEST:

TOWN OF SOMERSET

Matt Trollinger, Manager/Clerk-Treasurer
Town of Somerset

Marnie Shaul, President
Town of Somerset

Approved:

Jeffrey Slavin, Mayor
Town of Somerset

Date: _____

Town of Somerset
Protocol for Amendment of the Town Code (December 2020)

Presentation and Discussion

1. The Mayor or a Council member may present for discussion an issue requiring potential amendment of the Town Code. Such an issue may be presented by either: (i) advance placement on the agenda of a regular or special meeting of the Town Council; (ii) the Mayor's suggestion to the Council at a meeting; or (iii) a Council member's motion made at a meeting, and approved by majority vote of the Council.

Per the Town Code, Sec. 5-22, issues can be placed on a meeting agenda by the Mayor with the approval of the President, or by the proposal of at least two Council members.

2. Following discussion of an issue, the Council may by motion direct the Town Attorney or some other person to draft an ordinance.

Notwithstanding the foregoing, either: (i) the Mayor or President, with the approval of the other; or (ii) at least three members of the Council, may direct the Town Attorney to draft an ordinance in advance of the presentation of the issue in order to aid the discussion.

Nothing in these procedures prevents the Mayor or a Council member from having a draft ordinance prepared in advance of the presentation of the issue, provided the drafting does not involve the incurring of expenses to be paid by the Town.

Introduction

3. After a draft ordinance has been prepared, it may be introduced by motion approved by majority vote of the Council. *Introduction* is the formal act of the Council approving a draft for further discussion and possible action. Per the Charter, Sec. 83-9, once an ordinance has been introduced, notice of the introduction and the ordinance's title shall be provided to Town residents.

Per State law (Md. Code, Land Use Art. Sec. 20-509), if the ordinance concerns building regulations, a copy of the ordinance shall be provided to the Montgomery County Council at least 30 days prior to adoption.

Adoption

4. After an ordinance has been introduced, it shall be placed on one or more meeting agendas for further discussion, public comment, and possible Council action. Per the Charter, Sec. 83-9, the meeting at which an ordinance is adopted shall be held not less than six (6) nor more than sixty (60) days after the meeting at which the ordinance was introduced.

Per State law (Md. Code, Land Use Art. Sec. 20-509), if the ordinance concerns building regulations, the meeting at which an ordinance is adopted shall be held no sooner than 30 days after a copy of the ordinance was given to the Montgomery County Council.

Per the Charter, Sec. 83-7 any ordinance requires favorable votes from at least three (3) Council members for adoption.

Except as required by the Town Charter and State law, these procedures may be suspended in the event of an emergency, as provided in Charter Sec. 83-9. As used herein, “emergency” means unforeseen circumstances that threaten the health, safety, and welfare of Town residents and/or property in the Town. Also, these procedures may be modified as deemed necessary by the Council based on the circumstances in order to provide additional opportunity for resident or committee input, or for such other reasons deemed appropriate by the Council.

Explanation of Ordinance No.: 2023-11-1: To amend the code of ordinances to add building requirements applicable to above-grade stormwater collection and drainage devices.

Village Council consideration of a building application revealed certain ambiguities in the building code. Specifically, what was deemed a “projection” or “appurtenance” subject to building setbacks was unclear when applied to new stormwater drainage practices. Officials from Montgomery County Department of Permitting Services concluded that certain stormwater drainage devices, including micro-bioretenion planter boxes, are exempt from County building regulations, even in situations where sloping topography causes such devices to be significantly above grade.

In the Village, certain things had been explicitly mentioned (but not codified) as allowable in past Council deliberations, such as swing sets and fire pits. The fact that some things appeared to be permitted raised questions about what should be excluded or allowed. In the recent case, the applicant argued that the stormwater drainage device, if separated from the house by a couple of inches, should not be deemed a “projection” or “appurtenance.” The proposed revision explicitly imposes setback requirements on structures such as bioretention boxes that rise at least 12 inches above grade, provides that “appurtenances” include items that are located within 10 feet of a building, and removes ambiguities about code interpretation.

(Arthur Alexander, December 13, 2023)

Ordinance No.: 2023-11-1

Introduced:

Adopted:

Effective Date:

THE VILLAGE OF MARTIN'S ADDITIONS

SUBJECT: AN ORDINANCE TO AMEND THE CODE OF ORDINANCES TO
ADD BUILDING REQUIREMENTS APPLICABLE TO ABOVE-GRADE
STORMWATER COLLECTION AND DRAINAGE DEVICES

WHEREAS, Local Government Article, Section 5-202 of the Maryland Code grants to the legislative body of every incorporated municipality in Maryland, including the Village of Martin's Additions, general power to pass such ordinances not contrary to the Constitution of Maryland, or public general law, as they may deem necessary in order to assure the good government of the municipality, to protect and preserve the municipality's rights, property, and privileges, to preserve peace and good order, to secure persons and property from danger and destruction, and to protect the health, comfort and convenience of the citizens of the municipality;

WHEREAS, Maryland Code, Land Use Article, Section 20-509 grants to the legislative body of incorporated municipalities in the Maryland-Washington Regional District, general power to adopt building regulations for the protection of the public health, safety, and welfare; the preservation, improvement, and protection of lands, water, and improvements in the municipal corporation; and to regulate the construction, repair, or remodeling of buildings on land zoned for single-family residential uses at it relates to fences, walls, hedges, and similar barriers; signs; residential parking; residential storage; the location of structures, including setback requirements; the dimensions of structures, including height, bulk, massing, and design; and lot coverage, including impervious surfaces;

WHEREAS, Maryland Code, Local Government Article, Section 5-211 authorizes the legislative body of each municipal corporation in the State of Maryland to make reasonable regulations concerning buildings to be erected within the limits of the municipality, including a building code and the requirement for building permits;

WHEREAS, Section 501 of the Charter of the Village of Martin's Additions authorizes the Village Council to pass such ordinances as it may deem necessary for the preservation of the property, rights, and privileges of the Village and its residents;

WHEREAS, after proper notice to the public, the Village Council introduced the following Ordinance in an open meeting conducted on the on the ____ day of _____, 2023;

WHEREAS, to comply with Maryland Code, Land Use Article, Section 20-509, on the ____ day of _____, 2023, a copy of following Ordinance was submitted to the Montgomery County Council for its comments;

WHEREAS, the Montgomery County Council did not submit any comments;

WHEREAS, officials from the Montgomery County Department of Permitting Services have indicated that certain stormwater drainage devices, including, but not limited to, micro-bioretenction planter boxes, are deemed exempt from County building regulations, including setbacks, even in situations where, due to sloping topography, such devices may be significantly above grade;

WHEREAS, the Village Council finds that the Village building regulations do not currently separately address such devices and should therefore be amended;

WHEREAS, the County Code, Sec. 59-4.1.7.B.5.b.ii, provides that “[a] permanent rainwater collection or harvesting system may project a maximum of 3 feet into any side street, side, or rear setback;”

WHEREAS, the Village Council finds that the foregoing Ordinance would assure the good government of the municipality, protect and preserve the municipality’s rights, property, and privileges, preserve peace and good order, secure persons and property from danger and destruction, and protect the health, comfort and convenience of the citizens of the Village of Martin’s Additions, and is necessary for the preservation of the property, rights, and privileges of the Village and its residents.

NOW, THEREFORE, the Village Council does hereby adopt the following Ordinance.

BE IT ORDAINED AND ORDERED, this ____ day of _____, 2023, by the Village Council, acting under and by virtue of the authority given it by the Maryland Code and the Charter of the Village of Martin’s Additions, that the Village Code is hereby amended as follows:

* * *

Section 6-101. Definitions

For the purposes of this Chapter, the following words and phrases shall have the following meanings:

* * *

(4) “Building” means a structure on a lot which has one or more stories and a roof and is designed primarily for the shelter, support or enclosure of persons or property of any kind. “Building” includes above-grade projections, elements, ~~and~~ appurtenances, and equipment, including, but not limited to, porches, decks, breezeways, steps, stoops, exterior stairways, bay windows, oriel entrances, balconies, vestibules, air conditioners, heat pumps, ~~and~~ generators, and stormwater collection, harvesting, infiltration, and drainage devices, including but not limited to micro-bioretenction planter boxes.

* * *

Section 7-101. Definitions

* * *

(3) “Building” means a structure on a lot which has one or more stories and a roof and is designed primarily for the shelter, support or enclosure of persons or property of any kind. “Building” includes above-grade projections, elements, and appurtenances, and equipment, including, but not limited to, porches, decks, breezeways, steps, stoops, exterior stairways, bay windows, oriel entrances, balconies, vestibules, air conditioners, heat pumps, ~~and generators,~~ and stormwater collection, harvesting, infiltration, and drainage devices, including but not limited to micro-bioretenention planter boxes. “Building” includes all projections, elements, appurtenances, and equipment that are attached to or located within five (5) feet of a building surface. “Building” excludes projections, elements, and appurtenances, and equipment that are constructed at or below grade, such as a stairwell or patio.

* * *

Section 7-402. Construction Standards and Requirements

* * *

(e) Setbacks

* * *

(5) Projections, elements, appurtenances, and equipment (main buildings)

- (i) Bay windows, oriel entrances, balconies, and vestibules no greater than ten (10) feet wide, and cornices, eaves, and chimneys shall be permitted to project a maximum of two-and-one half (2.5) feet into any setback area.
- (ii) Unenclosed porches, decks, breezeways, steps, stoops, and exterior stairways may project a maximum of nine (9) feet into the front or rear setback area and three (3) feet into any side setback area.
- (iii) Air conditioners, generators, and heat pumps may project a maximum of five (5) feet into any front or rear setback area
- (iv) Stormwater collection, harvesting, infiltration, and drainage devices with a height not exceeding twelve (12) inches, including but not limited to micro-bioretenention planter boxes, may project a maximum of three (3) feet into any side or rear setback area. Height is measured from the surface of the adjoining ground. Where the elevations of adjoining grounds differ, the measurement shall be made from the surface of the lower ground.
- (v) Any other projection, element, appurtenance, or equipment not expressly listed in this subparagraph (5) shall not be afforded an exception and must comply with the required setback for the building.

* * *

AND BE IT FURTHER ORDAINED AND ORDERED, by the Village Council, acting under and by virtue of the authority granted to it by the Maryland Code, and the Charter of the Village of the Village of Martin's Additions, that:

(1) If any part or provision of this Ordinance is declared by a court of competent jurisdiction to be invalid, the part or provision held to be invalid shall not affect the validity of the Ordinance as a whole or any remaining part thereof; and

(2) This Ordinance shall take effect on the ____ day of _____, 2023 (at least 20 days after adoption).

ATTEST:

THE VILLAGE OF MARTIN'S ADDITIONS

Susan Fattig, Secretary

Arthur Alexander, Chair
Village Council

Underline indicates new material

~~Strikethrough~~ indicates material deleted

* * * indicates material unchanged

**Village of Martins Additions
Financial Report for December 2023
Jeffrey Blander Treasurer
Thursday December 14th, 2023**

	Nov-23 (Actual)	Nov-23 (Budgeted)	Under/Over Budget	YTD (Actual)	YTD (Budgeted)	Under/Over Budget	Annual
Total Income	\$387,413	\$80,533	\$306,880	\$563,147	\$402,667	\$160,481	\$966,400.00
Total	\$133,512	\$75,433	\$58,079	\$379,520	\$377,167	\$2,353	\$905,200.00
Net Income	\$253,901	\$5,100	\$248,801	\$183,627	\$25,500	\$158,127	\$61,200.00

Assumptions

- Income includes revenue from permit fees, country revenue sharing, income tax, property tax, and interest.
- Expenses include those from general government (printing, insurance, office lease, telephones, etc.), salaries and benefits, professional fees (accounting, legal, permitting, etc.), streets (lighting and maintenance), waste and recycling, other (tree maintenance, community events, etc.)
- Does not include ARPA funds

Total current assets	\$5,656,540
Investment reserves (Walkability, streets, other)	\$1,500,000
Emergency reserves	\$1,000,000

Current assets less reserves shown above:	\$3,156,540
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Net change from previous month	\$ 271,752
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In the first 5 months of the fiscal year, there are no significant surprises. Legal fees are noted as higher than expected for this point in the year. The Village office also incurred some additional one-off training costs. VMA received its first larger trench of tax revenue (\$353,756), thus is not unexpected to have a higher net positive variance given off cycle nature receipts.

There are two capital projects underway. Expenses incurred to date \$25,250 (widening Quincy) and \$8,500 (Walkability: Brookville Sidewalk and traffic study). There are several budget categories being paid for with ARPA funds and the VMA office is working with our accountant to properly report these on a monthly accrual basis and as required by April 2024.

Near-term follow-up activities

- VMA Staff, auditors, and accountants completed the annual audit and submitted by Oct. 31st 2023). A readout and discussion of the Audit will be scheduled at the Dec. 2023 Council meeting.
- Follow-up with the Village auditor and accountant on recommendations to formatting and changes, particularly any suggestions on the format of the monthly reports and/or how to make the annual audits more efficient.
- On-going outreach to different monthly reports from nearby municipalities. Compare formats and types of analysis, thresholds, or financial “health” indicators/ratios used.

**Village of Martin's Additions
Balance Sheet
As of November 30, 2023**

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
1000 United Bank	0.00
1001 Suntrust Bank	15,047.73
1005 Congressional Bank	257,384.26
1020 MLGIP	5,252,698.57
1021 MLGIP - Infrastructure	118,432.96
Total 1020 MLGIP	\$ 5,371,131.53
1072 Bill.com Money Out Clearing	11,109.69
Total Bank Accounts	\$ 5,654,673.21
Accounts Receivable	
1100 Accounts Receivable	0.00
Total Accounts Receivable	\$ 0.00
Other Current Assets	
1010 Petty Cash	100.00
1120 Security Deposit - Office	1,767.00
1130 Taxes Receivable	0.00
1140 Accrued Interest Income	0.00
Total Other Current Assets	\$ 1,867.00
Total Current Assets	\$ 5,656,540.21
Fixed Assets	
1205 Other Assets	2,450.00
1210 Office Equipment	24,944.00
1215 Leasehold Improvements	1,381.00
1220 Capital Fund Infrastructure	1,191,352.15
Total Fixed Assets	\$ 1,220,127.15
Other Assets	
1110 Accounts Receivable Accrual	0.00
1150 Prepaid Expenses	0.00
1160 Real Property Tax Receivable	0.00
1170 Personal Property Tax Receivable	0.00
Total Other Assets	\$ 0.00
TOTAL ASSETS	\$ 6,876,667.36

LIABILITIES AND EQUITY

	Total
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	60,518.65
2030 Accrued Vacation	0.00
Total Accounts Payable	\$ 60,518.65
Credit Cards	
Master Card 3331 - 1	192.00
Master Card 3570 - 1	291.13
Master Card 5567 - 1	-362.08
Master Card 5568 - 1	3,413.52
Total Credit Cards	\$ 3,534.57
Other Current Liabilities	
2010 Accounts Payable - Accrual	-58.00
2020 Accrued Salaries Payable	0.00
2200 Refundable Deposits	33,730.00
2300 Deferred Property Taxes	0.00
2400 Deferred Revenue	0.00
2401 Deferred Revenue - ARPA	961,228.79
Total Other Current Liabilities	\$ 994,900.79
Total Current Liabilities	\$ 1,058,954.01
Total Liabilities	\$ 1,058,954.01
Equity	
3000 Fund Balance	429,466.74
3010 Fund Balance - Infrastructure	600,000.00
3100 Investments in GFA	1,220,127.15
3900 Retained Earnings	3,384,492.26
Net Income	183,627.20
Total Equity	\$ 5,817,713.35
TOTAL LIABILITIES AND EQUITY	\$ 6,876,667.36

Monday, Dec 11, 2023 10:10:30 AM GMT-8 - Accrual Basis