



VILLAGE OF MARTIN'S ADDITIONS

7013 Brookville Road (Second Floor, Suite B)

Chevy Chase, MD 20815-3263

Phone (301) 656-4112

www.martinsadditions.org

Agenda for Council Meeting Thursday, January 19, 2023, 7:30 PM

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).

7:30 PM Call to Order: Kauders

7:35 PM Approve Previous Meeting Minutes: Kauders

7:40 PM Building Administrator's Report: Lohmeyer

7:45 PM Review Audit: Eva Webb

7:50 PM Opportunity for Council to Hear Residents' Comments: TBD

7:55 PM Committee Updates: Kauders

8:00 PM Discussion and Possible Introduction of Ordinance 2022-10-1. Ordinance to Amend the Ethics Ordinance to Expand the Definition of "Official" to Include Members of All Committees and Ad Hoc Committees Appointed by the Council.

8:05 PM Vote on 2023 Election Plan

8:10 PM Treasurer's Report: Alexander

8:15 PM Manager's Report: Silliman

8:20 PM Opportunity for Council to Hear Residents' Comments: TBD

8:25 PM Adjournment: Kauders

Virtual (Zoom) Meeting Information

Below is the information for those residents who wish to dial in remotely or video into the Council Meeting

Dial-In Option

- Call: 1 301 715 8592
- When prompted, enter the Meeting ID: 883 3117 5094# (you must enter the "#")
- Passcode: 525784

Web/Video Option:

- Go to the Zoom meeting link:
<https://us02web.zoom.us/j/88331175094?pwd=OFNvZkFzbnA4coovdWI4KzA1Q2JjUT09>
- Meeting ID: 883 3117 5094
- Passcode: 525784

**Village of Martin's Additions
7013 Brookville Road, Suite B
Chevy Chase, MD 20815**

Council Meeting Minutes Dec. 15, 2022

VIA ZOOM CONFERENCE CALL AND IN-PERSON

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

Residents and other Attendees: Village Manager: Michael Silliman; Building Administrator: Doug Lohmeyer; Village Attorney: Ron Bolt; Keith Allen (Turner Ln.); Marty Langelan (Chestnut St.); Lorie Mitchell (Cummings Ln.); Susan Kahn (Bradley Ln.); Steve Howard (Taylor St.); George McAleese (Melville Pl.); Elizabeth Goldberg (Oxford St.); Peter Kahn (Bradley Ln.); Paul Weller (Raymond St.); Jean Sperling (Shepherd St.); Larry Wasson (Delfield St.)

7:31 PM Call to Order: Andrew Kauders. (Andrew Kauders noted that Jeff Blander was not present, but expected to join the meeting shortly.)

7:32 PM Weather: Keith Allen reported that there may be snow in the forecast for Christmas. Over the past couple of days, he indicated that $\frac{3}{4}$ inch of rain had fallen. He shared that it would be 45 degrees on Friday, but it would turn cold by Sunday night. He anticipated two storms one week apart. He mentioned we could have a white Christmas and the last time we had substantial snow on Christmas was 1962.

7:34 PM Motion to approve November 17, 2022 Meeting Minutes: Susan Fattig; Motion seconded: Arthur Alexander. Unanimous vote to approve meeting minutes.

7:35 PM Building Administrator's Report: Doug Lohmeyer delivered his report. Highlights were an extension on the permit for 3506 Bradley Ln. and a review of plans for 3412 Taylor St.

7:38 PM Jeff Blander joined the meeting.

7:39 PM Opportunity for Council to Hear Residents' Comments: Kauders

Peter Kahn shared concerns about clarity of processes and timelines for the election plan and offered a follow-up in writing.

Elizabeth Goldberg shared concerns regarding the Election Committee Meeting of December 13, 2022, specifically regarding the draft election plan. Jeff Blander indicated that everyone will have the opportunity to provide feedback on the draft plan.

Larry Wasson shared the suggestion that processes be revisited for committees sharing of official documents with residents.

Susan Kahn shared concerns about there being differing versions of draft election plan documents when the Election Committee met. She suggested that there be some oversight for the Ethics Committee and that all residents have the ability to volunteer and participate on committees.

Jean Sperling and Marty Langelan echoed concerns about differing version of the draft election plan documents. Marty said she will submit her concerns in writing as well.

7:41 PM Committee Updates: Kauders

Community Engagement Committee: Keith Allen, Chair

Keith Allen gave the report and indicated a planning committee meeting would be held soon.

Election Committee: George McAleese, Chair

George McAleese gave the committee's report, reviewing the 12/13/2022 draft plan that was submitted.

Paul Weller shared final comments, starting with an apology to Chairman McAleese as he submitted his resignation from the committee due to challenges with different perspectives on the committee.

Both Andrew Kauders and Katie Howard thanked Paul Weller for his service and apologized for his difficulties serving on the committee.

8:40 PM Motion to introduce the 2023 Draft Ordinance for Election Rules and Procedures, dated 12/13/2022: Arthur Alexander. Motion seconded: Susan Fattig.

Jeff Blander voted against and indicated that, procedurally, there should have been a plan that was circulated to residents followed by a comment period.

Katie Howard shared concerns about the process but voted in favor. All other Council members voted in favor.

Jeff Blander recognized George McAleese for serving as committee chair, given the challenges in the process thus far.

Andrew Kauders noted that the Village had a very successful election last year, with excellent turn out and no significant issues being presented. He stated that he hoped the Village would be able to update the election plan each year by adjusting the dates, only. Edits and improvements should be made based on lessons learned from year to year, but given the success of recent elections, we unlikely need to engage in significant rewrites each year.

8:45 Ethics Committee report: Lori Mitchell, Chair

Lorie Mitchell delivered the committee's report. In response to Jeff Blander's request for clarification about the committee's role, Lorie explained that the Ethics Committee would only be the decision-making body if the Council chose to abstain from votes.

It was noted that if the ordinance is introduced in January, the vote must be in March because there won't be 30 days between the January and February meetings. The committee is still working on gathering conflict of interest and oath of office forms. Ethics training was conducted in November 2022, and it will be repeated in early 2023.

9:02 PM Financial Matters: Treasurer Arthur Alexander

New Village Manager, Michael Silliman, has been working with the accountant. A highlight: Amount we received from the State income tax for November 30 is the second largest we've ever received at \$465,000. We should receive 3-4 times that throughout the year, which looks positive for the remainder of the year.

9:04 PM Village Manager's Report: Michael Silliman

Michael Silliman gave his report including the following highlights:

We have hired a new Assistant Village Manager, Erin Byrnes. Michael will become a notary and will be meeting with the external accountant in the coming weeks. We have been receiving the Holiday Fund donations. There was a suggestion that we use Venmo for the Holiday Fund, and Michael said he'll be looking into online payment possibilities for next year.

The Annual Survey has been sent out using Google Forms this year, which is working well and resulted in a savings of 40% from our communication and old survey tool Constant Contact. Jeff Blander mentioned that the most important consideration about surveys is the limitations of the results.

We completed our fall tree planting, and our final leaf vacuuming is happening next week.

9:15 PM Opportunity for Council to Hear Residents' Comments: Kauders

Peter Kahn expressed concerns about staffing committees and about this being a volunteer government.

George McAleese expressed an interest in the annual survey results to inform communications about the next election.

Susan Kahn suggested that the Zoom comment section be enabled for residents to provide comments during meetings. Village Manager Michael Silliman called on Village Lawyer Ron Bolt to address this. Ron Bolt explained that if Zoom meetings are recorded and if chats are allowed, the chats likely need to be preserved under the Public Information Act. That presents administrative issues. Additionally, the Open Meetings Compliance Board has stated that public officials should not receive (or send) individual messages that are not shared with all

participants during meetings. Zoom allows such private messaging. Therefore, the Village decided not to enable the chat feature during Council meetings. The chat feature will be active to message the Zoom meeting host for administrative purposes only, *e.g.*, to indicate that a person would like to make a comment if they are unable to use the “raise hand” function.

Susan Kahn also suggested that future annual surveys be consistent in referencing the budget cost of added services as it is unfair to reference the cost in some places and not others.

Marty Langelan inquired about the annual audit and about the amount of funds currently in the bank. She also expressed an interest in voter-friendly procedures.

In response, Arthur Alexander indicated that there is a draft of the annual audit, but that the final version is forthcoming. Currently, our assets are roughly \$4 million.

9:49 PM Adjournment: Kauders

TO: The Council at the Village of Martin's Additions

FROM: Doug Lohmeyer

DATE OF MEMO: Jan. 12, 2023

SUBJECT: Building Administrator's Report

3506 Bradley La.

Demolition and building permit applications were submitted to the Village office. The Village issued the building permit on Dec. 9, 2021. The Wall Check indicates the walls comply with the approved Site Plan and Village Code. Work is progressing. On Nov. 29, the applicant requested an extension until Feb. 28. They now think they will be complete by Jan. 31. We contacted the applicant to get a project update.

3508 Bradley La.

The property owner has submitted a building permit application to add a two story addition at the rear of the ex. house. The Village issued the permits on Nov. 25, 2022. Work has begun.

3417 Cummings La.

The owner submitted an application to demolish the existing house and to construct a new home on Nov. 22, 2022. The property is two lots, 6 and 7, recorded in 1919. The staff has completed the initial review and provided the applicant with review comments.

3419 Cummings La.

The owner submitted an application to demolish the existing house and to construct a new home on Nov. 22, 2022. The property is two lots, 6 and 7, recorded in 1919. The staff has completed the initial review and provided the applicant with review comments.

7200 Delfield St.

The new homeowners propose to add a porch, with steps and a patio on the eastern side of the new house. The staff has reviewed the non-vegetative analysis and the proposed plans. They have also installed new plants along Delfield and Taylor St. and added an arbor along Delfield. A right of way licenses agreement has been prepared and is pending signatures.

120 Quincy St.

The homeowner submitted plans to the County and the Village for review. The application proposes constructing several additions at the side and rear of the existing house. MCDPS issued their building permit on Jan. 5, 2022. The Village issued their permits on Feb. 6, 2022. Work is ongoing. We contacted the applicant to see if a building permit extension is needed.

151 Quincy St.

The property owner submitted a building permit application to remove the ex. house and to construct a new house. The County and the Village staff are reviewing the plans. A zoom residents information meeting was held on Tues. Oct. 25th. The Village issued the permits on Nov. 23, 2022. The old house has been removed and the new house construction is underway.

155 Quincy St.

The homeowner has submitted an application to remove the existing deck and construct a new deck at the rear of the house. The staff is reviewing the application.

162 Quincy St.

The new homeowner is making interior improvements to the existing house and has said the existing house footprint will not increase. The homeowner is building an 10 inch high retaining wall along the front of the property on Quincy, next to the public sidewalk. A Village right of way license agreement has been prepared and is pending signatures.

3500 Raymond St.

The homeowners are considering several additions to the existing house. They have applied to the MCDPS and to the Village. The Village issued their permits on Jan. 6, 2023.

3504 Shepherd St.

The homeowner plans to construct an addition at the rear of the ex. house. The Village has issued their permits and the work has begun.

7200 Summit Ave.

The homeowners submitted a Variance Application for additions to the existing house. The variance was approved by the Council on July 16, 2020. The MCDPS issued their permit on April 12th. The Village issued their building permit on April 26, 2022. Work is ongoing. A Wall Check has been requested.

3412 Taylor St.

The homeowner has submitted plans to enclose and remove the existing below street garage and to remove and raise the driveway, so it will slope towards the street and away from the house. The staff has sent comments to the applicant's team.



CERTIFIED PUBLIC ACCOUNTANTS
& BUSINESS ADVISORS

October 28, 2022

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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village of Martin's Additions, Maryland (the Village) for the year ended June 30, 2022. 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 letter to you dated June 1, 2022. 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 are described in Note 1 to the financial statements. As described in Note 7 to the financial statements, the Village changed accounting policies related to leases by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 87, *Leases*, in fiscal year 2022. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Revenue, Expenditures and Changes in Fund Balance. We noted no transactions entered into by the Village 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.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

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 proposed for the general fund:

- To adjust accounts payable balance to actual which resulted in an increase in expenses of approximately \$18,000.
- To reclassify the approximately \$472,000 of unspent ARPA grant funds to deferred inflows.
- To reverse prior year receivables of approximately \$18,000 which reduced current year revenue.
- To record current year receivables of approximately \$17,000 which increased current year revenue.

There were a total of 16 proposed adjustments and the net effect of all proposed adjustments was a reduction in net income of approximately \$485,000.

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 28, 2022.

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'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'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, 2022 and 2021**

LSWG

**CERTIFIED PUBLIC ACCOUNTANTS
& BUSINESS ADVISORS**

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
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June 30, 2022 and 2021

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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, 2022 and 2021, 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, 2022 and 2021, 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 28, 2022

MANAGEMENT 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, 2022. 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 \$4,525,364 (net position). Of this amount, \$3,597,480 (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 \$520,338.
- As of the close of the fiscal year, the Village of Martin's Additions governmental funds reported an ending fund balance of \$3,779,308, an increase of \$543,124 in comparison with the prior year. Of the total fund balance, \$1,277,541 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 \$4,525,364 at the close of the most recent fiscal year.

Approximately 21% 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 <u>Activities</u>
Current and other assets	\$ 4,345,868
Noncurrent assets	<u>1,002,025</u>
Total assets	<u>5,347,893</u>
Deferred Outflows	<u>-</u>
Current liabilities	103,767
Noncurrent liabilities	<u>247,081</u>
Total liabilities	<u>350,848</u>
Deferred Inflows	<u>471,681</u>
Invested in capital assets	\$ 927,884
Unrestricted	<u>3,597,480</u>
Total net position	<u>\$ 4,525,364</u>

The unrestricted net position of \$3,597,480 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 \$520,338. Revenues increased by \$389,259 from fiscal year 2021 to fiscal year 2022. The increase was largely a result of the increase in income taxes in fiscal year 2022 of \$334,156, in county tax duplication in FY2022 of \$28,871, and American Rescue Plan Act (ARPA) grant income of \$17,500.

Expenses increased \$47,658 from fiscal year 2021 to fiscal year 2022. The overall increase in expenses was attributable to increases related to ARPA expenses of \$17,500 and community event expenses of \$29,206.

Village of Martin's Additions Changes in Net Position

	<u>Governmental Activities</u>
Revenues:	
Program revenues:	
Charges for services	\$ 24,123
Operating grants and contributions	52,126
General revenues:	
Taxes	1,126,274
Other	<u>70,467</u>
Total Revenues	<u>1,272,990</u>
Expenses:	
General government	307,401
Building & zoning	49,240
Public works	304,789
Public safety	39,899
Recreation	33,823
American Rescue Plan Act	<u>17,500</u>
Total Expenses	<u>752,652</u>
Increase in net position	520,338
Net position, July 1, 2021	<u>4,005,026</u>
Net position, June 30, 2022	<u>\$ 4,525,364</u>

Taxes of \$1,126,274 comprised 88% of the total revenues of \$1,272,990. The taxes include both property and income taxes.

CAPITAL ASSETS

At the end of fiscal year 2022, the Village's governmental activities have invested \$27,394 in office equipment, \$1,381 in leasehold improvements and \$1,133,752 in infrastructure, as reflected in the following schedule. Total depreciation for the 2022 fiscal year was \$34,060 and accumulated depreciation for all assets was \$225,146. Net capital assets for the Village at the end of the fiscal year were \$937,381.

Governmental Activities - Capital Assets

	<u>Governmental Activities</u>
Non-Depreciable Assets	None
Other Capital Assets	
Infrastructure	\$ 1,133,752
Equipment	27,394
Leasehold Improvements	<u>1,381</u>
Total Capital Assets	1,162,527
Accumulated Depreciation on Other Capital Assets	<u>(225,146)</u>
Net Capital Assets	<u>\$ 937,381</u>

Governmental Activities - Capital Assets

	<u>Governmental Activities</u>
Lease Asset – current portion	\$ 22,163
Lease Asset – noncurrent portion	<u>64,644</u>
Total Lease Assets	<u>\$ 86,807</u>
Lease Liability – current portion	21,222
Lease Liability – noncurrent portion	<u>75,082</u>
Total Lease Liabilities	<u>\$ 96,304</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 \$1,263,160. This was a \$384,343 increase over fiscal year 2021. The increase was largely a result of a \$329,241 increase in income taxes in fiscal year 2022, an increase of \$32,033 in intergovernmental revenues, and ARPA grant income of \$17,500.

Total general fund expenditures were \$720,036. This was an increase of \$23,857 over the prior year. The increase is largely a result of the ARPA grant expenses of \$17,500 in fiscal year 2022.

Total fund balance increased \$543,124 for a total fund balance of \$3,779,308. Of this amount \$1,277,541 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 \$423,988 more than budgeted. Also, County tax duplication was \$28,903 more than budgeted and ARPA grant income was \$17,500 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 \$35,800.

ECONOMIC FACTORS

Overall, fiscal year 2022 was a positive year. The Village provided all the services budgeted for and completed the year by adding \$543,124 to the fund balance. ARPA grant income of \$489,181 was received in August of 2021. Eligible expenditures of \$17,500 were incurred in fiscal year 2022. The second payment of \$489,547 was received in August of 2022.

The Village Council maintained a conservative approach in formulating the fiscal year 2023 budget to ensure that the Village has a healthy financial position into the future. In fiscal year 2023, the Village plans to utilize its capital projects fund and the American Rescue Plan funds to enhance the safety and usability of Village streets, address drainage issues, and tackle other projects eligible for American Rescue Plan funds.

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 2022	(Restated) Governmental Activities 2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 280,945	\$ 291,332
Investments	4,023,532	2,981,228
Receivables, net	-	73
Due from other governments	17,461	18,042
Prepaid expenses	1,767	3,958
Lease asset - current portion	22,163	22,163
Total Current Assets	4,345,868	3,316,796
Noncurrent Assets		
Lease asset - net of current portion	64,644	86,807
Capital assets, net	937,381	967,091
Total Noncurrent Assets	1,002,025	1,053,898
Total Assets	5,347,893	4,370,694
Deferred Outflows	-	-
Liabilities		
Current Liabilities		
Accounts payable	48,716	29,449
Refundable deposits	24,000	29,000
Lease liability - current portion	21,222	19,258
State tax credit liability - current portion	9,829	9,829
Total Current Liabilities	103,767	87,536
Noncurrent Liabilities		
Lease liability - net of current portion	75,082	96,304
State tax credit liability - net of current portion	171,999	181,828
Total Noncurrent Liabilities	247,081	278,132
Total Liabilities	350,848	365,668
Deferred Inflows	471,681	-
Net Position		
Invested in capital assets	927,884	967,091
Unrestricted	3,597,480	3,037,935
Total Net Position	\$ 4,525,364	\$ 4,005,026

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, 2022

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

The accompanying notes are an integral part of this statement.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Statement of Program Activities - Restated
For the Year Ended June 30, 2021

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						
General government	\$ 299,380	\$ 11,001	\$ 12,986	\$ 6,435	\$ (279,959)	\$ (279,959)
Building and zoning	60,598	-	7,984	-	(52,614)	(52,614)
Public works	293,313	-	-	30,424	(262,889)	(262,889)
Public safety	36,084	-	-	-	(36,084)	(36,084)
Recreation	4,617	-	-	-	(4,617)	(4,617)
Interest	11,001	(11,001)	-	-	(11,001)	(11,001)
Total Governmental Activities	\$ 704,993	\$ -	\$ 20,970	\$ 36,859	(647,164)	(647,164)
General Revenues						
Property taxes					41,233	41,233
Income taxes					749,661	749,661
Intergovernmental					26,832	26,832
Interest					8,176	8,176
Total General Revenues					825,902	825,902
Change in Net Position					178,738	178,738
Net Position, Beginning of Year					3,826,288	3,826,288
Net Position, End of Year					\$ 4,005,026	\$ 4,005,026

The accompanying notes are an integral part of this statement.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Balance Sheets
Governmental Funds
June 30,

	2022	(Restated)
	General	2021
	Fund	General
	Fund	Fund
Assets		
Cash and cash equivalents	\$ 280,945	\$ 291,332
Investments	4,023,532	2,981,228
Receivables, net	-	73
Due from other governments	17,461	18,042
Prepaid expenses	1,767	3,958
	<u>4,323,705</u>	<u>3,294,633</u>
Total Assets		
Deferred Outflows	<u>-</u>	<u>-</u>
Liabilities		
Accounts payable	48,716	29,449
Refundable deposits	24,000	29,000
Total Liabilities	<u>72,716</u>	<u>58,449</u>
Deferred Inflows	<u>471,681</u>	<u>-</u>
Fund Balances		
Nonspendable	1,767	3,958
Assigned	2,500,000	2,500,000
Unassigned	1,277,541	732,226
Total Fund Balances	<u>\$ 3,779,308</u>	<u>\$ 3,236,184</u>
Reconciliation of Total Governmental Fund Balances		
To Net Position of the Governmental Activities		
Total Governmental Fund Balances	\$ 3,779,308	\$ 3,236,184
Right to use lease assets used for governmental activities are not financial resources and therefore not reported in the funds	86,807	108,970
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.	(278,132)	(307,219)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	937,381	967,091
Net Position of Governmental Activities	<u>\$ 4,525,364</u>	<u>\$ 4,005,026</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,

	2022	(Restated)
	General	2021
	Fund	General
	Fund	Fund
Revenues		
Property taxes	\$ 42,457	\$ 41,233
Taxes - state shared	1,073,988	744,747
Licenses and permits	24,123	20,970
Intergovernmental	89,289	57,256
Grants	17,500	-
Miscellaneous	<u>15,803</u>	<u>14,611</u>
Total Revenues	<u>1,263,160</u>	<u>878,817</u>
Expenditures		
General government	312,629	332,827
Public works	280,068	296,080
Public safety	39,899	36,084
Recreation	33,823	4,617
ARPA expenditures	17,500	-
Debt service	<u>36,117</u>	<u>26,571</u>
Total Expenditures	<u>720,036</u>	<u>696,179</u>
Excess of Revenues Over (Under) Expenditures	543,124	182,638
Other Financing Sources - Leases	-	131,132
Fund Balance - Beginning of Year	<u>3,236,184</u>	<u>2,922,414</u>
Fund Balance - End of Year	<u><u>\$ 3,779,308</u></u>	<u><u>\$ 3,236,184</u></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>2022</u>	(Restated) <u>2021</u>
Net Change in Fund Balance - Total Governmental Funds	\$ 543,124	\$ 313,770
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	29,087	(110,648)
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>(29,710)</u>	<u>(2,222)</u>
Net Change in Net Position - Governmental Activities	<u>\$ 520,338</u>	<u>\$ 178,737</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2022 and 1899

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, 2022 and 1899

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, 2022 and 1899

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, 2022 and 1899

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, 2022, \$1,133,752 and \$1,129,402, 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, 2022 and 1899

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, 2022 were \$.0050 per \$100 of assessed taxable value. The public utilities tax rates for fiscal years ended June 30, 2022 were \$1.45 per \$100 of assessed taxable value. The personal property tax rates for fiscal years ended June 30, 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 as a result of implementing GASB 87 – *Leases*. The right to use asset is 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, and 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, 2022 and 1899

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, 2022 and 1899

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, 2022, the carrying amounts of the Village's deposits were \$280,945 and \$291,332, respectively, and the bank balances totaled \$282,013 and \$288,807 respectively. At June 30, 2022, there were uninsured balance of \$1,251. At , all amounts were covered by FDIC.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2022 and 1899

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, 2022, the Village had \$4,023,532 and \$2,981,228, 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, 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, 2022 and 1899

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, 2022:

- Maryland Local Government Investment Pool mutual funds of \$4,023,532 and \$2,981,228, respectively and are valued using quoted market prices (Level 1 inputs).

B. Receivables

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

	<u>2022</u>	<u>2021</u>
Receivables		
Less: allowance for uncollectibles	\$ -	\$ 73
Total Receivables, net	<u>\$ -</u>	<u>\$ 73</u>

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

	<u>2022</u>	<u>2021</u>
General Fund:		
State	\$ 14,524	\$ 14,206
County	<u>2,937</u>	<u>3,836</u>
Total	<u>\$ 17,461</u>	<u>\$ 18,042</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, 2022 and 1899

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, 2022 was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
Right to Use Assets				
Office space	\$ 131,133	\$ -	\$ -	\$ 131,133
Total Right to Use Asset	<u>131,133</u>	<u>-</u>	<u>-</u>	<u>131,133</u>
Less accumulated amortization for:				
Office space	<u>(22,163)</u>	<u>(22,163)</u>	<u>-</u>	<u>(44,326)</u>
Total 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>

Right to use activity for the year ended was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
Right to Use Assets				
Office space	\$ -	\$ 131,133	\$ -	\$ 131,133
Total Right to Use Asset	<u>-</u>	<u>131,133</u>	<u>-</u>	<u>131,133</u>
Less accumulated amortization for:				
Office space	<u>-</u>	<u>(22,163)</u>	<u>-</u>	<u>(22,163)</u>
Total Accumulated Amortization	<u>-</u>	<u>(22,163)</u>	<u>-</u>	<u>(22,163)</u>
Right to Use Assets, Net	<u>\$ -</u>	<u>\$ 108,970</u>	<u>\$ -</u>	<u>\$ 108,970</u>

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2022 and 1899

Note 3 – Detailed Notes on All Funds (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending 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>1,129,402</u>	<u>4,350</u>	<u>-</u>	<u>1,133,752</u>
Total capital assets being depreciated	1,158,177	4,350	-	1,162,527
Less accumulated depreciation for:				
Equipment	(18,415)	(4,989)	-	(23,404)
Leasehold improvements	(1,381)	-	-	(1,381)
Infrastructure	<u>(171,290)</u>	<u>(29,071)</u>	<u>-</u>	<u>(200,361)</u>
Total accumulated depreciation	<u>(191,086)</u>	<u>(34,060)</u>	<u>-</u>	<u>(225,146)</u>
Total capital assets, being depreciated, net	<u>967,091</u>	<u>(29,710)</u>	<u>-</u>	<u>937,381</u>
Governmental activities capital assets, net	<u>\$ 967,091</u>	<u>\$ (29,710)</u>	<u>\$ -</u>	<u>\$ 937,381</u>

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

	<u>2022</u>	<u>2021</u>
Governmental activities		
General government	\$ 4,989	\$ 4,990
Public works	<u>29,071</u>	<u>28,367</u>
Total Depreciation Expense	<u>\$34,060</u>	<u>\$33,357</u>

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2022 and 1899

Note 3 – Detailed Notes on All Funds (continued)

D. 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 \$2,191 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 \$86,807 and \$108,970 on June 30, 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, 2022 was \$24,097 and \$31,457, 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>
2023	\$ 21,222	\$ 8,458	\$	29,680
2024	23,386	6,294		29,680
2025	25,771	3,909		29,680
2026	25,926	1,281		27,207
2027	-	-		-

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2022 and 1899

Note 3 – Detailed Notes on All Funds (continued)

E. Long-Term Debt (continued)

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

	Balance	Increase/	Balance	Due within
	<u>June 30, 2021</u>	<u>(Decrease)</u>	<u>June 30, 2022</u>	<u>one year</u>
Lease liability	\$ 115,562	\$ (19,258)	\$ 96,304	\$ 21,222
State tax credit liability	191,657	(9,829)	181,828	9,829
	<u>\$ 307,219</u>	<u>\$ (29,087)</u>	<u>\$ 278,132</u>	<u>\$ 31,051</u>
	Balance	Increase/	Balance	Due within
	<u>June 30, 2020</u>	<u>(Decrease)</u>	<u>June 30, 2021</u>	<u>one year</u>
Lease liability	\$ 131,132	\$ (15,570)	\$ 115,562	\$ 19,258
State tax credit liability	201,486	(9,829)	191,657	9,829
	<u>\$ 332,618</u>	<u>\$ (25,399)</u>	<u>\$ 307,219</u>	<u>\$ 29,087</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 \$3,958 are classified as nonspendable at June 30, 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.

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.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2022 and 1899

Note 3 – Detailed Notes on All Funds (continued)

E. Fund Balance (continued)

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>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 approximately \$2,553 and \$2,326 for the fiscal years ended June 30, 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, 2022 and 1899

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 Within
	<u>Balance</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>
State of	\$		\$	\$
Maryland	191,657	\$ (9,829)	181,828	9,829

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

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Financial Statements
June 30, 2022 and 1899

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.

Note 6 – Deferred Inflows (continued)

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. Eligible expenditures incurred during the fiscal year ended June 30, 2022 were \$17,500. The remaining \$471,681 has been included in deferred inflows at June 30, 2022.

On August 8, 2022, the Village received its second payment in the amount of \$489,547. Revenue recognition of these funds will be deferred until the related eligible expenditures are incurred.

Note 7 – Change in Accounting Principle

The Village implemented Government Accounting Standards Board (GASB) Statement No.87, *Leases*, effective July 1, 2021. The statement increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use a lease asset. As a result, beginning fund balance on the statement of revenue, expenditures and changes in fund balance – governmental funds for the year ended June 30, 2021 was restated by \$131,132.

Note 7 – Subsequent Events

Management has evaluated subsequent events through October 28, 2022, 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, 2022

	<u>Budgeted Amount Original</u>	<u>Budgeted Amount Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Taxes				
Local				
Real property tax	\$ 15,000	\$ 15,000	\$ 17,303	\$ 2,303
Utility property tax	15,000	15,000	20,938	5,938
Personal property, ordinary business tax	<u>4,500</u>	<u>4,500</u>	<u>4,216</u>	<u>(284)</u>
Total Taxes - Local - Net	<u>34,500</u>	<u>34,500</u>	<u>42,457</u>	<u>7,957</u>
State Shared				
Income tax	<u>650,000</u>	<u>650,000</u>	<u>1,073,988</u>	<u>423,988</u>
Total Taxes - State Shared	<u>650,000</u>	<u>650,000</u>	<u>1,073,988</u>	<u>423,988</u>
Total Taxes	<u>684,500</u>	<u>684,500</u>	<u>1,116,445</u>	<u>431,945</u>
Licenses and Permits				
Business license	-	-	145	145
Permit fees	12,000	12,000	11,015	(985)
Cable T.V. franchise fees	<u>11,000</u>	<u>11,000</u>	<u>12,963</u>	<u>1,963</u>
Total Licenses and Permits	<u>23,000</u>	<u>23,000</u>	<u>24,123</u>	<u>1,123</u>
Intergovernmental Revenues				
State highway user	30,000	30,000	33,586	3,586
County tax duplication	<u>26,800</u>	<u>26,800</u>	<u>55,703</u>	<u>28,903</u>
Total Intergovernmental Revenues	<u>\$ 56,800</u>	<u>\$ 56,800</u>	<u>\$ 89,289</u>	<u>\$ 32,489</u>

(continued)

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amount Original</u>	<u>Budgeted Amount Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Grants				
American Rescue Plan Act	\$ -	\$ -	\$ 17,500	\$ 17,500
Total Grants	-	-	17,500	17,500
 Miscellaneous				
Interest	20,000	20,000	6,025	(13,975)
Holiday fund	9,000	9,000	1,040	(7,960)
Other	-	-	8,738	8,738
Total Miscellaneous	29,000	29,000	15,803	(13,197)
 Total Revenues	<u>\$ 793,300</u>	<u>\$ 793,300</u>	<u>\$ 1,263,160</u>	<u>\$ 469,860</u>

(continued)

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Required Supplementary Information
Budgetary Comparison Schedule
General Fund

For the Year Ended June 30, 2022

Expenditures	Budgeted Amount Original	Budgeted Amount Final	Actual Amounts	Variance with Final Budget Positive (Negative)
General Government				
Financial Administration				
Administrative salaries	\$ 115,000	\$ 115,000	\$ 129,607	\$ (14,607)
Payroll taxes and benefits	16,500	16,500	10,811	5,689
Accounting and auditing	22,680	22,680	13,145	9,535
Dues and subscriptions	10,000	10,000	6,095	3,905
Information technology	16,000	16,000	3,163	12,837
Legal	55,000	55,000	45,637	9,363
Office lease	32,000	32,000	-	32,000
Office expenses	12,000	12,000	21,546	(9,546)
Office furniture and equipment	2,000	2,000	1,677	323
Telephone	3,000	3,000	3,083	(83)
Storage rental	4,500	4,500	4,628	(128)
Printing and mailing	4,500	4,500	2,318	2,182
Insurance	8,000	8,000	6,461	1,539
Website	2,050	2,050	2,050	-
Total Financial Administration	303,230	303,230	250,221	53,009
Other General Government				
Building review and permits	50,000	50,000	42,800	7,200
Enforcement and oversight	18,000	18,000	6,440	11,560
Municipal operations	18,000	18,000	4,780	13,220
GIS update	5,000	5,000	795	4,205
Holiday fund	9,000	9,000	7,593	1,407
Total Other General Government	100,000	100,000	62,408	37,592
Total General Government Expenditures	\$ 403,230	\$ 403,230	\$ 312,629	\$ 90,601

(continued)

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2022

	<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	\$ 1,952	\$ 2,848
Tree maintenance and replacement	30,000	30,000	21,480	8,520
Tree planting initiatives	7,000	7,000	9,300	(2,300)
Street cleaning	35,000	35,000	34,911	89
Street maintenance - other	7,500	7,500	1,320	6,180
Right-of-way landscaping	10,000	10,000	6,364	3,636
Snow removal services	<u>30,000</u>	<u>30,000</u>	<u>23,718</u>	<u>6,282</u>
Total Highway and Streets	<u>124,300</u>	<u>124,300</u>	<u>99,045</u>	<u>25,255</u>
Designated Funds				
Designated - walkability	500,000	500,000	-	500,000
Designated - streets	500,000	500,000	35,800	464,200
Designated - capital projects	500,000	500,000	-	500,000
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>35,800</u>	<u>2,464,200</u>
Sanitation and Waste Removal				
Waste collection and recycling	130,000	130,000	140,163	(10,163)
Leaf bags	8,000	8,000	4,720	3,280
Recycling bins	<u>1,000</u>	<u>1,000</u>	<u>340</u>	<u>660</u>
Total Sanitation & Waste Removal	<u>139,000</u>	<u>139,000</u>	<u>145,223</u>	<u>(6,223)</u>
Total Public Works	<u>\$ 2,763,300</u>	<u>\$ 2,763,300</u>	<u>\$ 280,068</u>	<u>\$ 2,483,232</u>

(continued)

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2022

	Budgeted Amount Original	Budgeted Amount Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Public Safety				
Police salaries	\$ 41,802	\$ 41,802	\$ 31,200	\$ 10,602
Police payroll taxes	3,262	3,262	2,559	703
Traffic engineering	10,000	10,000	6,140	3,860
Total Public Safety	<u>55,064</u>	<u>55,064</u>	<u>39,899</u>	<u>15,165</u>
Recreation				
Community events	<u>35,000</u>	<u>35,000</u>	<u>33,823</u>	<u>1,177</u>
Total Recreation	<u>35,000</u>	<u>35,000</u>	<u>33,823</u>	<u>1,177</u>
American Rescue Plan Act (ARPA)				
ARPA expenditures	<u>-</u>	<u>-</u>	<u>17,500</u>	<u>(17,500)</u>
Total ARPA expenditures	<u>-</u>	<u>-</u>	<u>17,500</u>	<u>(17,500)</u>
Debt Service	<u>-</u>	<u>-</u>	<u>36,117</u>	<u>(36,117)</u>
Total Expenditures	<u>\$ 3,256,594</u>	<u>\$ 3,256,594</u>	<u>\$ 720,036</u>	<u>\$ 2,536,558</u>

The accompanying notes are an integral part of this schedule.

VILLAGE OF MARTIN'S ADDITIONS, MARYLAND
Notes to Required Supplementary Information
June 30, 2022

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 13, 2021, the Village Council approved the original adopted budget for the fiscal year ended June 30, 2022.

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, 2022. In addition, there were no excesses of budgetary expenditures for the period.

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**The Village of Martin's Additions
(Ethics Ordinance – Definition of Official)**

Ordinance No.: 2022-10-1

Introduced:

Adopted:

Effective Date:

**ORDINANCE TO AMEND THE ETHICS ORDINANCE TO EXPAND THE
DEFINITION OF “OFFICIAL” TO INCLUDE MEMBERS OF ALL COMMITTEES**

WHEREAS, Maryland Code, Local Government Article, Section 5-202, as amended, grants to the legislative body of every incorporated municipality in Maryland general power to pass such ordinances not contrary to the Constitution of Maryland, or the public general law, as deemed 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, 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 ____th day of _____, 2022;

WHEREAS, after proper notice to the public, the Council considered this Ordinance in public session assembled on the ____th day of _____, 2022; and

WHEREAS, upon consideration of the testimony and evidence presented at the public hearing, and the recommendation of the Village Ethics Committee, 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 ____th day of _____, 2022, 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:

* * *

CHAPTER 4 ETHICS

ARTICLE 1. GENERAL

Section 4-101. Definitions

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

- (a) The “Committee” means the “Village Ethics Committee” as constituted and described in Section 2-101.

* * *

- (d) “Public Official” or “Official” means all members of the Village Council; all members of the Election Committee; all members of the Ethics Committee; **all members of any other standing or ad-hoc committee or task force**; the Village Tree Supervisor; and all persons employed by the Village.

* * *

(Ord. No. 08-15-01, adopted 9/17/15, effective 10/7/15; Ord. No. 11-15-1, adopted 1/21/16, effective 2/10/16; Ord. No. 2021-1-1, adopted 3/18/21, effective 4/7/21)

Section 4-204. Enforcement

- (a) The Council may file a petition for injunctive or other relief in a court of competent jurisdiction for the purpose of requiring compliance with this Chapter.
- (b) In addition to any other enforcement provisions in this Chapter, any member of either the Election Committee, ~~or~~ the Ethics Committee, **or any other standing or ad-hoc committee or task force**, or the Tree Supervisor, who is found by the Committee, the Council, or a court to have violated this Chapter with respect to Oath of Service shall be subject to removal by the Council; and any member of the Council who is found by the Committee or a court to have violated this Chapter shall be subject to recall, as provided in the Village Charter.
- (c) In addition to any other enforcement provisions in this Chapter, any employee found by the Committee, the Council, or a court to have violated this Chapter shall be subject to disciplinary or other appropriate action, including dismissal or suspension of compensation.

- (d) A violation of this Chapter shall not constitute a civil or criminal infraction. Enforcement of this Chapter shall be limited to the provisions of this Chapter and shall not include the penalties set forth in Chapter 3 of this Code.

(Ord. No. 2021-1-1, adopted 3/18/21, effective 4/7/21)

* * *

SECTION 2. AND BE IT FURTHER ORDAINED AND ORDERED, by the Council of the Village of Martin's Additions, acting under and by virtue of the aforementioned authority, 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 ____th day of _____, 2022 (at least 20 days after adoption).

ATTEST:

THE VILLAGE OF MARTIN'S ADDITIONS

Susan Fattig, Secretary

Andrew Kauders, Chair
Village Council

Bold Underline indicates new material
~~Strikethrough~~ indicates material deleted
* * * indicates material unchanged

Draft 12/13/2022
2023 Ordinance:
Election Rules and Procedures

The Village of Martin's Additions ("VMA") is governed by a municipal Charter that provides for a five-member elected Council to appoint an Election Committee ("Committee") that operates according to rules and procedures adopted by the Council, pursuant to Section 602 of the Village Charter. The Committee accepts nominations of candidates for the Village Council ("Council") and oversees the annual election.

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

Village Council Election Process

The election of Village Council members takes place on a date determined from year to year in accordance with Section 602 of the Charter. 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 of the Charter. All elections are managed by the Committee. The Committee consists of a minimum of three, but preferably no fewer than five, qualified voter¹ volunteers appointed by the Council. The Council may appoint additional qualified voters as short-term assistant Election Committee members, as needed. Committee members shall complete an Oath and a Conflicts of Interest form, as provided by the Village, consistent with Village Policy.

Each year the details of the election cycle for that year are published in the Village newsletter. The following rules and procedures apply:

1. Consistent with the Village Charter, no later than sixty (60) days prior to Election Day, the Committee will open the nominations period 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 according to the election rules and procedures. Qualified voters who nominate someone other than themselves must include an email or signed written statement from the proposed candidate expressing his/her consent to be nominated. Anonymous nominations are not permitted. All nominations must be received in the Committee inbox by the deadline set by the Committee.

2. All nominated candidates shall submit (a) a statement of interest and qualifications, and (b) a conflict of interest disclosure statement, in a form provided by the Village. The Election Committee may specify standard formatting for the candidate statements and any standard questions to which all candidates are requested to respond.

3. The Committee must receive all nominations and required candidate submissions in writing at least forty-five (45) days prior to the election, in order for the candidate to be placed on the official ballot. No nominations or candidate submissions will be accepted by the Committee if received later than the deadlines specified here.

4. The Committee may establish a format, date, and time for a candidate forum for qualified voters and residents to hear from the candidates. The forum shall be moderated by the Committee at its sole discretion. When such a forum is created, qualified voters are encouraged to send proposed questions to the Committee via email (VMAElections@martinsadditions.org)

¹ Pursuant to the Village Charter, a qualified voter is "any person who owns property or any resident of Martin's Additions who is eighteen years of age or over."

46 by the Committee-specified deadline or be prepared to ask them if/when called upon during the
47 forum. The Committee will not receive questions via phone or otherwise.

48 5. Pursuant to Charter Section 602(b), no later than two (2) weeks prior to the election, the
49 Committee shall publish the written statements of the candidates for office, the official
50 election notice and forum notice, and general voting instructions.

51 6. Pursuant to the Charter and these rules and procedures, each qualified voter may cast a
52 mail-in ballot provided by the Committee, subject to the schedule publicly announced by the
53 Committee.

54 7. Blank lines will be placed on the ballot for the purpose of adding write-in candidates at the
55 time of the election. A successful write-in candidate shall be required to submit a Conflicts of
56 Interest disclosure statement no later than seven (7) business days following the election.

57 8. In the event that two or more candidates receive the same number of votes where only one can
58 be elected, there shall be a runoff election within two weeks of the date when votes are tabulated
59 and recorded. In this election, runoffs shall be held by mail.

60 9. Each candidate may designate one person as an official observer to be present when the
61 ballots are being counted. Other qualified voters may also observe, although no observer
62 may participate in or otherwise disrupt the counting of the ballots. Specific vote counting
63 procedures will be recommended by the Committee and adopted by the Council each year,
64 as appropriate.

65 **Who Can Vote?**

66 Pursuant to the Charter Section 301, a qualified voter is “any person who owns property or any
67 resident of Martin’s Additions who is eighteen years of age or over.” In the case of students, such as
68 college or boarding school students, a student who resides elsewhere during the school year but who
69 maintains a permanent address in Martin’s Additions is deemed a resident and entitled to vote in the
70 Village Council election. Voters in Martin’s Additions need not be registered to vote in Montgomery
71 County or in the State of Maryland and need not be U.S. citizens. The Committee will utilize the
72 most recent electronically available Village resident contact information to confirm voters’ names
73 and addresses and shall ensure the voter rolls are updated, with the assistance of the Village staff.
74 The Committee will confirm the verified voter rolls are used in operating the Election. New voters
75 may request to be added to the voter roll up to 12:00 PM on Election Day. To be eligible to receive a
76 mail ballot, new voters should be prepared to show a driver’s license, a utility bill, or other
77 documentation acceptable to the Committee in its sole discretion, showing the voter’s Martin’s
78 Additions address.

79 **Plan for the 2023 VMA Election**

80 VMA’s 2023 election will be held by mail. Voters will mail their completed ballots back to the
81 election service provider in the postage-paid envelopes issued by the provider. On Election Day,
82 May 10, the Committee will also provide an opportunity for voters to drop off completed ballot
83 envelopes in a ballot box, to be conveyed to the election service provider for counting.

84 Traditional absentee ballots will not be necessary, because every person on VMA’s voting roll will
85 automatically receive a ballot by mail.

86 If a voter is planning not to be at his or her VMA address during the voting process, he/she may elect
87 to receive a ballot by mail at a different location by so informing the Committee no later than 12:00

PM on May 10. No one may vote two ballots at two different addresses. If a voter has lost or damaged his or her ballot or ballot return envelope, he/she may contact the Committee no later than 8:00 PM on May 10 to request a replacement ballot. On receipt of such a request, the Committee will instruct the service provider to void the previous ballot sent to that voter and mail the replacement ballot.

A voter can also notify the Committee if they will not be able to receive a ballot by mail during the voting process. The Committee will make reasonable efforts to provide those voters with opportunities to cast their ballots.

All completed ballot envelopes must be received by the service provider by 5:00 p.m. on May 23, 2023.

Nominations

The Committee will issue a call for candidates on **February 20, 2023**. Any qualified voter may run for office. Qualified voters may nominate themselves or be nominated by another qualified voter, in writing. Nominations may be made only by qualified voters; anonymous nominations are not permitted. Qualified voters who nominate themselves must submit an affirmative statement or email stating that they wish to run for office. Qualified voters who nominate someone other than themselves must include an email or signed written statement from the proposed candidate expressing his or her consent to be nominated. The nominations period will open on **February 20** and close on **March 22, 2023, at 6:00 pm**. **Nominations must have been received by the Committee no later than that deadline**. A thirty-minute grace period will be allowed for email nominations to arrive in the Committee's email inbox.

To be placed on the official ballot, all candidates must submit by email to the Election Committee (a) a brief Candidate Statement, including their qualifications as well as any other information they deem relevant, and (b) their signed and completed Conflicts of Interest Disclosure form. The Election Committee will specify the form of both documents when the nomination period opens. In order to appear on the ballot, within seven (7) days from the close of the nominations period, candidates must submit their completed documents to the Committee. A thirty-minute grace period will be allowed for email submissions to arrive in the Committee's email inbox. The Committee will maintain a record of the information on when nominations and supporting materials were received, making that information available, as appropriate.

The Committee will review the submissions and identify any nomination materials that are incomplete. The Committee will notify the candidate, and the candidate will have 24 hours to submit an updated form addressing the issue. Submission of updated materials will not be subject to the deadline above for submissions.

Candidate Announcements and Candidate Forum

The Committee will promptly notify the Village of the candidates for office and publish the election information and candidate statements by email, by posting on the Village's website, and in a mailed election packet. Information will also be included in the Village's Friday wrap-up emails and newsletters and will be available for review in the Village Office throughout the election period.

The Committee will host a Candidate Forum on a date agreed upon by the Committee and candidates, to allow qualified voters and residents to hear from candidates. The Committee shall provide a mechanism for qualified voters and residents to offer questions without their name being used. The Committee shall moderate the forum in its sole discretion. Qualified voters and residents are encouraged to send their questions for the candidates to the Committee by the means specified

by the Committee. The Committee should send the Election Packet, containing candidate information and statements, to voters in advance of the Forum.

Election Procedures

Pursuant to the Charter and these rules and procedures, each qualified voter may cast a ballot, according to the following vote-by-mail procedures.

- 1) The election service provider will mail via first class post (a) a ballot, (b) voting instructions prepared by the committee in consultation with the election service provider, and (c) a postage-paid return ballot envelope to each voter listed on the voter roll at their address of record.
 - a. Where feasible, the Committee should work with the election service provider to have ballot packages delivered to voters shortly after the candidate forum.
 - b. The Committee will work with the election service provider to identify projected dates when ballots will begin arriving and provide notice to the Village.
- 2) Ballot envelopes will bear on their exterior a service-provider-issued control number and an affidavit in accordance with Maryland law requiring the voter to attest to the voter's identity and eligibility. The affidavit must be signed by the voter.
- 3) All ballot envelopes must be received by the election service provider no later than **5:00 p.m. on May 23, 2023**. Ballots received after that time shall be rejected and not included in the ballot counting. The VMA Election Committee shall send reminders for all qualified voters to return ballots by mail no later than that date.
 - a. Ballots must be returned in the service-provider-issued return envelope.
 - b. Ballot return envelopes must be sealed.
 - c. Ballot return envelopes must bear a valid control number that has not been canceled or voided.
 - d. Voters must have written their full name as it appears on the Village's voter roll as well as the house number and street name of qualifying address in the Village on the issued return envelope.
 - e. If voters from the same household use each other's envelopes, those ballot return envelopes shall be accepted as valid.
- 4) For voters' convenience, the Election Committee will also provide a secure ballot box to collect completed ballot envelopes on the evening of **Election Day, May 10, 2023**. Voters may deposit their sealed ballot envelopes containing a voted ballot and bearing a completed affidavit in the Election Committee ballot box between the hours of **5:00 p.m. and 8:00 p.m. on May 10**. Promptly after 8:00 p.m., the Election Committee shall open the ballot box, count the number of ballot return envelopes in the box, and then convey the ballot envelopes to the service provider. The election service provider shall hold all ballots received until the date for ballot counting, **May 24, 2023**.
- 5) Between the hours of 5:00 p.m. and 8:00 p.m. on May 10, the Election Committee will also provide an opportunity for qualified voters whose ballots have been lost, damaged, spoiled, or are otherwise unable to be voted, to request that their existing ballot be voided and a new ballot be issued to them by the election service provider.
 - a. The Committee will maintain a list of voters who have been issued new ballots during this period and shall communicate that list to the election service provider, which will void the control numbers associated with ballots mailed to those voters.
 - b. The Committee will work with the election service provider to ensure that new ballots issued as replacements for mailed ballots provide traceability and ballot control.
- 6) The service provider shall count the votes on the ballots on **May 24** and ensure that the Election Committee and candidate observers can clearly observe the counting process.
 - a. Prior to the counting of the ballots, the Committee shall propose procedures for the Council to adopt relating to the vote counting.

- 184 7) Following the 5 p.m. deadline on May 23, the election service provider shall examine
185 the ballot envelopes without opening them and identify non-confirming envelopes.
186 The provider shall then display each such non-confirming envelope to the committee
187 members, who will then decide, based on a majority vote, whether each such
188 envelope has the potential to be ‘cured’ or corrected of any discrepancies or
189 deficiencies. If so, a reasonable and meaningful attempt must be made to contact the
190 voter identified by the control number on that envelope. However, ballot envelopes
191 that are unsigned shall not be eligible for curing.
- 192 a. Prior to the counting of the ballots, the Committee shall propose procedures
193 for the Council to adopt relating to the Committee’s ballot curing actions and
194 guidelines.
- 195 8) Candidates or their designated representative(s) — only one per candidate — may observe
196 the tallying, review, and adjudication process. Candidates or their designated observers
197 may raise objections during the counting process. The candidate or observer must identify
198 the challenge at the time of vote counting. Other qualified voters may also observe the
199 process, but they may not raise objections.
- 200 9) At the vote counting session, the service provider shall tally all votes cast, including the
201 write-in votes. The service provider shall deliver a complete, certified Official Count of
202 Ballot Report to the Election Committee by email within 24 hours.
- 203 10) The Committee shall review the Report, address any remaining ballot or vote issues, and
204 certify the election by Committee vote. The Committee shall announce the election results
205 as soon as practicable.
- 206 11) The election service provider shall return all ballots, ballot return envelopes, and other
207 election materials to the Village Office by mail or courier, for preservation according to
208 the Village’s state-approved Document Retention policy.
- 209 12) In the event that two (2) or more candidates receive the same number of votes where only
210 one can be elected, there shall be a runoff election within two (2) weeks of the May 24
211 deadline, when votes are tabulated and recorded. The Committee shall conduct any runoff
212 election by mail-in ballot consistent with relevant provisions of the Charter.

213 **Records**

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

217 **Electioneering**

- 218 1) Residents may distribute candidates’ information to Village residents, provided that such
219 distribution complies with applicable laws, including Sections 7-208 and 9-106 of the Village
220 Code and the United States postal service regulations (for example, no unstamped non-postal
221 material may be placed in residents’ mailboxes).
- 222 2) All candidates’ brochures and election materials must prominently state that they have been
223 paid for by, or on behalf of, the candidates.
- 224 3) Use of the Village logo and/or letterhead on election campaign materials is prohibited.
225 Candidates’ materials may not imply, suggest, or give the impression of any official
226 endorsement by the Village of Martin’s Additions.
- 227 4) Candidates’ campaigns may give residents token gifts that display candidate information,
228 provided that such gifts do not exceed \$1 in fair market value.
- 229 5) On Election Day, the Committee may set and enforce a reasonable “No Electioneering Zone”
230 around the place where voters may place their ballots in the Election Committee ballot box and
231 where voters may request replacement ballots. That zone shall be no greater than a 100-foot
232 radius. Sound amplification systems such as bullhorns will not be permitted.

DRAFT

Village of Martin's Additions
Financial Report for December 2022
Arthur Alexander, Treasurer
January 19, 2023

	<u>Actual year to date</u>	<u>Budgeted year to date</u>
July 2022-December 2022		
Revenues	\$634,236	425,947
Expenses (excluding capital projects)	390,379	385,850
Net Income (regular revenues minus current expenses)	243,857	40,097
Capital investment expenses	\$57,600	
Federal grant: American Rescue Plan	489,547	0
Investment reserves (less expenditures)	1,442,400	
Emergency reserves	1,000,000	
Current assets less designated reserves:	\$ 2,513,425	

Thanks to the efforts of the Manager and accountant, all the Village's bookkeeping are more or less up to date. (Some detailed corrections will be necessary.) We are now able to present the customary report of income and expenses. I have also attached the accounts through December 2022 as an addendum to this report.

In December 2022, we transferred \$55,000 from the Village's savings account in the Maryland Local Government Investment Pool (MLGIP) to the checking account to cover projected expenses, the same as last month.

As mentioned in the previous report, Village income from residents' payments of Maryland income tax in November was the second highest monthly receipt ever, which brought our actual revenues considerably above the budgeted amount. According to the Comptroller's office, these revenues reflected late returns from previous fiscal years, primarily taxes on capital gains. With the stock market currently depressed, we cannot count on such large receipts in the next year or so. Our auditors have recommended that we maintain a reserve account to cover possible revenue declines, designated as "Emergency reserves," approximately 125% of our annual budget. Total expenses are running just about as budgeted.

	Account	Expenditures June-December 2022	Annual budget
Income			
	Revenue		
	4005: Business License	6,806	0
	4010: Permit Fees	22,643	12,000
	4020: Cable TV Franchise Fees	5,701	11,000
	4040: County Revenue Sharing	50,404	50,393
	4050: Highway Users Fees	17,403	30,000
	4060: Income Tax	473,603	700,000
	4080: Personal Property Tax	0	4,500
	4090: Real Property Tax	12,371	15,000
	4095: Utility Property Tax	0	15,000
	4100: Holiday Fund	8,955	9,000
	4110: Interest	36,350	5,000
	Total Regular: Revenue	634,236	851,893
	4001: Federal Grants	489,547	489,181
Total Income		1,123,783	1,341,074
Expense			
	5000: General Government		
	5010: Office Expenses	26,384	15,000
	5025: Office Furniture & Equipment	1,200	2,000
	5030: Insurance	5,894	8,000
	5040: Printing & Mailing	2,838	4,500
	5050: Dues & Subscriptions/Conference	5,310	10,000
	5055: Storage Rental	1,068	4,500
	5060: Office Lease	21,586	32,000
	5065: Telephone	514	3,000
	5070: IT		
	5071: Website	0	2,050
	5070: IT - Other	3,036	18,050
	Total IT	3,036	20,100
	5080: Holiday Fund	10,853	9,000
	Total 5000: General Government	78,682	108,100
	5100: Salaries & Benefits		
	5110: Managerial & Office Salaries	55,952	126,500
	5120: Payroll Taxes & Benefits	4,645	18,150
	5130: Police salaries	16,800	48,382
	5135: Police Payroll taxes	1,200	3,588
	5100: Salaries & Benefits - Other	0	0
	Total 5100: Salaries, Benefits	78,597	196,620
	5200: Professional Fees		
	5206: Audit - Financial Process	0	5,680
	5210: Accounting & Auditing	9,250	17,000
	5220: Building & Permitting		
	5222: Building Review & Permits	32,900	50,000
	5224: Enforcement & Oversight	1,400	18,000
	5226: Municipal Operations	1,440	18,000

Total 5220: Building & Permitting	35,740	86,000
5230: Legal		27,500
5240: Police		
5244: Traffic Engineering	3,608	10,000
5247: GIS Update	0	5,000
5200: Professional Fees - Other	0	0
Total 5200: Professional Fees	58,736	178,680
5300: Streets		
5305: Streets - General		
5310: Street Lighting - PEPCO	1,719	4,800
5322: Street Cleaning - Fall/Spring	14,825	35,000
5324: Street Maintenance – Other	0	7,500
5305: Streets - General - Other	3,908	
Total 5305: Streets - General	20,452	47,300
5349: Snow Removal Services		
5350: Snow Removal - Shovel.	0	0
5351: Snow Removal - Plowing	720	30,000
5349: Snow Removal Services - Other	0	0
Total 5349: Snow Removal Services	720	30,000
Total 5300: Streets	21,172	77,300
5400: Waste & Recycling		
5410: Waste Collection & Recycling	82,358	130,000
5420: Leaf Bags	13,563	8,000
5425: Recycling Bins	0	1,000
Total 5400: Waste, Recycling	95,921	139,000
5500: Other		
5510: Tree Maintenance	22,600	30,000
5515: Tree Replacement	0	0
5516: Tree Planting Initiatives Prog.	15,160	7,000
5518: Right-of-Way Landscaping	3,918	0
5520: Community Events		
5521: Elections	2,500	-2,500
5520: Community Events	15,594	30,000
Total 5520: Community Events	15,594	35,000
Total 5500: Other	57,271	72,000
5800: Designated Funds		
5805: Designated - Walkability	0	500,000
5810: Designated - Street	57,600	500,000
5814: Designated - Capital Projects	0	500,000
5820: Designated - Auditor Reserve	0	1,000,000
Total 5800: Designated Funds	57,600	2,500,000

From: Michael Silliman, Village Manager
To: Village Council
Subject: Village Manager's Report
Date: 1-19-23

Overview

The Village office has started the year off strong with office reorganization and process improvements as well as improvements to the Zoom meeting setup so that these Council meetings are as welcoming and accessible as possible. I have spent a lot of time working with our Accountant to get our books in order, and I have signed up to become a Notary via the National Notary Association.

Schedule Changes

The February Council meeting has been moved to Thursday, February 9, 2023 due to scheduling conflicts. The presentation of the 2022 Annual Survey results will now be part of the February 9 Council meeting.

Traffic and Roads

There are two road issues that I have had considerable discussions about this month. One is the dead-end of Quincy St., which is too narrow for emergency and other large cars to pass while cars are parked on both sides of the street. The other is safety concerns on Brookville Rd. after several car crashes. Further discussion is forthcoming on both of these issues.

Trees

We continue to receive requests for right-of-way tree trimmings. Tree Supervisor Paula Goldberg provided this report:

The fall planting has been completed, including 12 new trees on resident properties and 9 new street trees for the Village. We have also been taking care of several tree issues:

- Deadwood removal and pruning of street tree at 207 Oxford St.
- Stump removal on Turner Lane.
- Tree removal at 7307 Summit.
- Option of how to deal with damaged street tree at 111 Quincy St. provided by Mulheron.
- Standardizing our tree protection plans for all construction sites.