1. Agenda 06 22 2020

   Documents:

   AGENDA 06 22 20.PDF

2. Council Packet 06 22 2020

   Documents:

   COUNCIL MEETING PACKET 06 22 20.PDF

AGENDA

CITY OF WESTMINSTER
Mayor and Common Council Meeting
Monday, June 22, 2020 at 7 pm
https://www.facebook.com/westminstermd/

1. CALL TO ORDER

2. APPROVAL OF MINUTES

A) Special Mayor and Common Council Meeting of June 3, 2020

B) Mayor and Common Council Meeting of June 8, 2020

C) Closed Meeting of June 8, 2020

3. PRESENTATION

A) Mayoral Proclamation – Celebrating July as Recreation and Parks Month

4. CONSENT CALENDAR

A) Approval of May 2020 Departmental Operating Reports

B) Approval - Conifer Public Works Agreement No. A-1134, Stormwater Management Deed and Easement – Mr. Glass

C) Approval – Subrecipient Agreement Between Carroll County Commissioners and City of Westminster for CARES Act Relief Fund Grant – Ms. Matthews

5. REPORT FROM THE MAYOR

6. COVID-19 PANDEMIC UPDATE

7. REPORTS FROM STANDING COMMITTEES

A) Arts Council

B) Economic and Community Development Committee

C) Finance Committee

D) Personnel Committee

E) Public Safety Committee

F) Public Works Committee

G) Recreation and Parks Committee

8. COUNCIL COMMENTS AND DISCUSSION

9. UNFINISHED BUSINESS

A) Discussion of FY 2019 Audit Findings and Associated Corrective Action Plan – Ms. Matthews

10. NEW BUSINESS

11. DEPARTMENTAL REPORTS

12. CITIZEN COMMENTS

13. ADJOURNMENT

AGENDA

CITY OF WESTMINSTER
Mayor and Common Council Meeting
Monday, June 22, 2020 at 7 pm
https://www.facebook.com/westminstermd/

1. CALL TO ORDER

2. APPROVAL OF MINUTES

A) Special Mayor and Common Council Meeting of June 3, 2020

B) Mayor and Common Council Meeting of June 8, 2020

C) Closed Meeting of June 8, 2020

3. PRESENTATION

A) Mayoral Proclamation – Celebrating July as Recreation and Parks Month

4. CONSENT CALENDAR

A) Approval of May 2020 Departmental Operating Reports

B) Approval - Conifer Public Works Agreement No. A-1134, Stormwater Management Deed and Easement – Mr. Glass

C) Approval – Subrecipient Agreement Between Carroll County Commissioners and City of Westminster for CARES Act Relief Fund Grant – Ms. Matthews

5. REPORT FROM THE MAYOR

6. COVID-19 PANDEMIC UPDATE

7. REPORTS FROM STANDING COMMITTEES

A) Arts Council

B) Economic and Community Development Committee

C) Finance Committee

D) Personnel Committee

E) Public Safety Committee

F) Public Works Committee

G) Recreation and Parks Committee

8. COUNCIL COMMENTS AND DISCUSSION

9. UNFINISHED BUSINESS

A) Discussion of FY 2019 Audit Findings and Associated Corrective Action Plan – Ms. Matthews

10. NEW BUSINESS

11. DEPARTMENTAL REPORTS

12. CITIZEN COMMENTS

13. ADJOURNMENT

MINUTES

CITY OF WESTMINSTER
Special Mayor and Common Council Meeting
Wednesday, June 3, 2020 at 2 pm
https://www.facebook.com/westminstermd/

CALL TO ORDER

Elected Officials Present: Councilmember Chiavacci, Councilmember Dayhoff, Mayor Dominick, Councilmember Gilbert, President Pecoraro, and Councilmember Yingling.

Staff Present: City Administrator Matthews, Director of Finance and Administrative Services Palmer, and City Clerk Visocsky.

UNFINISHED BUSINESS

Municipal Pool Complex Improvements

Ms. Matthews informed the Mayor and Common Council that she had begun working with Lindsey Rader, the City's bond counsel, on the required legislation for the bond issuance through the Maryland Community Development Administration (CDA), which must be adopted no later than July 7, 2020. Ms. Matthews asked that the Mayor and Common Council confirm the maximum amount that the City would borrow through the CDA, as this needed to be included in the proposed ordinance.

Ms. Matthews reminded the Mayor and Common Council that the proposed ordinance would set the maximum amount that the City could borrow through the CDA; the amount could be scaled back, provided that the City provided notice for doing so before the CDA deadline. The deadline to scale back the bond amount would need to be determined by July 23, 2020.

As discussed during the Finance Committee meeting on May 29, 2020, Ms. Matthews was in contact with Family and Children Services (FCS), which was purchasing the City-owned property located at 7 Schoolhouse Avenue. FCS informed Ms. Matthews that its State funding for the project was secured; however, a date for closing on the State funding was uncertain. Therefore, FCS was unable to provide the City with a firm date by which settlement would occur on the property.

Ms. Matthews then informed the Mayor and Common Council that federal tax code limitations restrict to a certain extent the City's ability to allow "private use" of the pool, which could potentially impact the City's arrangement with the Westminster Stingrays Swim Team if the City bonds the project. She informed the Mayor and Common Council that City staff has provided information to the CDA's bond counsel regarding the Swim Team's use of the facility for evaluation. The Common Council shared their concern about any limitation, as the Swim Team had used the facility for many years. President Pecoraro suggested allowing the CDA to review the information provided by the City and, if bonding the facility improvements posed a problem, the Common Council would reevaluate the project financing at that time.

The Mayor and Common Council also discussed using the proceeds from the sale of 7 Schoolhouse Avenue, if settlement on the property occurs within the next 60 days. As an alternative, it was suggested the City consider a loan through a financial institution that could be paid off early with no penalties.

After further discussion, Councilmember Dayhoff stated that he was not in support of the City moving forward with bonding the project if the City only borrowed the approximate amount of $1 million, rather than $2.9 million for more extensive improvements to the facility.

President Pecoraro, on behalf of the Finance Committee, moved to direct staff to continue working with Ms. Rader for the City to borrow a maximum amount of $1,225,000 through the CDA.

VOTE
AYES: President Pecoraro, Councilmember Chiavacci, Councilmember Gilbert, and Councilmember Yingling.
NAYS: Councilmember Dayhoff.

NEW BUSINESS
Warner Construction Contract Change Order Nos. 5, 6, and 7
Ms. Matthews stated that Warner Construction was the general contractor for the 45 West Main Renovation Project. She informed the Mayor and Common Council that certain issues arose during the construction process that required execution of change orders as described in the staff memo included in the meeting agenda packet.

The change orders included:

- Change Order No. 5 – Corrections and alternation to unforeseen framing conditions ($23,940.80);

- Change Order No. 6 – Additional demolition required due to unforeseen conditions at elevator pit ((23,011.90); and,

- Change Order No. 7 – Modifications as a result of the demolition to the existing HVAC system ($7,224.00). Combined, these change orders total $54,176.70.

Ms. Matthews noted that the work addressed in Change Order No. 5 was a critical path item; if not approved in a timely manner, construction would be delayed, and the City would incur additional costs.

Ms. Matthews recommended the City authorize Warner Construction to perform the work as stated above, by approving the change orders to the City's contract with Warner Construction.

Councilmember Dayhoff moved, seconded by Councilmember Chiavacci, to approve Warner Construction Contract Change Order Nos. 5, 6, and 7.

VOTE
AYES: President Pecoraro, Councilmember Chiavacci, Councilmember Dayhoff, Councilmember Gilbert, and Councilmember Yingling.
NAYS: None.

CITIZEN COMMENTS
None.

ADJOURNMENT
President Pecoraro adjourned the meeting at 2:45 pm.

Respectfully Submitted,

Shannon Visocsky, City Clerk

Full audio version is available on www.westminstermd.gov

MINUTES

CITY OF WESTMINSTER
Mayor and Common Council Meeting
Monday, June 8, 2020 at 7 pm
https://www.facebook.com/westminstermd/

CALL TO ORDER
Elected Officials Present: Councilmember Chiavacci, Councilmember Dayhoff, Mayor Dominick, Councilmember Gilbert, President Pecoraro, and Councilmember Yingling.

Staff Present: Director of Human Resources Childs, Director of Community Planning & Development Depo, Director of Public Works Glass, Director of Recreation and Parks Gruber, Police Chief Ledwell, City Attorney Levan, City Administrator Matthews, Director of Finance and Administrative Services Palmer, and City Clerk Visocsky.

Guest: Lindsey Rader, Esquire of Funk and Bolton Attorneys at Law.

APPROVAL OF MINUTES
President Pecoraro requested a motion to approve the following minutes:

- Special Mayor and Common Council Meeting of April 30, 2020;
- Special Mayor and Common Council Meeting of May 4, 2020;
- Mayor and Common Council Meeting of May 11, 2020; and,
- Special Mayor and Common Council Meeting of May 18, 2020.

Councilmember Dayhoff moved, seconded by Councilmember Gilbert, to approve the minutes as presented.

VOTE
AYES: President Pecoraro, Councilmember Chiavacci, Councilmember Dayhoff, Councilmember Gilbert, and Councilmember Yingling.
NAYS: None.

PRESENTATION
Mayoral Proclamation
Councilmember Gilbert informed the Mayor and Common Council that World Elder Abuse Awareness Day takes place each year on June 15. It is intended to promote a better understanding of abuse and neglect of older adults. She thanked Mayor Dominick for presenting the Mayoral Proclamation.

Mayor Dominick then read the Mayoral Proclamation, declaring June 15, 2020 as World Elder Abuse Awareness Day.

CONSENT CALENDAR
President Pecoraro requested a motion to approve the Consent Calendar, which included the following:

- Approval of April 2020 Departmental Operating Reports; and,

- Approval of Various Documents Related to Stonegate Section IV (Deed of Temporary Public Utility Easement, Deed of Stormwater Management Easement and Maintenance Agreement, Deed of Storm Drain Easement, and Deed and Lender Release.

Councilmember Dayhoff moved, seconded by Councilmember Chiavacci, to approve the Consent Calendar.

VOTE
AYES: President Pecoraro, Councilmember Chiavacci, Councilmember Dayhoff, Councilmember Gilbert, and Councilmember Yingling.
NAYS: None.

REPORT FROM THE MAYOR
Mayor Dominick reported that he, Chief Ledwell, and Ms. Visocsky were in contact with members of the Westminster High School (WHS) Class of 2020 Parent Boosters, who inquired about holding a procession to recognize the graduates of both WHS and Winters Mill High School. A Special Event application was submitted and is being reviewed by the Westminster Police Department to determine the safest route. Mayor Dominick noted that, due to the COVID-19 pandemic, seniors were unable to have a traditional graduation ceremony; the procession would provide an opportunity to celebrate the accomplishments of the seniors.

Mayor Dominick also reported that, with the State moving to Stage Two of the Governor's Roadmap to Recovery plan, he and Ms. Matthews were discussing how the City transitions to normal operations. He shared that Ms. Matthews was in contact with the department heads, who were providing feedback on a proposed plan. Mayor Dominick stated that, once a draft plan was finalized, it would be sent to the elected body for review and feedback.

COVID-19 PANDEMIC UPDATE
Ms. Matthews reported that, on April 29, 2020, the City submitted its plan to Carroll County for reimbursement under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act provides for payments to State, Local, and Tribal governments, called the Coronavirus Relief Fund (CRF), to mitigate the impact of the COVID-19 outbreak.

Ms. Matthews informed the Mayor and Common Council that municipal expenses, including Westminster's, were submitted to the State as part of Carroll County's overall plan. On May 26, 2020, County Administrator Roberta Windham informed Ms. Matthews that the County's CRF plan was approved, and it had received the monies.

Ms. Matthews stated that Westminster's submitted expenses (about $125,000) would be paid in full. On June 12, 2020, Ms. Palmer and Ms. Matthews were scheduled to have a virtual meeting with the County's grant manager to discuss the next steps in that process, which would include the City's execution of a sub-recipient agreement with the County.

Ms. Matthews thanked the department heads for providing pertinent information and expressed her appreciation to Chief Ledwell for coordinating and submitting the City's expense information to the County.

Chief Ledwell reported that the Westminster Police Department continued to receive minimum complaints regarding violations of the Governor's Executive Orders.

Mr. Depo reported that the Community Planning and Development Department posted on the City's website a detailed process and guidelines regarding expanded outdoor dining opportunities. He shared

that the Carroll County Liquor Board required restaurants to submit the same layout as that required by the City. Furthermore, Mr. Depo noted that the City was waiving the associated application fees during the pandemic.

Councilmember Pecoraro asked for an update on re-opening the remaining City park facilities. Ms. Matthews replied that City staff would begin working on a re-opening plan for the City's remaining outdoor recreation facilities, which would be submitted to Ed Singer, Health Officer for Carroll County, for approval, as required by the Governor's Executive Order. Ms. Matthews stated that City playgrounds, park pavilions, and basketball courts were closed at this time. Councilmember Pecoraro asked that re-opening the park pavilions be considered.

Councilmember Gilbert inquired as to the status of outdoor fitness options through the Westminster Recreation and Parks Department. Ms. Matthews replied that earlier in the day Ms. Gruber had provided suggested language for a participant waiver. She anticipated that the City would be in a position to offer these options in approximately one week. In addition, Ms. Matthews informed the Mayor and Common Council that a downtown business inquired about the use of a City-owned parking lot for its own fitness classes; the City would require a certificate of insurance and participant liability waiver.

Ms. Matthews asked Ms. Gruber if there was additional information she'd like to share. Ms. Gruber stated that the City was awaiting approval from LGIT for the City's draft release of liability language, which would then be included in the Recreation and Park's Department registration software system. Ms. Childs added that LGIT had reviewed and provided comments regarding the same at the end of the work day on June 8, 2020; LGIT requested that the City add provisions for COVID-19, which she and her staff were working on.

REPORTS FROM STANDING COMMITTEES

There were no reports from the following Standing Committees: Personnel and Public Works.

Councilmember Dayhoff, on behalf of the Arts Council, reported that the Carroll Arts Center gift shop reopened on June 3, 2020 and was following the guidelines set by the Governor's Executive Order for the COVID-19 pandemic. The Arts Center posted a re-opening survey on its website. Councilmember Dayhoff also reported that the calendar of events was available on the Arts Center's website. Additionally, he shared that the renovations of the theater had begun.

Councilmember Yingling, on behalf of the Economic and Community Development Committee, reported that the Committee met on May 29, 2020 to discuss outdoor dining as permitted by the Governor's latest Executive Order. The City's goal was to provide a clear process, while providing restaurants with flexibility. He thanked the Community Planning and Development Department for providing this information on the City website and for waiving the associated application fees. He encouraged restaurant owners to reach out to the City and provide plans that included possible street closures and/or use of sidewalks and portions of parking lots.

Mr. Depo informed the Mayor and Common Council that a survey was sent to downtown restaurants to get their input on possible re-opening options based upon the Governor's Executive Order. Mr. Depo stated that he would share the survey results at an upcoming Mayor and Common Council meeting. Councilmember Yingling asked that staff follow up with all the restaurants to encourage completion of the survey. Mr. Depo replied that Main Street Manager Sandy Anderson's initial focus was downtown restaurants, but she planned to reach out to restaurants throughout the City.

President Pecoraro, on behalf of the Finance Committee, reported that staff had continued working through various budget issues, and had provided a final budget document for consideration at this meeting. He thanked staff and his colleagues for their continued communication and working together to finalize the amended budget ordinance.

Councilmember Chiavacci, on behalf of the Public Safety Committee, reported that crime in the City remained low in comparison to the same time period in 2019. He noted a 90% decrease in driving under the influence cases since 2019. Councilmember Chiavacci then reported that the City had three groups protesting during the weekend of June 5, 2020. He shared positive feedback that he received from the downtown business owners that the Westminster Police Department did an excellent job while patrolling the protesting. Citizens also shared their gratitude in having the protests remain peaceful.

Councilmember Dayhoff, on behalf of the Recreation and Parks Committee, reported that the Committee met on May 28, 2020 to discuss the Family Fitness Center operating deficit and the proposed pool improvements. He inquired when the Finance Committee would be reviewing the proposed, new Fitness Center membership fee structure. President Pecoraro replied that the Finance Committee would be meeting in the near future.

Councilmember Dayhoff then shared that staff would provide an update on the grant funding awarded for Wakefield Valley Park at the next Recreation and Parks Committee meeting; staff would provide an update on the grant that was received for improvements to the former.

COUNCIL COMMENTS AND DISCUSSION

Councilmember Chiavacci thanked Ms. Matthews and Mr. Depo for assisting a downtown business owner who reached out regarding use of City property for an outdoor event.

Councilmember Dayhoff shared that he had also received positive feedback regarding the City's efforts to facilitate outdoor dining. He then shared his rewarding experience working with participants who rallied for social justice in front of the Westminster Carroll County Library during the weekend of June 6, 2020. Councilmember Dayhoff stated that, with the disturbing acts that occurred in Minneapolis, he hoped that the protesters noticed the awesome job being done by the Westminster Police Department under the leadership of Chief Ledwell. Furthermore, he shared the importance of Westminster being understood as an open and affirming community that continually works to make things better. Councilmember Dayhoff encouraged the Westminster community to continue its vigilance.

Councilmember Dayhoff then reported that Mr. Glass provided him with a tour of the Wastewater Treatment Plant. He suggested that Mr. Glass provide a report on the ENR/Biosolids Upgrade Project at an upcoming Mayor and Common Council meeting. President Pecoraro agreed, thanking Councilmember Dayhoff for his suggestion.

Councilmember Dayhoff concluded his report, stating that he spoke to Mr. Depo about reviewing the City Code provisions related to signage and parking.

ORDINANCES & RESOLUTIONS

Ordinance No. 922

Ms. Matthews stated that Ordinance No. 922, to approve and adopt a budget for the Fiscal Year (FY) beginning July 1, 2020 and ending June 30, 2021, was introduced on April 27, 2020. Since the introduction of the ordinance, several changes were made as directed by the Mayor and Common Council over the course of the budget review process. A summary of the changes, including new information, were included in the staff memo in the agenda packet.

Ms. Matthews highlighted the following modifications to Ordinance No. 922:

- Both the Finance Committee and the Recreation and Parks Committee reviewed the plan developed by Ms. Gruber to eliminate the Fitness Center operating deficit. The amended version of Ordinance No. 922 reflects Ms. Gruber's projected revenues for FY 2021 under that plan, assuming a full year of Fitness Center operations. Since both of those committees met,

Ms. Palmer, Ms. Childs, and Ms. Matthews worked to refine the FY 2021 budget's personnel projects, particularly in light of the new Phase 3 implementation plan for the Compensation and Classification Study results. Upon completion of that process Friday afternoon, Fitness Center expenditures were projected to be slightly higher than that envisioned in Ms. Gruber's plan. The version of Ordinance No. 922 in the agenda packet reflects a Fitness Center operating deficit of $19,153 as a result. Ms. Palmer and Ms. Matthews did not consider this amount to be material to the overall FY 2021 budget; there are a number of factors that could eliminate it (including an alternative insurance election than that assumed once a vacant position is filled), and the uncertainty surrounding when the Fitness Center can be re-opened.

- Through refining and recalculating the City's personnel costs, the General Fund is projected to have a surplus, which will positively impact the Fund's reserve balance. As the Mayor and Common Council were aware, the City anticipated a decline in certain revenue sources due to the COVID-19 pandemic, so this surplus would provide a beneficial cushion.

- The City recently received correspondence from the State Highway Administration, updating its Highway User Revenue projections for both FY 2020 and FY 2021. FY 2021 revenues had been reduced by $89,000 as a result, with a corresponding reduction in paving funding.

- Staff was notified by the State of a Community Parks and Playground grant award in the amount of $75,000 for a climbing structure installation at the Tahoma Road Boulder Park.

Councilmember Gilbert requested clarification on the membership attrition rate assumed in projecting FY 2021 Fitness Center revenues. Ms. Matthews responded that Ms. Gruber had assumed an attrition rate of 20% due to the new membership fee structure.

Councilmember Gilbert asked if a plan was in place in the event that the City was unable to re-open the Fitness Center as of July 1, 2020 (the start of the new fiscal year), particularly as it pertains to staffing. Ms. Matthews replied that the City furloughed non-benefited Fitness Center staff in mid-April; full-time benefited staff remained on payroll. If the Governor's Executive Order did not allow for the Fitness Center to re-open as of July 1, 2020, this would potentially result in furloughing staff. Ms. Matthews noted that she and Ms. Gruber had a conversation recently regarding this matter and how the City should proceed.

Councilmember Gilbert suggested that, if COVID-19 impacted the re-opening of the Fitness Center, the appropriate Standing Committees should meet to discuss this. President Pecoraro replied that development of a transition plan was underway, as the impact of the coronavirus was out of the City's control. As updates are received, continued conversations were needed.

Mayor Dominick added that the re-opening process would include a series of plans to anticipate what may be included in the Governor's re-opening phases. With the continued uncertainty surrounding the COVID-19 pandemic, the City can only plan based on what is known at that time. He stated that the City needed to align its decision deadlines based upon the Governor's Executive Orders.

Councilmember Chiavacci moved, seconded by Councilmember Gilbert, to amend Ordinance No. 922 as presented.

VOTE
AYES: President Pecoraro, Councilmember Chiavacci, Councilmember Dayhoff, Councilmember Gilbert, and Councilmember Yingling.
NAYS: None.

After further discussion, the Common Council unanimously agreed to approve the amended adoption of Ordinance No. 922 – An Ordinance of the Mayor and Common Council of Westminster, Maryland Approving and Adopting a Budget for the Fiscal Year Beginning July 1, 2020 and Ending June 30, 2021.

Ordinance No. 924
President Pecoraro welcomed Lindsey Rader, the City's Bond Counsel, to the meeting of the Mayor and Common Council. Ms. Rader stated that the City had determined to undertake the Westminster Community Pool Improvements Project and was seeking to participate in the Maryland Community Development Administration's (CDA) Local Government Infrastructure Financing Program in order to finance the costs of the project.

Ms. Rader informed the Mayor and Common Council that the CDA required the City to pass legislation in the form of an ordinance. Before passing the legislation, the borrower must hold a public hearing after a notice is published at least 7 – 10 days prior.

Ms. Rader outlined the following, as stated in her memo included in the agenda packet:

- Maximum term of the program loan was approximately 30 years and the bond maturity was tied to the weighted useful lives of the improvements financed or refinanced;

- The City preferred an approximate 20-year term for financing, not to exceed 21years from the date of issuance, but the City would issue more than one bond to the CDA if the useful lives of the financed project components dictate that bonds should be issued with different maturity dates; and,

- The ordinance authorized a maximum aggregate principal amount of not-to-exceed $1,225,000 of general obligation bonds to be issued by the City.

Ms. Rader informed the Mayor and Common Council that the City would enter into a Pledge Agreement and Repayment Agreement with the CDA. The Pledge Agreement would contain an intercept mechanism providing that, if the City defaults in its obligations with respect to the CDA loans, the CDA had the right to direct the State Treasurer to send to the CDA from any sources held by the State, including income tax revenues, the amount owed by the City. The Repayment Agreement would require the City to file its audited financial statements with the CDA on an annual basis and certain other reporting information tied to the events reportable.

Ms. Rader then provided a summary of proposed Ordinance No. 924, highlighting certain aspects of her memo included in the meeting agenda packet. She stated that the ordinance was scheduled to be introduced during this meeting. The date of the required public hearing and consideration of the ordinance for passage had not yet been scheduled.

President Pecoraro requested a motion to introduce Ordinance No. 924 – An Ordinance of the Common Council of the Mayor And Common Council of Westminster, a Municipal Corporation of the State of Maryland (The "Issuer"), Providing for the Issuance and Sale of an Aggregate Principal Amount not to Exceed One Million Two Hundred Twenty-Five Thousand Dollars ($1,225,000) of Bonds of The Issuer, To Be Known As "The Mayor And Common Council Of Westminster Infrastructure Bonds, 2020 Series A" (Or By Such Other or Additional Designation or Designations as Required by the Community Development Administration Identified Herein) (The "Bonds"), to be Issued and Sold Pursuant to the Authority of Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland, as Amended, for the Purpose of (I) Financing or Refinancing Costs of the Project Identified Herein as the Westminster Community Pool Improvements Project, (Ii) Funding of Portion of a Capital Reserve Fund and/ or Other Reserves, and/ or (Iii) Paying Issuance and Other Costs Related to the Bonds; Providing that the Bonds shall be Issued Upon the Full Faith and Credit of

the Issuer; Providing for the Disbursement of the Proceeds of the Sale of the Bonds and for the Levy of Annual Taxes upon all Assessable Property within the Corporate Limits of the Issuer for the Payment of The Principal of and Interest on the Bonds as they Shall Respectively Come Due; Providing for the Form, Tenor, Denominations, Maturity Date or Dates and Other Provisions of the Bonds; Providing for The Sale Of The Bonds; and Providing For Related Purposes, Including, Without Limitation, The Method of Fixing the Interest Rate or Rates to be Borne by the Bonds, the Approval, Execution and Delivery of Documents, Agreements, Certificates and Instruments, and the Making of or Providing for the Making of Representations and Covenants Concerning the Tax Status of Interest on the Bonds.

Councilmember Chiavacci moved, seconded by Councilmember Yingling to introduce Ordinance No. 924.

VOTE
AYES: President Pecoraro, Councilmember Chiavacci, Councilmember Dayhoff, Councilmember Gilbert, and Councilmember Yingling.
NAYS: None.

UNFINISHED BUSINESS
None.

NEW BUSINESS
HRI, Inc. Contract Change Order #3
Mr. Glass stated that, in early 2019, the Mayor and Common Council awarded a construction contract to HRI, Inc. for the Wastewater Treatment Plant ENR and Biosolids Upgrade Project. The City contracted with GHD for ongoing engineering services during construction. By separate contract, the City retained GHD to provide construction management and inspection services for the duration of the Project.

Mr. Glass informed the Mayor and Common Council that, to date, there had been two approved change orders totaling $1,012,644.00 to the contract with HRI, Inc. He noted that both Change Order No. 1 and Change Order No. 2 qualified for State cost share eligibility.

Mr. Glass then informed the Mayor and Common Council that Change Order No. 3 acts to balance additions and credits to the project to date. Additional costs include the following:

- Work related to the relocated stream crossing as a result of the BGE redesign and the cost of the redesign (PCO 10) -- $94,474.00;

- A change in the support structure for the belt filter presses (RFP 3) -- $5,410.00; and,

- Replenishment of the grout budget for reactor 5 (PCO 12) -- $14,892.00.

Mr. Glass noted that the stream crossing, belt press support structure, and grout replenishment were originally intended to be included in Change Order No. 2, but were delayed to a later date due to the time sensitivity of executing Change Order No. 2. Supporting documentation and a memo addressing this matter was included in the meeting agenda packet.

Mr. Glass stated that there are two offsetting, reimbursement items included in Change Order No. 3 that act as contract deductions. They include PCO 8/temporary power for $35,591.65 and PCO 11/inspection overtime in the amount of $1,650.00.

Mr. Glass stated that, considering these contract deductions, the net cost of Change Order No. 3 was $77,534.35. Change Order No. 3 is subject to the State cost share eligibility of 53.65%.

Mr. Glass recommended that the Common Council authorize the Mayor to execute Change Order No. 3 to the City's contract with HRI, Inc. in the amount of $77,534.35.

Councilmember Yingling moved, seconded by Councilmember Chiavacci, to approve HRI, Inc. Contract Change Order No. 3.

VOTE
AYES: President Pecoraro, Councilmember Chiavacci, Councilmember Dayhoff, Councilmember Gilbert, and Councilmember Yingling.
NAYS: None.

FY2021 Grant Agreement – Westminster Municipal Band
Ms. Matthews stated that the FY 2021 budget allocated $5,000 in grant funding to support the activities of the Westminster Municipal Band. The proposed grant agreement between the City and the Westminster Municipal Band outlines the terms and conditions of the grant funding for FY 2021.

Ms. Matthews informed the Mayor and Common Council that the Municipal Band would be required to file a written final report after the conclusion of FY 2021, listing the events in which it participated during the fiscal year. She noted that the Municipal Band did not have audited financial statements; therefore, the language was changed to reflect the same.

Ms. Matthews recommended that the Common Council approve the grant agreement between the City and the Westminster Municipal Band and authorize its execution by the City Administrator.

The Common Council unanimously voted to approve FY 2021 Grant Agreement between the City of Westminster and the Westminster Municipal Band.

FY2021 Grant Agreement –Westminster Volunteer Fire Department
Ms. Matthews stated that the FY 2021 budget allocated $250,000 in grant funding to support the activities of the Westminster Volunteer Fire Department (WVFD). The proposed grant agreement between the City and WVFD outlines the terms and conditions of the grant funding for FY 2021.

Ms. Matthews informed the Mayor and Common Council that the WVFD would provide data related to program measures on a quarterly basis, and would be required to file a written final report after the conclusion of FY 2021. Under the terms of the grant agreement, the City could use John Street Quarters up to ten times per year at no cost. For certain uses, the City would pay a modest cleaning fee to WVFD.

Ms. Matthews recommended that the Common Council approve the grant agreement between the City and WVFD and authorize its execution by the City Administrator.

Councilmember Chiavacci moved, seconded by Councilmember Gilbert, to approve FY 2021 Grant Agreement between the City of Westminster and the Westminster Volunteer Fire Department.

VOTE
AYES: President Pecoraro, Councilmember Chiavacci, Councilmember Dayhoff, Councilmember Gilbert, and Councilmember Yingling.
NAYS: None.

Closed Meeting
President Pecoraro requested a motion to go into a Closed Meeting, following the Regular meeting to discuss:

- To consult with counsel to obtain legal advice on a legal matter; and,
- To consult with staff, consultants, or other individuals about pending or potential litigation.

Councilmember Chiavacci moved, seconded by Councilmember Gilbert, to go into a Closed Meeting.

VOTE
AYES: President Pecoraro, Councilmember Chiavacci, Councilmember Dayhoff, Councilmember Gilbert, and Councilmember Yingling.
NAYS: None.

DEPARTMENTAL REPORTS
Westminster Volunteer Fire Department
Councilmember Dayhoff, on behalf of Daniel Plunkert, President of the Westminster Volunteer Fire Department (WVFD), reported that during the month of May, total calls were 454: EMS 407 and fire 47. Of these calls, 245 were within the City limits. Councilmember Dayhoff noted that WVFD had 53% of overlapping calls, which is a continued concern as this causes WVFD to rely on other local departments to respond to its calls. He also noted that call volume had decreased in comparison to 2019.

Public Works Department
Mr. Glass provided the Mayor and Common Council an update on the recent pick up of yard waste; the City's customary collection schedule had been scaled back due to the COVID-19 pandemic.. He informed the Mayor and Common Council that the City had picked up yard waste during the last week of May. Due to the large volume of material, the Street Department staff needed additional time to service all addresses that had scheduled pickups.

Mr. Glass also reported that he was working with the Public Works Department superintendents on the development of re-opening plans.

Westminster Police Department
Chief Ledwell stated that what had occurred in Minneapolis was deeply disturbing and not consistent with our policy or training. He informed the Mayor and Common Council that he was receiving inquiries from City residents about the policies and procedures of the Westminster Police Department. Chief Ledwell then shared that he was meeting with officers within the Police Department to discuss the incident that occurred in Minneapolis and to reinforce the professional standards expected of them. Every officer, regardless of rank or seniority, has a duty to intervene in a situation involving excessive or inappropriate force. In addition, Chief Ledwell reported that the schedules of command officers were modified to provide increased coverage during evenings and weekends.

Chief Ledwell then informed the Mayor and Common Council that Captain Kowalczyk was coordinating with the Carroll County Sheriff's Department to accommodate a safe route for a precession of the 2020 graduates of Westminster High School and Winters Mill High School.

He also reported that, due to the COVID-19 pandemic, the Westminster Police Department promotions and awards ceremony would be held on Facebook live. More details would be provided, once they were finalized.

Chief Ledwell concluded his report by sharing that the Police Department would be reaching out to the Carroll County State's Attorney's Office and Sheriff's Department regarding body cameras for the

officers. He stated that there were a variety of logistical issues associated with body camera programs, adding that the various law enforcement agencies in the County were at different stages in their use.

Community Planning & Development
Mr. Depo reported that the Historic District Commission met on June 3, 2020 to review a façade improvement application for 143 West Main Street. At this same meeting, staff introduced an updated Rules of Order and Procedure for the Commission. After staff receives feedback from the Commission, the Rules of Order and Procedure would be reviewed by the City Attorney. Following review by the City Attorney, the proposed Rules of Order and Procedure would return to the Commission, to bring forward a recommendation of approval by the Mayor and Common Council.

Mr. Depo then reported that the Tree Commission was scheduled to meet on June 10, 2020 to discuss the annual Urban and Community Forestry Workshop. In addition, the Commission will discuss rescheduling its Arbor Day celebration that was canceled due to COVID-19. At this time, it was rescheduled for October 15, 2020. The Tree Commission is considering a digital Arbor Day celebration with only staff in attendance. The Tree Commission will also review the Comprehensive Tree Plan.

Mr. Depo concluded his report by informing the Mayor and Common Council that the Planning and Zoning Commission was scheduled to meet on July 11, 2020. The Commission would review the Mission BBQ site plan, the location of the former Friendly's restaurant located on Route 140. The Commission would also review the Big Lots' sign application, and a site plan submitted by 7-Eleven that incorporated the addition of gas pumps.

CITIZEN COMMENTS
President Pecoraro read the written citizen comments submitted via Comments@westgov.com.

Beverly Young, 940 Wampler lane, asked that the Town Mall of Westminster and dining areas of restaurants re-open. In addition, she encouraged sports organizations and summer camps to resume operation.

Morgan Muse, 29 Cypress Point Court, Team Representative of the Westminster Stingrays Board and Team, shared concerns regarding the closure of the Westminster Municipal Pool for the 2020 season due to the COVID-19 pandemic. The Swim Team had hoped to continue practicing even though the Central Maryland Swim League had canceled for the season.

Ms. Muse, on behalf of the Board and Team, shared its excitement for consideration of the Municipal Pool Improvements as included in the FY 2021 budget. Ms. Muse asked that the City take into consideration the needs of the Stingrays Swim Team relative to any facility usage fee increases and pool dimension changes.

Ms. Muse stated the understanding of the Board and Team that the plan would shorten the pool to 25 yards and reduce the pool size by one lane. This plan would have the following impacts on the Swim Team:

- Requirement to retrofit the Swim Team's current lane lines from 25 meters to yards, which will result in increased cost;

- Purchase and re-set new block anchors to an approved safe distance (these anchors were just re-set last year as a shared cost by the City and the Team);

- Confirm if the pool depth would change as a result of the construction. If the depth changes, the Team would need confirmation that the blocks (which were purchased by the team last year at a cost of $16,853.97) meet the required standard for competition. The blocks were purchased

after 10 years of special fundraising events; therefore, the Swim Team did not have funding to replace the blocks, which are required for membership in the Central Maryland Swim League;

- Reducing the pool to six lanes would require the Swim Team to place additional limits on the number of swimmers on the team, thereby reducing family memberships purchased;

- With six lanes, the time it takes to run a swim meet would lengthen required additional pool time and may interfere with regular openings to the community; and,

- A new team record board would be required, as all team records are currently kept in meters as this was the summer swim standard.

Ms. Muse requested that the Stingrays Board and Team be kept up-to-date regarding the pool improvements and if construction would impact the summer 2021 season. If the pool were to remain closed for next season, Ms. Muse informed the Mayor and Common Council that the families of the Stingrays Swim Team would then need to decide whether to join other swim teams, thereby dissolving the current team.

Annette Meyers, 72 Marhill Court, inquired about the City's decision to close its pool for the entire summer 2020 season, noting the Governor's recently issued Executive Order allowed community pools to open at 25% capacity. In her opinion, the City's decision to close the pool this early in the season due to the COVID-19 pandemic was premature.

Beverly Young, 940 Wampler Lane, questioned why libraries were unable to open for book drop offs and pickups. She also questioned why the Town Mall of Westminster remained. Ms. Young suggested the following: fitness centers re-open, allowing members to spread out while exercising; restaurants re-open with limited and spread out seating; and, small businesses take employee temperatures and provide hand sanitizer for visitors.

ADJOURNMENT

President Pecoraro adjourned the meeting at 8:35 pm.

Respectfully Submitted,

Shannon Visocsky, City Clerk

Full audio version is available on www.westminstermd.gov

Mayoral Proclamation

PARK AND RECREATION MONTH
JULY 2020

WHEREAS, parks and recreation programs are an integral part of communities throughout this country, including the City of Westminster, Maryland; and

WHEREAS, our parks and recreation programs are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community and region; and

WHEREAS, parks and recreation programs build healthy, active communities that aid in the prevention of chronic disease, provide therapeutic recreation services for those who are mentally or physically disabled, and also improve the mental and emotional health of all citizens; and

WHEREAS, parks and recreation programs increase a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

WHEREAS, parks and recreation areas are fundamental to the environmental well-being of our community; and

WHEREAS, parks and natural recreation areas improve water quality, protect groundwater, prevent flooding, improve the quality of the air we breathe, provide vegetative buffers to development, and produce habitat for wildlife; and

WHEREAS, our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS, the U.S. House of Representatives has designated July as Parks and Recreation Month; and

WHEREAS, the City of Westminster, Maryland recognizes the benefits derived from parks and recreation resources.

NOW, THEREFORE, ***I, Joe Dominick, Mayor of City of Westminster, in conjunction with the Common Council, do hereby proclaim*** July as Park and Recreation Month in the City of Westminster, Maryland.

Adopted this 6th day of June, 2020.

_____

Joe Dominick
Mayor

Finance

TREASURY REPORTS AS OF May 2020 – UNADJUSTED AND UNAUDITED

GENERAL FUND REVENUES		Budget		Actual YTD	% to Budget
Taxes	$	11,252,854	$	10,637,304	95%
Licenses and Permits		605,130		445,059	74%
Intergovernmental		2,267,199		1,365,990	60%
Charges for Services		1,188,653		843,536	71%
Fines & Forfeitures		105,500		92,525	88%
Miscellaneous Income		283,900		268,488	95%
Transfers	$	(599,767)	$	(775,133.87)	129%
GENERAL FUND APPROPRIATION BY ACTIVITY					
Community Support	$	37,422	$	12,927	35%
Facilities		301,875		215,570	71%
Finance		180,786		150,804	83%
Executive & Legislative		747,568		492,281	66%
Human Resources		131,540		93,676	71%
Planning, Zoning & Development		1,114,989		233,174	21%
Housing & Preservation Services		112,855		91,674	81%
Public Safety Department		7,212,898		5,995,769	83%
Public Works		3,271,377		2,451,257	75%
Recreation & Parks		1,474,537		1,097,216	74%
Technology	$	314,662	$	215,060	68%
Total General Fund Revenues	$	15,103,469	$	12,877,768	85%
Total General Fund Appropriations	$	14,900,509	$	11,049,409	74%

PUBLIC HOUSING FUND REVENUES		Budget		Actual YTD	% to Budget
Housing Assistance Payments	$	2,186,233	$	1,978,103	90%
HAP Equity Reserve Transfer		75,000		-	0%
HUD Administrative Fee Distribution		215,000		241,617	112%
Miscellaneous Income	$	122,934	$	105,538	86%
PUBLIC HOUSING FUND EXPENDITURES					
Salaries & Benefits	$	235,641	$	193,684	82%
Administration		186,900		135,585	73%
Housing Assistance Payments		2,126,118		1,816,513	85%
Facilities	$	45,575	$	44,587	98%
Total PHA Fund Revenues	$	2,599,167	$	2,325,258	89%
Total PHA Fund Appropriations	$	2,594,234	$	2,190,368	84%

CAPITAL FUND REVENUES		Budget		Actual YTD	% to Budget
Taxes	$	2,198,960	$	2,140,580	97%
Intergovernmental		983,657		476,227	48%
Benefit Assessments		289,380		177,842	61%
Transfers		5,517,830		775,134	14%
CAPITAL FUND APPROPRIATION BY ACTIVITY					
Planning	$	742,304	$	732,304	99%
Facilities	$	5,892,803	$	1,453,862	25%
Public Safety Department		302,348		138,263	46%
Public Works		2,827,229		2,232,210	79%
Technology	$	-	$	-	0%
Total Capital Fund Revenues	$	8,989,827	$	3,569,784	40%
Total Capital Fund Appropriations	$	9,764,684	$	4,556,640	47%

UTILITY FUND REVENUES		Budget		Actual YTD	% to Budget
Small Meter - City	$	3,984,382	$	3,688,600	93%
Small Meter - County		3,093,428		2,405,757	78%
Large Meter - City		2,857,459		1,740,687	61%
Large Meter - County		2,119,490		1,315,035	62%
Reclaimed - County		25,000		19,714	79%
Charges for Services		1,049,790		1,081,019	103%
Benefit Assessment Fees		784,880		486,704	62%
Carroll County Septage Facility		425,000		398,423	94%
Revenue Related to ENR/Biosolids Project		27,091,494		5,871,694	22%
UTILITY FUND APPROPRIATION BY ACTIVITY					
Community Support	$	24,844	$	25,853	104%
Facilities		131,450		109,466	83%
Finance		562,716		443,363	79%
Executive & Legislative		735,523		462,235	63%
Human Resources		320,748		221,753	69%
Planning, Zoning & Development		236,426		144,801	61%
Public Works		438,480		341,110	78%
Technology		1,213,344		661,371	55%
Utilities		1,695,805		1,199,214	71%
Water		3,617,436		1,760,692	49%
Wastewater	$	31,688,492	$	16,992,237	54%
Total Utility Fund Revenues	$	41,430,923	$	17,007,634	41%
Total Utility Fund Appropriations	$	40,665,264	$	22,362,097	55%

FIBER FUND OPERATING REVENUES		Budget		Actual YTD	% to Budget
Provider Fees - Units Passed	$	432,576	$	386,430	89%
Provider Fees - Subscriptions		345,994		251,821	0%
Miscellaneous		1,000		20,571	2057%
Loan Proceeds		-		-	0%
General Fund Subsidy	$	617,078	$	-	0%
FIBER FUND OPERATING EXPENDITURES					
Public Works		66,944		55,493	83%
Technology		39,469		33,322	84%
Fiber	$	1,286,286	$	769,461	60%
Total Revenues	$	1,396,648	$	658,822	47%
Total Expenses	$	1,396,649	$	862,529	62%

Disbursements between $10,000 and $25,000 from May 14, 2020 through June 12, 2020:

Vendor Name	Description	Total Amount
ACTIVE NETWORK LLC	AN PREFUND ACTIVE NETWORK FOR REFUNDS	$16,635.00
BALTIMORE GAS & ELECTRIC CO	BGE ELECTRICITY MAR	$18,740.80
COMPTROLLER OF MARYLAND	MD STATE TAX: PAYMENT	$17,257.34
COMPTROLLER OF MARYLAND	MD STATE TAX: PAYMENT	$20,548.59
COMPTROLLER OF MARYLAND	MD STATE TAX: PAYMENT	$16,182.06
GANT BRUNNETT ARCHITECTS	WESTMINSTER ADMINISTRATION BUILDING	$18,471.50
MD ST RETIREMENT & PENSION SYS	MD STATE RETIREMENT: PAYMENT	$21,006.01
MD ST RETIREMENT & PENSION SYS	MD STATE RETIREMENT: PAYMENT	$21,182.41
MD ST RETIREMENT & PENSION SYS	MD STATE RETIREMENT: PAYMENT	$21,002.41
NATIONWIDE RETIREMENT SOLUTION	ROTH 457(B): PAYMENT	$14,211.35
NATIONWIDE RETIREMENT SOLUTION	ROTH 457(B): PAYMENT	$14,636.31
NATIONWIDE RETIREMENT SOLUTION	ROTH 457(B): PAYMENT	$14,441.53
US POSTAL SERV (NEOPOST ON-CAL	POSTAGE MACHINE RELOAD RESERVE	$10,657.57
WINCHESTER WEST LLC	JUNE 2020 RENT 56 W MAIN ST	$14,300.00

Debt Ratios

General Fund		Sewer Fund		Total	
Assets	55,480,724	Assets	57,480,354	Assets	159,769,630
Liabilities	1,052,006	Liabilities	10,757,569	Liabilities	36,606,391
Ratio	0.02	Ratio	0.19	Ratio	0.23
Water Fund		**Fiber Fund**			
Assets	49,726,890	Assets	17,135,037		
Liabilities	8,094,840	Liabilities	16,701,976		
Ratio	0.16	Ratio	0.97		

Family Center P&L Month of May 2020

Family Center Revenues	Budget	Month to Date	Year to Date	Balance of Budget	% of Budget Used
100.444103 Rec & Parks: Family Center	$300,000.00	($40.00)	$191,350.83	$108,649.17	63.78

Family Center Expenses	Budget	Month to Date	Year to Date	Balance of Budget	% of Budget Used
100.70.101.4111 Regular Full-Time	$180,220.00	$8,540.20	$144,007.60	$36,212.40	79.91
100.70.101.4113 Temporary Employees	$120,000.00	$0.00	$96,485.64	$23,514.36	80.40
100.70.101.4114 Overtime	$2,000.00	$0.00	$91.87	$1,908.13	4.59
100.70.101.4115 Emergency Sick & FMLA	$0.00	$0.00	$765.19	($765.19)	-
100.70.101.4123 Opt-Out	$3,998.00	$163.32	$2,057.83	$1,940.17	51.47
100.70.101.4311 Retirement & Pension Contributions	$23,192.00	$0.00	$23,297.92	($105.92)	100.46
100.70.101.4313 Deferred Compensation Matching Plan	$2,669.00	$169.40	$2,592.32	$76.68	97.13
100.70.101.4314 Worker's Compensation	$17,376.00	($54.11)	$13,168.13	$4,207.87	75.78
100.70.101.4322 Medical Insurance	$71,918.00	$3,134.96	$31,828.58	$40,089.42	44.26
100.70.101.4323 Dental Insurance	$3,635.00	$172.56	$2,444.32	$1,190.68	67.24
100.70.101.4324 Vision Insurance	$611.00	$31.16	$426.21	$184.79	69.76
100.70.101.4325 Employee Assistance Program	$285.00	$13.56	$193.23	$91.77	67.80
100.70.101.4326 Social Security Insurance	$13,160.00	$635.91	$18,506.26	($5,346.26)	140.63
100.70.101.4327 Short Term Disability Insurance	$1,388.00	$94.50	$1,295.80	$92.20	93.36
100.70.101.4328 Long Term Disability Insurance	$552.00	$37.58	$515.39	$36.61	93.37
100.70.101.4329 Life Insurance	$340.00	$23.17	$317.08	$22.92	93.26
100.70.101.5630 Repairs - Machinery & Equipment	$18,000.00	$881.00	$3,180.97	$14,819.03	17.67
Total General Fund	$459,344.00	$13,843.21	$341,174.34	$118,169.66	74.27
Profit/Loss	($159,344.00)	($13,883.21)	($149,823.51)	($9,520.49)	

Technology Services

- Total Helpdesk tickets = 156, broken down below by department:
  - Technology Services = 26
  - Westminster Police = 33
  - Public Works = 29
  - Human Resources = 7
  - Finance = 11
  - Office of the City Administrator = 10
  - Public = 17
  - Recreation and Parks = 7
  - Community Planning and Development = 10
  - Housing and Code Enforcement = 2
  - Mayor & Common Council = 4
  - Total emails allowed for May 2020 = 38,086K
  - Total emails sent for May 2020 = 7,372K
  - Blocked emails for May 2020 = 66,614K

Projects:

- Replacement of core switching – planning phase
- PCI Compliance Policy information – in progress
- Computer hard drive encryption – in progress
- Mobile device management – in progress
- Single sign on – planning phase
- Upgrade of operating systems from Windows 7 to Windows 10 – in progress
- Multi-factor authentication – testing
- Upgrade SQL Server to 2019
- Upgrade GIS Server to 2019

GIS:

- Completed fiber drop/field check tickets in Mobile 311 for Public Works Department
- Completed ArcGIS Server update with Spatial Systems Associates (SSA)
- Completed citizen request for a paper road map of the greater Westminster area
- Opened SSA data accessibility to the Public Works Department
- Performed field check for sewer manholes at Westminster High School
- Completed online Zoning Map changes for Community Planning and Development Department
- Continued investigation on accuracy and truth of fiber as-builts received from CTC Technology and Energy (CTC) for Public Works Department
- Updated Mobile 311 layer for newly-added addresses for bulk pickup and other categories
- Completed drawing request related to 950 Gist Road for Public Works and member of the public
- Received updated backbone schematic(s) from Southern Maryland Construction/CTC
- Received and reviewed as-built information for Parr's Ridge Condominium development
- Completed drawing research for Main Street sidewalk measurements for Community Planning and Development Department
- Completed mowing map overview edits for Public Works Department

Housing Services

Housing Program

- Housing Assistance Payments (HAP) = $201,306
- Number of vouchers under lease as of the last day of the month = 280
- Wait list total active applicants = 1,190
- Total HAP repayments received = $166
- Housing Inspections = 5
- Filing rate in PIC = 101%

Code Enforcement

- 90 cases closed
- 10 cases open

Community Planning & Development

COMMUNITY PLANNING AND DEVELOPMENT PERFORMANCE MEASURES	
	May 2020
Building Permits approved	16
Downtown businesses owner inquiries	52
Downtown businesses visited	7
Historic District Commission items	1
Planning and Zoning Commission items	3
Sign Permits issued	3
Special Exceptions approved	1
Use and Occupancy	1

- Board of Zoning Appeals

    - Staff prepared legal advertising and documentation for Case No. 20-02, a special exception to operate a service station use at 334 Gorsuch Road. The Board approved the special exception.

- Planning and Zoning Commission

    - Review of Site Development Plan S-19-0034 for West End Place Family Support Center, located at 7 Schoolhouse Avenue, for the expansion of the Family and Children Services operations to include multi-family housing for families of domestic violence with accessory offices for supportive services. The Commission gave conditional approval for the Site Development Plan.

    - The Commission voted to elect Ross Albers, Esq. as Chair and Tom Herb as Vice Chair.

    - On May 7, planning staff coordinated a special meeting of the Commission to review and provide a recommendation to the Mayor and Common Council on the City's Fiscal Year 2021 - 2026 Capital Improvement Program.

- Historic District Commission

    - The Commission reviewed an Application for Historic Rehabilitation Tax Credits (TC #20-04) for property located at 1-4 Schoolhouse Avenue, in the amount of $1,900.00, which is 10% of the total estimated cost of the project ($19,000.00). The Commission approved the application.

- Sixteen building permits were reviewed and approved for projects within the City, including three new homes and one new business. The remaining approved building permits were for decks and miscellaneous construction.

- Two Simplified Site Plans were approved administratively, allowing development activity to continue during the COVID-19 pandemic. So far, 11 Simplified Site Plans have been approved administratively by staff since City offices closed to the public in March 2020.

- Comprehensive Planner Andrew Gray continues to coordinate Census outreach efforts for the City of Westminster between Carroll County Government and the seven other municipalities in the County. Mr. Gray represented the City of Westminster during a virtual Complete Count Committee meeting on May 14, during which he provided an update on current City outreach efforts.

- The Downtown Westminster Farmers' Market opened for business on Saturday, May 16 to many appreciative guests. Per the Governor's Executive Orders, masks were required for vendors and guests, and vendor stalls were placed further apart to maintain physical distancing. Over 700 people attended the opening day of the Market.

- In early May, Maggie's Restaurant, owned by Jim Breuer, provided free lunch to the Street Department. Maggie's catered the luncheon as a show of appreciation for everything they have done during this difficult time.

- In late May, Governor Hogan announced that restaurants could offer outdoor dining in addition to carry out and delivery. The Department of Community Planning and Development received many requests from downtown restaurants to utilize sidewalks for outdoor dining. Staff wrote guidelines and conducted an online survey to gauge interest in the use of sidewalks and other publicly-owned

spaces. The survey went out to 25 eateries, and ten responded. Most restaurants requested to place several tables on the sidewalk; sidewalk permits were issued to four restaurants.

- During the month of May, DCPD staff received 3,883 emails and sent 1,356 emails. Staff continued to meet with applicants and their attorneys to discuss annexations, proposed site development plans, building permits, water and sewer allocations, and a variety of other City applications and processes. Additionally, staff continued to review and coordinate the review and approval of new development in the City.

Human Resources

Benefits/Wellness

- Prepared a memo and documents to present to the Mayor and Common Council for a request to approve an update to increase the FY 2021 Flexible Spending Account maximum employee contribution to $2,750
- Drafted and distributed an annual and personal leave usage reminder memo to employees
- Wellness Program
  - Worked with PSA Financial, the City's Wellness Program provider, to finalize the program discounts for FY 2021
  - Prepared and distributed the May lunch and learn flyer for the Cigna webinar on "Dealing with Difficult People" – seven attendees
- Life and Disability Program
  - Received final FY 2021 life and disability rates
  - Prepared staff report for presentation to the Mayor and Common Council, recommending a change in life and disability insurance providers to Lincoln Financial, offered through the Local Government Insurance Trust health cooperative and administered by the Benecon Group (Benecon)
  - Held a conference call with Benecon representatives to discuss the implementation of the new life and disability benefit program
  - Began the FY 2021 enrollment process for life and disability insurance; drafted the memo, created the voluntary life status form for current participants; prepared and distributed packets to employees
  - Prepared and verified the FY 2021 employee voluntary insurance premium updates based on age band changes
- Insurance Renewal
  - Updated the Excel file for all FY 2021 insurance rates
  - Began the FY 2021 open enrollment process for medical, dental, and vision insurance; drafted the memo, created status forms; prepared and distributed packets to employees
  - Began collection of forms, made election changes in the Benecon BerniePortal online system
- Prepared COVID-19 premium pay program memos for distribution to employees receiving a bonus
- Held a conference call with the Aflac representative to plan for the annual open enrollment process; electronically distributed the Aflac open enrollment information to all employees

Employment/Recruitment

- Advertisements:

	Internal Advertisements	External Advertisements	Internal Applications Processed	External Applications Processed
Full-time	0	1	0	4
Part-time	0	0	0	0
Temporary	0	0	0	0
Seasonal	0	0	0	0

- Processed:

	New Hire Documentation	Employee Orientations	Internal Transfers	Promotions
Full-time	0	0	0	0
Part-time	0	0	0	0
Temporary	0	0	0	0
Seasonal	0	0	0	0

- Prepared letters for returning camp and pool staff applicants, announcing the closure of the pool and the cancellation of camp for the summer of 2020
- Provided unemployment claim information to the City's unemployment service provider for various furloughed employees
- Drafted a procedure for new hire virtual orientations
- Worked with Evergreen Solutions to update the Compensation and Classification Study Phase 3 implementation plan for FY 2021; prepared various implementation projection files for input into the Eden system's Position Budgeting module by the Finance Department
- Director of Finance Recruitment
  - Provided information on the Director of Finance position to Novak Consulting (Novak)
  - Distributed Novak invitation to complete survey via email to elected officials, the City's leadership team, and the Finance Department staff
  - Updated the Director of Finance job description and provided the final document to Novak
  - Reviewed Novak drafts of the recruitment brochure and the first year goals document

Projects

- Updated the Citywide and department organizational/staffing charts for the FY 2021 budget document
- Formatted the FY 2021 budget work session presentations
- Created a Farmers' Market COVID-19 guidelines poster
- Finalized and submitted the Human Resources budget narrative to the Finance Department

Risk Management

- Insurance claims filed

Automobile	Liability	Mobile Equipment	Property	Sewer Back-up	Workers' Compensation
0	0	0	0	2	4

- Processed six Commercial Driver's License employees for random drug testing per Department of Transportation regulations
- Completed the FY 2021 renewal for the Local Government Insurance Trust (LGIT) coverages
- Completed the FY 2021 renewal for the Chesapeake Employers workers compensation insurance coverage
- Conducted the annual hazard review as required by OSHA for the 56 West Main Street location
- Completed and submitted the 2020 renewal application for the City's crime insurance policy

Training/Meetings

- Safety/Risk Coordinator Brian DeMay participated in a National Safety Council webinar titled "Everyday Resiliency in Times of Uncertainty", a PRIMA Webinar titled "Marijuana and CBD", and a National Safety Council Webinar titled "OSHA Guidance during COVID-19"
- Mr. DeMay and HR Analyst Brenda Anders participated in a webinar titled "How to Bring Employees Back to Work Safely"

- Ms. Anders participated in webinars titled "Completing the I-9 Employment Eligibility Form" and "Onboarding During COVID-19"

Police Department

Time Frame	Police Calls For Service	Adult Arrests	Juvenile Arrests	DUI Arrests	Traffic Citations	Foot/Bike/T3 Patrol Hours
May 2020	930	24	8	2	62	218
May 2019	1,204	52	3	4	157	262
2020 YTD Total	4,616	162	29	27	593	1,036
2019 YTD Total	5,248	284	22	36	1,001	849

Significant Cases in May:

Crime: **Burglary**
Date: 05/08/2020
Location: Pennsylvania Avenue
Details: The victim reported that two known subjects entered his residence while he was asleep. He stated that they assaulted him and stole some of his property. When detectives assumed the investigation, the victim became uncooperative.
Status: Exceptional Clearance

Crime: **Sexual Assault**
Date: 05/09/2020
Location: Sector 3
Details: A female victim reported that a known male suspect sexually assaulted her. The victim stated that the suspect invited her into his apartment, provided her with alcohol and marijuana, and then sexually assaulted her. Detectives executed a search warrant in furtherance of the investigation.
Status: Open

Crime: **Assault**
Date: 05/22/2020
Location: Popeye's Restaurant
Details: A second person reported being assaulted by the manager during February and March of 2020. The victim, a former employee, advised that the suspect threatened her with a knife. The State's Attorney's Office intends to file for criminal information in this case, since it is related to the first case.
Status: Open

Crime: **Fraud**
Date: 05/28/2020
Location: Sector 4
Details: The victim advised her credit card had been compromised and used to purchase items. The victim believes that a card-skimming device was attached to the gasoline pump at BJ's Wholesale Club. There are no other reports of a skimmer at that location. Investigators are in the process of obtaining financial records for the fraudulent purchases made by the suspect.
Status: Open

Recreation & Parks

- The Family Fitness Center remained closed during the month of May.
    - All existing memberships were cancelled in preparation for the transition to new membership packages and rates.
- The Beer & BBQ Stroll was cancelled due to COVID-19 restrictions, and vendor fee refunds were processed.

Public Works

Wastewater Treatment Plant

Total Flow	158.344 MGD
Average Daily Flow	5.108 MGD
Sludge (Integrated Agronomics)	480.6 wet tons
Septage Sludge	156.95 wet tons

- Fabricated and installed temporary barscreen at septage facility
- Rebuilt rotating assembly for return sludge pump #4
- Repaired utility water pumping system check valve
- Completed COVID-19 personnel/operational accommodations
- Performed 4,000 lab analyses
- Entered and completed Facility Dude maintenance work orders
- Completed safety training
- Transported recyclables to the County landfill
- Performed routine maintenance

Utility Maintenance

- Water leaks
    - 221 Sophia Avenue (service)
    - 42 Liberty Street (private)
    - 781 Johahn Drive (private)
    - 748 Old Baltimore Road (private)
    - 295 Stoner Avenue (private)

- Sewer blockages
    - 681 Sunflower Court (lateral)
    - 117 Lippy Avenue (lateral)
    - 719 Franklin Avenue (lateral)
    - 525 Ann Drive (lateral)
    - 590 Rich Mar Street (lateral)

- Fiber Drop Installations
    - 334 East Main Street
    - 61 Webster Street
    - 705 Scarlet Sky Drive
    - 14 Spyglass Court
    - 65 West Main Street
    - 74 West Main Street

- 626 Stonegate Road
- 718 Charingworth Court
- 77 John Street
- 38 West George Street
- 271 Meadow Creek Drive
- 901 Wampler Lane

Water Loss

Water Main Flushing	4.296MG
Water Leaks	0.001MG
Private Leaks	0.012MG
Sewer Main Flushing	0.010MG
Total Loss	**4.319MG**

- Miscellaneous Tasks
  - Completed high water bill inspections, meter investigations, meter Installations, and meter readings
  - Completed water, sewer, and fiber markings
  - Completed water shut offs
  - Cleared brush around raw reservoir
  - Completed annual hydrant flushing
  - Completed 50 hours of leak detection
  - Continued Stonegate fiber installation project

- Regular maintenance
  - Flushed and cleaned sewer mains
  - Fire hydrants
  - Sewer pumping stations
  - Booster stations and water storage stations
  - Leak detection
  - Maintaining sewer easements

Street Department

- Grounds Maintenance section performed the following tasks:
  - Mowed parks and rights-of-way
  - Sprayed weeds on West Main Street
  - Assisted with yard waste and tree limb collection during the week of May 26
  - Treated Ash trees at City Hall, City Playground, King Park, Pennsylvania Avenue, and Dutterer's Park

- Building Maintenance section performed the following tasks:
  - Collected parking meter money and maintained meters
  - Removed and replaced all parking space lines at King Park
  - Performed maintenance at various City buildings
  - Painted yellow curbs
  - Assisted with yard waste and tree limb collection during the week of May 26

- Streets and Alleys section performed the following tasks:
  - Assisted with hill mowing all stormwater management ponds

- Assisted with mowing all City parks and Wakefield Valley Trail
- Set out dumpsters for large piles of trash
- Scheduled bulk trash collection
- Collected yard waste and tree limbs during the week of May 26
- Transported materials to the County landfill:

Street Baskets	1.76 tons
Bulk Trash	5.52 tons
Brush	22.77 tons
Yard Waste	33.04 tons
Paper Recycling	0.00 tons
Street Sweepings	11.11 tons
Tires	0.00 tons
Metal	0.00 tons

- Street Maintenance section performed the following tasks:
  - Assisted with hill mowing all stormwater management ponds
  - Assisted with mowing all City parks and Wakefield Valley Trail
  - Assisted with yard waste and tree limb collection the week of May 26

Engineering

- HRI, Inc. (the general contractor for the ENR/Biosolids Upgrade Project) continued construction of the concrete slab and walls for the Denitrification Building. Other work included blowers, electrical buildings and site electrical conduits; startup of Reactor #1; installation of structural steel for the Solids Processing Building; and, work on the reconstruction of Reactor #2. The project engineer and HRI continued to review submittals.

- The Little Pipe Creek Restoration and Relocation Project continued in the monitoring program. Punch list repairs are to be completed.

- The contractor for Section 3 of the Stonegate development worked on grading; installation of the storm drain, sewer force main, and water lines; and, roadway paving. The contractor started work on storm drain and mass grading in Section 4.

- The contractor for Bolton Hill Phase 5 worked on punch list items and started to work on the sidewalk installation along Meadow Branch Road.

- C.J. Miller completed its work under the FY 2020 annual paving contract.

Water Plant

- Cranberry Water System Sources – Raw Water to Plant in Million Gallons (MG)

Raw Meter Total	38.45852 MG
Recycled Water Total	4.12048 MG
Recycled Water Recovered	10.714 %
CIP Wash Water/Membrane Cells	0.18144 MG
Total	**38.27708 MG**

- Raw Water Sources in MG

Cranberry Branch	32.50508 MG
Hull Creek	5.772 MG
Raw Reservoir	0 MG
Other	0 MG
Total	**38.27708 MG**

- Treated in MG

Finished Water Flow Meter	37.8461 MG
Station Water	0.042383 MG
Total Treated	37.80372 MG
Backwash/Recycle Filters	0.2273 MG
Delivered to System	**37.57642 MG**

- Wells in Cranberry System in MG

Well 3	0.068229 MG
Well 4	1.13845 MG
Well 5	4.25094 MG
Well 6	1.36081 MG
Well 7	4.691133 MG
Well 8	3.829364 MG
Wells 9 and 10	0.0030315 MG
Well 11	2.366931 MG
Well 12	4.46748 MG
Total Delivered to System	56.752785 MG
Day of Maximum Usage – 27	2.19097 MG
Well 5 Backwash	0.00361 MG
Well 7 Backwash	0.34525 MG
Well 8 Backwash	0.06978 MG
Well 12 Backwash	0.5393 MG
Daily Average	1.9275092 MG

- Hours operated = 744
- Rainfall = 2.52 inches
- Raw Reservoir level = 25.0 feet
- Wakefield Well System

Well 1	2.0639 MG
Well 2	4.521132 MG
Total Delivered to System	6.585032 MG
Filter Backwash	0.00477 MG
Daily Average	0.2124204 MG
Day of Maximum Usage - 19	0.354681 MG

- Other tasks included:
  - Performed routine maintenance at the wells and Water Treatment Plant
  - Collected 70 distribution compliance samples
  - Performed 300 process control checks at 12 Wells
  - Performed 372 process control checks at the Cranberry Water Treatment Plant
  - Completed monthly operating reports for the Cranberry and Wakefield Systems
  - Completed NPDES operating reports for Koontz Well and the Cranberry Water Treatment Plant

To: Mayor and Common Council

From: Jeffery D. Glass, Director of Public Works

Date: June 18, 2020

Re: Approval of Conifer Public Works Agreement No. A-1134, including the associated SWM deed and easement

Background
In March 2020, the Planning and Zoning Commission approved the Final Plat for the Conifer multi-family housing development. The applicant and the City have finalized the Public Works Agreement and Stormwater Management (SWM) Deed of Easement and Maintenance Agreement.

The applicant has requested that the documents be approved in the form presented. The City Attorney has reviewed all documents submitted by the applicant.

After passage by the Common Council and approval via signature by the Mayor, the attached documents will be recorded in the land records of Carroll County, except for the Public Works Agreement, which will be kept on file in the City Clerk's Office.

Recommendation
Staff recommends approval of the submitted documents for the Conifer project.

Attachments
- Public Works Agreement No. A-1134
- Stormwater Management (SWM) Deed of Easement and Maintenance Agreement

cc: Barbara B. Matthews, City Administrator
Elissa D. Levan, City Attorney

PUBLIC WORKS AGREEMENT

CITY OF WESTMINSTER, MARYLAND

AGREEMENT NO. A – 1134

APPLICATION FOR THE CONSTRUCTION OF

WESTMINSTER WAY DEVELOPMENT

Project:	Westminster Way
Location:	322 West Main Street Tax ID # 063016, 058861, 064063, 064926, 062400 which parcels may change with consolidation
Owner & Developer:	Westminster Way Associates, LLC 1000 University Ave Suite 500 Rochester, NY 14607

THIS AGREEMENT is made this ____ day of June 2020, by and among The Mayor and Common Council of Westminster (hereinafter "the City"), a municipal corporation of the State of Maryland, Westminster Way Associates, LLC (hereinafter, "the Owner" or "the Developer"), a limited liability company, with its principal place of business at the above-referenced address in New York; and,

WHEREAS, the Developer owns a certain parcel of land situated within the corporate boundaries of the City at 322 West Main Street, comprising 2.22 Acres, and is developing a 35 unit apartment building of same acres on property zoned CN; and,

WHEREAS, the Developer has proposed to construct a 35 units apartment building (hereinafter, "the Project") in accordance with the provisions set forth in Article VIII of the City Zoning Ordinance; and,

WHEREAS, the City's Planning and Zoning Commission approved the Site Development Plan for the Project on **February 13, 2020**; and,

WHEREAS, prior to the issuance of any building permits for the Project, the City requires that evidence of financial responsibility in the form of a performance bond, irrevocable letter of credit or cash bond be furnished by the Developer to guarantee completion those site improvements shown, or to be shown, on the final approved construction plans and/or such off-site improvements as may be required by the City, in order to protect the City and the residents thereof from the costs of failure to complete in the required manner the necessary public improvements; and,

WHEREAS, it is the purpose of this Agreement to set forth the terms and conditions for the completion of all required site improvements for the work listed below according to the approved plans and specifications attached: stakeout, soil compaction, roadwork, concrete work, curb and gutter, driveway aprons, sidewalk, storm drains, landscaping, and digital as-built plans prepared to City specifications.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings, agreements and covenants herein expressed, the parties hereto agree as follows:

1. The Developer has prepared construction plans, specifications, and descriptions the Project pursuant to its approved Site Development Plan, and submitted them to the City for its review and approval. These plans and specifications, prepared by Maser Consulting ("Maser"), were approved by the City on February 13, 2020 date *and are incorporated herein by reference*. The Developer agrees to furnish "as-built" construction drawings tying into U.S.G.S. datum to the City for its future reference at the Developer's expense in a digital format as determined by the City.

2. The Developer shall furnish, prior to permit issuance, standard corporate performance and payment bonds in a form approved by the City, or irrevocable letters of credit or a cash deposit, in the amount of 110% of the full contract price for the construction cost of the above-described stakeout, soil compaction, roadwork, concrete work, curb and gutter, driveway aprons, sidewalk, storm drains, landscaping, and digital as-built plans prepared to City specifications, and other required facilities and contracts as a guarantee for the satisfactory and timely completion of said work. The City may, in its discretion, permit the bond, irrevocable letter of credit or cash deposit to be reduced in proportion to the amount of the said work completed, at 50% and 80% of completion. If an irrevocable letter of credit is posted by the Developer, it shall contain the following language in addition to any and all other language and requirements deemed appropriate by the City:

> It is a condition of this Irrevocable Letter of Credit that it shall be deemed automatically extended without amendment for one (1) year from the present or any future expiration date unless sixty (60) days prior to such expiration date you are notified by registered letter that the City of Westminster elects to release this Letter of Credit for any such additional period.

3. In the event the Developer fails to construct the required improvements herein in accordance with the above described plans and specifications, or fails to convey the right-of-way for public roads, water facilities and sanitary sewer facilities therein, and/or required easements for public facilities, or fails to commence appropriate and effective corrective action within the time periods set forth in Paragraph 4 hereof after written notification by the City of non-compliance with any pertinent requirements during the construction of said improvements, or otherwise fails to perform its obligations under this Agreement, the City shall have the right to call or draw upon the security posted pursuant to Paragraph 2 hereof. The City shall have the right to refuse to accept or to maintain said public improvements until the same are fully completed by the Developer, or at its

option, to accept and record deeds for the easements and/or rights-of-way described by plats and enter into and upon the same for the purpose of constructing or repairing the required improvements.

4. In the event of default by the Developer in performance of its obligations under this Agreement, the City shall give notice in writing to the Developer and to the issuer of the security posted pursuant to Paragraph 2 hereof, and to Bank of America, N.A., One Bryant Park, 34th Floor, New York, NY 10036, Attention: Melissa McCormack, of such default. Subject to the last sentence of this Paragraph, in the event that such default has not been cured by the Developer within fifteen (15) days after receipt of such written notice, the City shall give the Surety written notification of said default, and the Surety shall, within thirty (30) days of such notice, elect in writing: (a) to complete the required public improvements in conformance with the original plans and specifications within such reasonable period as the City may specify; or (b) indemnify the City against loss or expense arising out of failure of The Developer to complete said improvements as required by the terms of this Agreement. If Surety fails to take the required corrective action within thirty (30) days of the foregoing election, any construction or conveyance privileges granted to the Developer for the improvements guaranteed by this Agreement may be suspended by the City pending completion of the required improvements. Notwithstanding the foregoing, so long as the Developer has commenced to cure and is diligently proceeding to cure a non-monetary default, the time period within which such default may be cured shall be extended in the City's discretion for such period as may be reasonably necessary to complete the cure in the exercise of due diligence.

5. The City, in addition to any recovery under the guarantee or security, shall nevertheless have the right to maintain an action against the Developer for such additional costs or damages as may

be incurred to complete the required improvements herein described in accordance with the applicable plans and specifications.

6. All right, title and interest in and to all drainage and utility easements, public streets and public roadways, and all public improvements located therein, including but not limited to, water mains, sewer mains, storm drain lines, storm water management facilities, and all related accessories and appurtenances of any of the foregoing are to be conveyed by the Developer or its successors or assigns to the City when completed to the City's satisfaction and, in the event all or any part of the Project is transferred to another person or entity prior to acceptance of conveyance of said facilities to the City, the Developer must reserve said facilities to itself for conveyance to the City or must require its successors or assigns, by deed restriction or other method satisfactory to the City, to convey the facilities to the City when completed to the City's satisfaction.

7. The Developer shall reimburse the City for all costs incurred by the City in connection with the inspection of those facilities to be taken over by the City, the construction cost for work performed by request of the Developer by letter, and the fees of consultants, including legal, engineering and other appropriate professionals, employed by the City to review contract documents, perform tests and observe construction of items to be conveyed to the City. The Developer will be assessed a fee of 4.5% as set by law in §A-1751.1 A.(14)(c)[1] of the City Code, of the value of those public works and related improvements for construction inspection by the City for this project. The Developer agrees to pay this fee prior to the release of signed Mylar's for construction.

8. The Developer shall incorporate sediment and erosion control facilities, if required, as approved by the City and the Soil Conservation District, in the development of the Project and shall construct and maintain said facilities until such time as the City and the Soil Conservation District notify the

Developer in writing that those facilities are no longer required, at which time those facilities no longer required shall be removed and the land returned to a condition acceptable to the City by the Developer. The Developer shall post with Carroll County a performance bond, irrevocable letter of credit or cash deposit to include an amount sufficient to cover the cost of erosion and sedimentation control facilities.

9. The Developer, upon application for building permits, shall make payment to the City for all water and sanitary sewerage special benefit assessment and related charges resulting from the approved plans and specifications pertaining to the project in accordance with Sections 124-13 and 160-8 of the Charter and Code of Laws and the Utility Fee Ordinance . The Developer shall install all water and sanitary sewer service laterals when required as a part of the extension of the water and sanitary sewer mains resulting from the approved plats, plans and specifications, pertaining to the Developer's property. For each lateral that is extended as part of the initial contract by the Developer, the Developer shall be exempted from the normal connection charges that would ordinarily be imposed by the City in accordance with Sections 124-17 and 160-7 of the Charter and Code of Laws and the Utility Fee Ordinance; however, the Developer shall pay the invoiced cost of all required water meters, which the City will furnish for installation by the Developer accordance with Sections 124-17 and 160-7 of the Charter and Code of Laws and the Utility Fee Ordinance.

10. The Developer, upon application for building permits, shall make payment to the City when required for all Special Capital Benefit Assessment and related charges in accordance with the Schedule contained in Section 133-3 of the Charter and Code of Laws and the General Fee Ordinance.

11. The Developer acknowledges that the City has entered into a Consent Order dated April 3, 2007; with the Maryland Department of the Environment and that the City has subsequently adopted a Water and Sewer Allocation Policy. The City will provide water and sewerage service to the Project in accordance with said Water and Sewer Allocation Policy and any amendments thereto, together with the City's laws and regulations relating to such water service and sewer service, and the Developer accepts and agrees to the terms of said Water and Sewer Allocation Policy, and amendments thereto.

12. Any contractor engaged by the Developer for the performance of any work in connection with any facilities intended hereunder to be accepted by the City shall be subject to the City's approval, and said contractors shall be subject to any prequalification standards which may be in existence, adopted, or hereafter adopted or modified as being in the best interests of the City. The City shall have the right to review all contractors and awards for such work.

13. Should the Developer not begin construction of the Project within two (2) years of date of execution of this Agreement, this Agreement shall expire and a new Agreement shall be executed incorporating any changes, increased guarantees, or conditions as may be required by the City.

14. The Developer has submitted to the City, for informational purposes only, , exterior design elevations and samples of exterior building materials.

15. The Developer shall abide by all City and/or County codes in effect relating to the work. In case of conflict between Codes, the City will direct which shall apply.

16. The Owner/Developer shall be entitled to, and the City shall not deny, use and occupancy permits for the dwelling units shown on the record plats or part thereof, after the blacktop base course is installed on any and all streets shown on the record plats respectively, provided all other building requirements are met and provided The Developer is not in default of any other provision

of this Agreement.

17. The Developer shall assign an English-speaking Project superintendent, who must be on site at all times while work is progressing and who will be responsible for coordination of all work and provide liaison with City representatives. The Developer shall notify the City of the name of such superintendent in writing.

18. The Developer shall hold the City harmless and defend and indemnify it from any and all claims arising from the operations of the Developer, its employees, contractors, subcontractors, and agents.

19. The Developer shall provide a maintenance bond prior to acceptance by the City of any public facilities in the amount of ten percent (10%) of the construction cost of said facilities. The bond must be executed by Surety satisfactory to the City and shall be effective for a one-year guarantee period. It is understood and agreed that in the event the Developer fails to re-execute, correct or repair any work performed in connection with said public improvements that may be found within the one-year maintenance period to be improper or imperfect as a result of substandard material or workmanship or failure of materials or workmanship, or otherwise fails to fulfill the terms of the plans and specifications, and the Developer fails or is unable to commence to correct and diligently complete such work after 30 days' notice from the City, then in that event the City may purchase materials, tools and equipment, employ labor, and/or let a contract as required to perform the necessary corrective work covered in the guarantee. All costs and expense incurred thereby by the City shall be charged against the maintenance bond. In addition to any recovery under the bond, the City shall also have the right to initiate and maintain an action against the Developer for such additional costs as may be incurred in order to complete the required improvements herein described in accordance with the applicable plans and specifications.

20. This Agreement and the Developer's rights and obligations thereunder, may not be assigned or transferred by the Developer to any persons, firm or corporation of financial standing reasonably sufficient to fulfill the obligations of the Developer under this Agreement, except upon the written consent of the City, not to be unreasonably withheld, conditioned or delayed, except that no such consent shall be required to a mortgage lender taking title to the Project via foreclosure or deed or conveyance in lieu of foreclosure. Upon written approval by the City of such assignment or transfer, the Developer shall have no further liability or obligation there under other than that which may have existed prior to the effective date of the assignment or transfer.

21. The City retains the absolute right to withhold its approval both of buildings and of use and occupancy permits for the Project if the Developer fails to perform the requirements specified in this Agreement including, but not limited to, payment of all applicable invoices, maintenance of surety and other related requirements, or fails to protect the health, safety and welfare of the City and its residents as determined by the City.

22. This document constitutes the entire Agreement between parties. This Agreement may only be modified or changed in writing and signed between the parties, it being expressly understood that no verbal notices or agreements shall be effective to alter the terms hereof.

23. The Developer agrees to incorporate on the Site Development Plan landscaping as required by the City and related review agencies and approved by the City. All landscaping including design, installation, guarantees and release of Surety, shall conform to the requirements of the City's adopted Landscape Manual and any subsequent amendments. Surety in the amount of 110% of the cost of the landscaping and related work shall be provided to the City prior to release of a building permit.

24. The Developer shall complete its work hereunder in accordance with the approved plans and conditions as determined by the Director of Community Planning and Development.

25. Upon completion of the Project and prior to issuance of use occupancy permits, if determined to be necessary by the City, the Developer and the City shall enter into and record among the Land Records of Carroll County a Stormwater Management Easement and Maintenance Agreement which shall provide for the perpetual maintenance of storm water management facilities and appurtenant devices to be constructed in accordance with all applicable requirements of Chapter 136 of the Westminster City Code entitled "Stormwater Management". The Developer may assign or transfer its rights and obligation under the aforementioned Stormwater Management Inspection and Maintenance Agreement to any person, firm or corporation of financial standing reasonably sufficient to fulfill its obligations upon the City's written approval. Prior to such assignment or transfer, the City shall review and approve all documents to effect the assignment or transfer prior to issuing its written approval.

26. **[*Delete if Owner and Developer are one entity*]** ~~The Owner warrants and represents that it has consented to the Developer undertaking the obligations set forth herein and that such undertakings do not conflict with any obligation that the Developer bears to the Owner with respect to the Project or Property. The Owner agrees to cooperate fully in any obligation undertaken by the Developer pursuant to this Agreement relating to the conveyance of public facilities and to execute promptly upon the City's request any deeds or easement documents necessary to accomplish same, as contemplated by Paragraphs 3 and 6, and, in the event of any default by the Developer, or its successors or assigns, of its obligations with respect to the perpetual maintenance of the stormwater management facilities as set forth in Paragraph 24, to undertake those obligations.~~

IN WITNESS WHEREOF, the City and the Developer **[*or the City, the Developer and the Owner*]** have caused this instrument to be duly executed by their respective officers hereunto duly authorized and have placed it under seal.

[*Delete signature block for the Developer if the owner and the developer are the same*]

ATTEST:

WESTMINSTER WAY ASSOCIATES, LLC
By: Westminster Way Managing Member, LLC
By: Conifer Realty,LLC

_____ By : _____(Seal)
[insert name and title of person authorized to sign]

ATTEST:

WESTMINSTER WAY ASSOCIATES, LLC
By: Westminster Way Managing Member, LLC
By: Conifer Realty,LLC

_____ By : _____(Seal)
[insert name and title of person authorized to sign]

ATTEST:

THE MAYOR AND COMMON COUNCIL OF WESTMINSTER

_____ By: _____(Seal)
Shannon Visocsky, City Clerk Joe Dominick, Mayor

Recommended for Approval:

_____
William A. Mackey, Director
Community Planning and Development

Recommended for Approval:

_____
Jeff Glass, Director
Public Works

Approved as to form and legal sufficiency
this _____day of _____, 20___.

_____
Elissa D. Levan, City Attorney

STATE OF MARYLAND

COUNTY OF _____

On this _____ day of _____, _____, before me, a Notary Public of the State of Maryland, in and for Carroll County aforesaid, the undersigned officer, personally appeared, _____, who acknowledged his or herself to be _____ of Conifer Realty, LLC, the sole member of Westminster Way Managing Member, LLC, the managing member of Westminster Way Associates, LLC, that he,, being authorized to do so, executed and acknowledged the foregoing instrument on behalf of said corporation in his capacity therein stated.

In witness whereof I hereunto set my hand and Official Seal.

_____
Notary Public

My Commission expires _____

Notary Public

My Commission expires _____

STORMWATER MANAGEMENT DEED OF EASEMENT
AND MAINTENANCE AGREEMENT

THIS DEED OF EASEMENT is made this _____ day of June 2020, by and among Westminster Way Associates, LLC a New York limited liability company ("Grantor"), and THE MAYOR AND COMMON COUNCIL OF WESTMINSTER ("Grantee"), a municipal corporation of the State of Maryland.

WHEREAS, Grantor owns land located within the City of Westminster, conveyed unto the Grantor by Deed from McDaniel College, Inc. dated March 10, 2020, and recorded among the Land Records of Carroll County in Book No. 9607, Page 244, etc. (the "Property") that Grantor has expressed an intent to develop for use of 35 unit apartment building; and

WHEREAS, Grantor is responsible for making all improvements, including site improvements, at the Property.

WHEREAS, Grantor is required to construct and maintain stormwater management facilities as a condition of Grantor's authorization from the City to develop the Property.

NOW, THEREFORE, THIS DEED OF EASEMENT WITNESSETH, that for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the Grantor does hereby grant unto Grantee, and its successors and assigns, a stormwater management easement in, on, over and under so much of Grantor's property as is shown on a Plat entitled Consolidation Plat Westminster Way[1], which Plat is to be recorded among the Land Records of Carroll County ; so that said property is subject to the covenants, conditions, limitations and restrictions hereafter set forth, so as to constitute an equitable servitude upon the land.

BEING an easement over a portion of the Property.

AND Grantor covenant for and on behalf of Grantor and Grantor's successors and assigns to construct and maintain the stormwater management facilities as delineated in the Storm Water Management Plan (the "Plan") entitled Consolidation Plat Westminster Way which has been approved by Carroll County, Maryland (the "County"). The original construction drawings attached thereto shall be retained by the County and available for inspection or review during normal business hours.

Furthermore, it is the intent of the parties that these covenants be deemed to be and are construed as real covenants running with the land. All subsequent purchasers of the lots burdened by this easement shall assume the position of "Grantor" for the purposes of this easement at the time of sale.

AND the parties, for themselves, their officers, officials, agents, employees, receivors, successors, personal representatives, heirs and assigns further covenant and agree as follows:

---

1. That all of the stormwater management facilities (both structural and non-structural, including but not limited to ponds, drywells, disconnection through grading, and roadway wide shoulders) shown on the Plan shall be constructed by the Grantor and maintained by the Grantor pursuant to Chapter 191 of the Code of Public Local Laws and Ordinances of Carroll County.

2. That Grantor and Grantor's successors and assigns shall be responsible for continuing maintenance of the facilities (both structural and non-structural), including but not limited to mowing, cleaning and removing sediment, trees, shrubs and debris so that the facility's proper function for stormwater management purposes is preserved. Erection of structures (including fences, retaining walls, and sheds of any kind) or any earthwork that could result in redirection of surface runoff within the facility or facilities is prohibited.

3. Grantee or its authorized representative shall have the right to enter on the Property from time to time, subject to the rights of tenants, and after reasonably prior notice to the Grantor (except in the event of a bona fide emergency) for the purposes of inspection and enforcement of the easement, covenants, conditions, limitations, and restrictions herein contained. Any representative of the Grantee shall carry identification and shall access the easement from a publicly maintained road whenever possible.

4. That Grantor and Grantor's successors and assigns shall be responsible for repairing any structural damages or failure that may occur as a result of any cause or source. In the event of structural damage, Grantor shall make the repairs as necessary to restore the facilities to their as-built condition in a timely manner not exceeding thirty (30) days without express written approval of County and the Grantee, not to be unreasonably withheld or delayed, and subject to force majeure, such as adverse weather conditions.

5. That if after notice by the Grantee to correct a violation, satisfactory corrections are not made by the Grantor within thirty (30) days, subject to force majeure, the Grantee may perform all necessary work to restore the facility to properly working condition, provided that if such work can't reasonably be completed in such thirty (30) day period, Grantor shall not be in default hereunder and may have such additional period of time as is reasonably necessary to complete such work provided Grantor has commenced to complete such work and is proceeding with reasonable diligence to complete the same. Grantor or its successors and assigns shall be assessed the cost of work and any penalties. Failure to pay costs may result in a lien on the property, which shall be a lien against the Property and may be placed on the tax bill for the Property and collected as ordinary taxes by the Grantee.

6. That this easement does not grant the public in general any right of access to or any right or use of the above described land.

7. That nothing herein shall relieve the Grantor or its successors and assigns of the obligation to pay real estate taxes.

8. BLANK

9. That this easement shall be in perpetuity, unless released by Grantee.

AS WITNESS the hands and seals of the Grantor herein.

WITNESS:

_____ By: _____(SEAL)

By: _____(SEAL)

STATE OF MARYLAND)
) TO WIT:
COUNTY OF CARROLL)

ON THIS, THE _____ day of _____, 2016, before me, a Notary Public, the undersigned officer, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same as _____ of _____ for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

_____
Notary Public

My Commission expires: _____

STATE OF _____)
) TO WIT:
COUNTY OF _____)

ON THIS, THE _____ day of ____, 2016, before me, a Notary Public, the undersigned officer, personally appeared ____ known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same as ___ of _____ for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

_____
Notary Public

My Commission expires: _____

ACCEPTED BY:
THE MAYOR AND COMMON COUNCIL OF WESTMINSTER, a municipal corporation of the State of Maryland

_____ By: _____

_____ _____
City Administrator Mayor

Approved for legal sufficiency:

_____
City Attorney

THIS IS TO CERTIFY that the within instrument has been prepared by or under the supervision of the undersigned Maryland attorney, or by a party to this instrument.

_____

To: Mayor and Common Council

From: Barbara B. Matthews City Administrator

Date: June 18, 2020

Re: Approval – CARES Act Relief Fund Grant Subrecipient Agreement

Background
On April 29, the City submitted its plan to Carroll County for reimbursement under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act provides for payments to State, Local, and Tribal governments called the Coronavirus Relief Fund (CRF), to navigate the impact of the COVID-19 outbreak.

Municipal expenses, including Westminster's, were submitted as part of Carroll County's overall plan to the State. The County's CRF plan was approved.

In order for the City to receive its share of the CRF funding, it must execute a subrecipient agreement with the County. A copy of the agreement is attached.

Recommendation
Staff recommends that the Common Council authorize the Mayor's execution of the CARES Act Relief Fund Grant Subrecipient Agreement.

Attachment
- Subrecipient Agreement between the Carroll County Commissioners and the City of Westminster for CARES Act Relief Fund Grant

cc: Tammy M. Palmer, Director of Finance & Administrative Services

SUBRECIPIENT AGREEMENT
BETWEEN Carroll County Commissioners AND City of Westminster
FOR CARES Act Relief Fund Grant

THIS AGREEMENT is entered this _____ day of____, 2020 by and between the Carroll County Commissioners (the "Grantee") and City of Westminster (the "Subrecipient").

I. RECITALS
WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing funds to carry out a part of the Grantee's Federal award by committing $124,951 of the Grantee's Federal award, pursuant to this Subrecipient Agreement (the "Agreement"); and

WHEREAS, the funds made available for use by the Subrecipient under this Agreement constitute a subaward of the Grantee's Federal award, the use of which must be in accordance with requirements imposed by Federal statutes, regulations, and the terms and conditions of the Grantee's Federal award **See Exhibit A**; and the Subrecipient agrees to carry out its obligations in compliance with all of the obligations described in this agreement; and

WHEREAS, the Subrecipient has legal authority to enter this agreement, and by signing this agreement, to assure the Grantee that it will comply with all the requirements of the subaward described herein; and

NOW, THEREFORE, in consideration of the need for recovery from COVID-19 and the premises and mutual covenants described herein, the parties mutually agree to the terms described in this Agreement.

II. GENERAL AWARD INFORMATION The subaward from the Grantee to the Subrecipient, which is described below, is for the purpose of carrying out a portion of a Federal award described in section I of this agreement and creates a Federal assistance relationship with the Subrecipient.

Federal Award Agency: U. S. Treasury
CFDA Name and Number: Coronavirus Relief Fund (21.019)
Federal Award Date: 4/16/20

A. Expenditures covered by this award are not eligible for any other Federal reimbursement and cannot be used as a match for another Federal award.

B. If equipment is purchased, it must be tagged and inventoried. Disposal of assets must follow Federal guidelines.

C. This project is in response to the COVID-19 Pandemic. All expenditures must be clearly tied to the COVID crisis, all expenses must be reasonable and necessary and must follow federal procurement guidelines.

D. All costs incurred as a part of this agreement may not be accounted for in the jurisdiction's budget approved as of March 27, 2020.

E. Any changes to the agreement must be made in writing to these contacts:

Contact information:

Grantee:	Subrecipient:
Roberta Windham	(name of primary contact)
County Administrator	Title:
Carroll County Government	Subrecipient Name
225 N. Center Street	[Address]
Westminster, MD 21157	[City, State, ZIP]
410-386-2876	[Telephone]
rwindham@carrollcountymd.gov	[Email]
	Subrecipient's DUNS:_____

III. PERFORMANCE MONITORING & REPORTING

A. Monitoring

The Grantee shall monitor the performance of the Subrecipient as necessary to ensure Subrecipient compliance with all the requirements of this agreement, including the timeframe and that expenditures have a direct tie to COVID response.

B. Reporting

The Subrecipient shall submit regular progress reports to the Grantee. **See Exhibit B**

C. Recordkeeping

It is expressly agreed and understood that the total amount to be paid by the Grantee under this agreement shall not exceed $124,951. The Subrecipient will maintain a separate accounting of this funding. The Subrecipient must keep supporting invoices, bills, and other documents necessary to justify the expense. All documentation must be kept until notified of the project closeout. Federal, State and the County representatives reserve the right to review documentation of expenditures upon request.

IV. PERIOD OF PERFORMANCE AND TERM

The period of performance for Subrecipient shall start on the 1st day of March 2020 and end on the 30th day of December 2020. This agreement and its terms and conditions shall remain in effect during any period that the Subrecipient has control over funds provided through this agreement.

Any funding remaining unspent as of 12/30/20 must be returned to the Grantee no later than 1/31/21.

V. BUDGET

The Subrecipient shall complete COVID related activities in accordance with the attached budget. **See Exhibit C**.

VIII. INDEMNIFICATION

The Subrecipient hereby releases the Grantee from, agrees that the Grantee shall have no liability for, and agrees to protect, indemnify and save harmless the Grantee from and against any liability, suit, action, claim, demand, loss, expense or cost of any kind or nature, including attorney fees, incurred by or asserted or imposed against, the Grantee as a result of or in connection with the Project. Any money expended by the Grantee as a result of such liabilities, suits, motions, claims, demands, losses, expenses or costs, together with interest at a rate not to exceed the maximum interest rate permitted by law and reasonable

attorney fees, shall be immediately and without notice due and payable by the Subrecipient to the party who has expended such money.

THE UNDERSIGNED, as authorized officials on behalf of the parties, have executed this Subrecipient Grant Agreement, which shall be effective as of the date of execution hereof on behalf of the Grantee.

GRANTEE	**SUBRECIPIENT**
By: _____	By: _____
(signature)	(signature)
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

Exhibits:

Exhibit A: Maryland Federal Funding Certification and Agreement

Exhibit B: Reporting Requirements

Exhibit C: Budget

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

Maryland
DEPARTMENT OF BUDGET AND MANAGEMENT

DAVID R. BRINKLEY
Secretary

MARC L. NICOLE
Deputy Secretary

FEDERAL FUNDING CERTIFICATION AND AGREEMENT

I, Stephen Wantz, am the County Executive or President / Chair of the County Council / Commission of the Carroll County Board of Commissioners, and I certify and agree this 11th day of the year 2020 that:

1) I have the authority on behalf of the Carroll County Board of Commissioners, hereinafter referred to as "Recipient," to request direct payment from the State of Maryland from the allocation of funds to the State of Maryland from the Coronavirus Relief Fund as created in the CARES Act, and that I have the authority to make, accept, agree to and bind the Carroll County Board of Commissioners, Recipient, to the commitments, representations, requirements, and terms and conditions of this Federal Funding Certification and Agreement, and that by signing above, I have so made, accepted, agreed to, and bound Recipient to the representations, requirements, and terms and conditions of this Funding Certification and Agreement.

2) Except as otherwise provided herein, this Certification and Agreement applies to the portion of the share of Coronavirus Relief Funds provided to the State under the federal CARES Act, that have been allotted to Recipient as set forth in the chart attached to an April 16, 2020 DBM letter, which is attached and incorporated herein as Attachment A, that are not designated as the "Initial 50% Allocation" for health-related expenditures. Such funds shall be referred to as the "Second 50% Allocation."

3) I understand that the State of Maryland will rely on this Certification and Agreement as a material representation in making a direct payment to Recipient.

4) Recipient's proposed uses of the funds provided as direct payment under this Funding Certification and Agreement will be used only to cover those costs that-

45 Calvert Street • Annapolis, MD 21401-1907
Tel: 410-260-7041 • Fax: 410-974-2585 • Toll Free: 1-800-705-3493 • TTY Users: Call via Maryland Relay
http://dbm.maryland.gov

a) Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) ("necessary expenditures");

b) Were not accounted for in the budget most recently approved as of March 27, 2020, for Recipient or any sub-recipients; and

c) Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

5) Funds provided as direct payment from the State of Maryland pursuant to this Certification and Agreement to Recipient for necessary expenditures that were incurred during the period that begins on March 1, 2020, and ending on December 30, 2020, that are not expended on those necessary expenditures on or before December 30, 2020, by Recipient or its Sub-Recipients, must be returned by Recipient to the State of Maryland on or before April 1, 2021.

6) Recipient agrees that it is responsible for ensuring that all funds it receives from the State of Maryland pursuant to this Certification and Agreement are used in a manner that is consistent with the CARES Act, as well as any implementing regulations, and the federal guidance issued on April 22, 2020 for State, Territorial, Local, and Tribal Governments, attached hereto and incorporated herein as Attachment B, including any amendments, clarifications or updates thereto that may be issued by the federal government.

7) Recipient agrees to indemnify and hold harmless the State of Maryland for any funds it receives under this Certification and Agreement that the federal government determines must be repaid by the State. Within 60 days of receipt of written notice and demand from the State for any such funds that the federal government has determined must be repaid, Recipient shall provide such funds to the State of Maryland.

8) The Recipient of funds directly from the State of Maryland pursuant to this Certification and Agreement may use the funds to provide financial assistance to entities within its jurisdiction (Sub-Recipients) for use in a manner that complies with all federal requirements and guidance that apply to the subject funds. The Recipient of funds directly from the State under this Certification and Agreement is responsible for ensuring that all funds that it may grant or otherwise provide as financial assistance to Sub-Recipient entities within its jurisdiction, whether for that Sub-Recipient's own use or for further distribution by that Sub-Recipient, are used in compliance with all federal requirements and guidance that apply to the use of the subject funds.

9) The Recipient of funds under this Certification and Agreement shall retain documentation of all uses of the funds, including but not limited to invoices and/or sales receipts, until after the State has provided written notification to

Recipient of the close and final disposition, including appeals, in any forum, of any audit or federal demand for payment from the State related to any funds that are the subject of this Certification and Agreement. Such documentation shall be produced to the State of Maryland promptly upon its request or made available for inspection promptly upon its request during regular business hours.

10) Any funds provided pursuant to this Certification and Agreement cannot be used as a revenue replacement for lower than expected tax or other revenue collections by a governmental entity.

11) Funds received pursuant to this Certification and Agreement cannot be used for expenditures for which the Recipient has received any other emergency COVID-19 supplemental funding (whether state, federal or private in nature) for that same expense.

12) Recipient agrees that it is responsible for ensuring that any funds it receives under this Certification and Agreement are spent in accordance with all federal requirements and guidance that apply to the funds. Recipient agrees that it is responsible for any misuse of funds by Sub-Recipients, and that irrespective of any disagreements or disputes between Recipient and Sub-Recipients, Recipient shall be responsible for providing the State with any funds that the federal government has determined that the State must repay, as set forth in of this Certification and Agreement.

13) Recipient agrees to fully cooperate with the State in any investigation or audit of any funds provided under this Certification and Agreement.

14) Recipient agrees that the State may set off against and apply any funds of the Recipient on deposit with, or under the control of, the State to the payment of any obligations under this Certification and Agreement, without notice and without resort to any judicial proceeding. The State may also offset any amounts due to the State under this Certification and Agreement from any other State grant or assistance to Recipient.

15) Recipient agrees that if it fails to provide the State with any funds as required under this Certification and Agreement, such funds shall constitute a delinquent debt owed to the State of Maryland by Recipient, and that the State may seek to collect on that debt by any means allowed for under Maryland law, including but not limited to referral to the Central Collection Unit for collection.

16) The law of the State of Maryland shall govern the interpretation and enforcement of this Certification an Agreement.

17) Neither the failure of the State to exercise any rights under this Certification and Agreement, nor any delay in the exercise of any such rights, shall operate as a waiver thereof; nor shall any single or partial exercise of any such right

preclude the State from further exercising that or any other right. The remedies provided under this Agreement are cumulative and not exclusive of any remedies provided by law.

18) This Certification and Agreement and any terms and conditions expressly incorporated by reference herein embodies the whole Agreement of the parties. There are no promises, terms, conditions or obligations referring to the subject matter, other than those contained herein or incorporated herein by reference. In the event of any conflict between the terms of this Certification and Agreement and its incorporated attachments, the terms of the body of this Certification and Agreement shall control, except that all terms and conditions shall be subject to and construed to be consistent with any updated requirements, regulations, guidance or clarifications issued by the federal government pertaining to the use of the Corona Virus Relief Fund.

19) This Certification and Agreement shall bind the respective successors and assigns of the Recipient.

20) Recipient and State shall comply with all federal, State and local laws and regulations that apply to the use of the funds that are the subject of this Certification and Agreement.

21) If any provision hereof shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions hereof, and this Certification and Agreement shall be construed and enforced as if such invalid and unenforceable provision had not been contained herein.

22) This Certification and Amendment may only be amended by written agreement duly authorized and executed by authorized representatives of the Recipient and the State.

23) The Recipient identifies the following agent who is authorized to act on behalf of the Recipient for purposes of this Certification and Agreement.

NAME: Roberta Windham

TITLE: County Administrator

PHONE: 410-386-2043

EMAIL: rwindham@carrollcountymd.gov

MAILING ADDRESS: 225 N. Center St.
Westminster, MD 21157

24) The State identifies the following agent who is authorized to act on behalf of the State for purposes of this Certification and Agreement.

NAME: Jordan Butler

TITLE: Chief Financial Officer, Maryland Department of Health

PHONE: 410-767-3484

EMAIL: Jordan.Butler1@maryland.gov

MAILING ADDRESS: 201 West Preston Street
5th Floor
Baltimore, Maryland 21201-2301

25) The Recipient and the State are both responsible for ensuring that accurate, current identification and contact information for their respective agents are provide at all times to one another under this Certification and Agreement. Any written notifications under this Certification and Agreement that are provided to email addresses provided by the Recipient and State for their respective agents, shall be deemed to have been received once provided via email to the agent's identified email address.

26) The term of this Certification and Agreement shall be from the date of execution of this Certification and Agreement as indicated herein, until the close and final disposition including any applicable appeals in any forum, of any audit or federal demand for payment from the State related to any funds that are the subject of this Certification and Agreement. The State may terminate this agreement 30 days after written notice of termination is provided to Recipient.

IN WITNESS WHEREOF, the Recipient and the State have caused this Certification and Agreement to be executed, sealed and delivered as of the day and year first above written.

ATTEST/WITNESS:

Tracey DeShields

Name: Tracey DeShields

STATE OF MARYLAND

By: Marc Nicole (SEAL)

Name: Marc Nicole

Title: Deputy Secretary, Maryland Department of Budget + Management

ATTEST/WITNESS:

Name: Vivian Daly

RECEIPIENT

By: _____(SEAL)
Name: Stephen Wantz
Title: President, Carroll County Board of Commissioners

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

Maryland
DEPARTMENT OF BUDGET AND MANAGEMENT

DAVID R. BRINKLEY
Secretary

MARC L. NICOLE
Deputy Secretary

April 16, 2020

Dear County Leader,

This letter is to inform you about funding for Maryland local governments from the Coronavirus Relief Fund (CRF) established under the CARES Act. In total about $2.34 billion will be allocated to the State of Maryland. The five largest local governments (with a population in excess of 500,000) are scheduled to receive a direct distribution from the U.S. Treasury of about $691 million; the remaining funds will be received by the State of Maryland to be used on behalf of the State and the other 19 local governments.

The State share of the remaining funds is estimated to be $1.29 billion while the local government share is estimated to be $364 million. The State of Maryland filed an application with the U.S. Treasury on April 14, 2020 to receive these funds. We expect to be in receipt of the funds by April 24, 2020.

At this time, the State will award half of the local share to each remaining county for COVID-19 health-related expenditures to be drawn down on a reimbursable basis through the local health departments. Attached is a chart that shows each county's share of the $364 million award and its 50% allocation. Requests for reimbursement can come from any county agency as well as all municipalities within the county. If you feel that your county has exhausted or nearly exhausted its allocation, please notify my office immediately.

Preliminary guidance received from the federal government suggests that eligible spending must be directly related to expenditures incurred to address the COVID-19 pandemic. This could include things such as additional staff or staffing hours, cleaning or disinfection supplies, medical supplies like masks and personal protective equipment, and testing. The CRF may not be used to reimburse a revenue loss. We expect to receive additional guidance from the U.S. Treasury within the next week and will share it with you. You may contact my Deputy Secretary Marc Nicole if you have questions about allowable uses of federal funding. He may be reached at marc.nicole@maryland.gov or (410) 260-7288.

The State would request each of the 19 counties to submit a plan to the State on how the county proposes to use its share of the remaining funds. We would like to receive this plan by May 1, 2020. This additional request is not limited to health-related expenditures and may include business assistance programs. All expenditures must be consistent with federal rules and regulations promulgated by the U.S. Treasury. We will share these with all the counties upon receipt.

We encourage counties interested in establishing business assistance programs to reach out to the Maryland Department of Commerce to coordinate these with the State programs. The point of contact at Commerce for inquiries is Andy Fish and he may be contacted at Andy.Fish@maryland.gov or (410) 456-4311.

45 Calvert Street Annapolis, MD 21401-1907
Tel: 410-260-7041 Fax: 410-974-2585 Toll Free: 1-800-705-3493 TTY Users: Call via Maryland Relay
http://dbm.maryland.gov

Thank you for everything you are doing on behalf of Maryland's residents during this pandemic.

Please feel free to contact me if you have any questions.

Sincerely

David Brinkley
Secretary

cc: Michael Sanderson, Executive Director, Maryland Association of Counties
Scott A. Hancock, Executive Director, Maryland Municipal League

	County Share	Initial 50% Allocation
Allegany	12,287,049	6,143,525
Calvert	16,144,899	8,072,450
Caroline	5,829,089	2,914,545
Carroll	29,392,703	14,696,352
Cecil	17,947,404	8,973,702
Charles	28,487,088	14,243,544
Dorchester	5,571,364	2,785,682
Frederick	45,288,950	22,644,475
Garrett	5,062,719	2,531,360
Harford	44,572,485	22,286,243
Howard	56,830,393	28,415,197
Kent	3,388,989	1,694,495
Queen Anne's	8,791,096	4,395,548
St. Mary's	19,806,620	9,903,310
Somerset	4,469,794	2,234,897
Talbot	6,487,798	3,243,899
Washington	26,356,886	13,178,443
Wicomico	18,078,972	9,039,486
Worcester	9,121,759	4,560,880
TOTAL	**363,916,057**	**181,958,029**

Coronavirus Relief Fund
Guidance for State, Territorial, Local, and Tribal Governments
April 22, 2020

The purpose of this document is to provide guidance to recipients of the funding available under section 601(a) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). The CARES Act established the Coronavirus Relief Fund (the "Fund") and appropriated $150 billion to the Fund. Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories (consisting of the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands); and Tribal governments.

The CARES Act provides that payments from the Fund may only be used to cover costs that—

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.[1]

The guidance that follows sets forth the Department of the Treasury's interpretation of these limitations on the permissible use of Fund payments.

Necessary expenditures incurred due to the public health emergency

The requirement that expenditures be incurred "due to" the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures.

Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.

The statute also specifies that expenditures using Fund payments must be "necessary." The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

Costs not accounted for in the budget most recently approved as of March 27, 2020

The CARES Act also requires that payments be used only to cover costs that were not accounted for in the budget most recently approved as of March 27, 2020. A cost meets this requirement if either (a) the cost cannot lawfully be funded using a line item, allotment, or allocation within that budget *or* (b) the cost

[1] *See* Section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act.

is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

The "most recently approved" budget refers to the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID-19 public health emergency. A cost is not considered to have been accounted for in a budget merely because it could be met using a budgetary stabilization fund, rainy day fund, or similar reserve account.

Costs incurred during the period that begins on March 1, 2020, and ends on December 30, 2020

A cost is "incurred" when the responsible unit of government has expended funds to cover the cost.

Nonexclusive examples of eligible expenditures

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
    - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
    - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
    - Costs of providing COVID-19 testing, including serological testing.
    - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
    - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
    - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
    - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
    - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
    - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
    - Expenses for public safety measures undertaken in response to COVID-19.
    - Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
    - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
    - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
    - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
    - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
    - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.
    - Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
    - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
    - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
    - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

Nonexclusive examples of ineligible expenditures[2]

The following is a list of examples of costs that would *not* be eligible expenditures of payments from the Fund.

1. Expenses for the State share of Medicaid.[3]
2. Damages covered by insurance.
3. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

---

[2] In addition, pursuant to section 5001(b) of the CARES Act, payments from the Fund may not be expended for an elective abortion or on research in which a human embryo is destroyed, discarded, or knowingly subjected to risk of injury or death. The prohibition on payment for abortions does not apply to an abortion if the pregnancy is the result of an act of rape or incest; or in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed. Furthermore, no government which receives payments from the Fund may discriminate against a health care entity on the basis that the entity does not provide, pay for, provide coverage of, or refer for abortions.

[3] *See* 42 C.F.R. § 433.51 and 45 C.F.R. § 75.306.

4. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the federal government pursuant to the CARES Act of contributions by States to State unemployment funds.
5. Reimbursement to donors for donated items or services.
6. Workforce bonuses other than hazard pay or overtime.
7. Severance pay.
8. Legal settlements.

Coronavirus Relief Fund
Frequently Asked Questions
April 22, 2020

Do governments have to return unspent funds to Treasury?

Yes. Section 601(f)(2) of the Social Security Act, as added by section 5001(a) of the CARES Act, provides for recoupment by the Inspector General of the Department of the Treasury of amounts received from the Coronavirus Relief Fund (the "Fund") that have not been used in a manner consistent with section 601(d) of the Social Security Act. If a government has not used funds it has received to cover costs that were incurred by December 30, 2020, as required by the statute, those funds must be returned to the Department of the Treasury.

May a State receiving a payment transfer funds to a local government?

Yes, provided that the transfer qualifies as a necessary expenditure incurred due to the public health emergency and meets the other criteria of section 601(d) of the Social Security Act. Such funds would be subject to recoupment by the Treasury Inspector General if they have not been used in a manner consistent with section 601(d) of the Social Security Act.

May governments retain assets purchased with these funds?

Yes, if the purchase of the asset was consistent with the limitations on the eligible use of funds provided by section 601(d) of the Social Security Act.

What records must be kept by governments receiving payment?

A government should keep records sufficient to demonstrate that the amount of Fund payments to the government has been used in accordance with section 601(d) of the Social Security Act.

Coronavirus Relief Fund Progress Reports

Subrecipient Name: _____

Contact Name: _____

Phone: _____

Project Number: _____

Report Date: _____

All reports are due to Stacey Nash
snash@carrollcountymd.gov
Due Dates: July 30, Oct 30, Jan 15 (if project is still open)

Date	Expense Description	Amount
	Total Monthly Expense	**$ -**
	Cumulative Expense	
	Budget Amount	
	Remaining Budget	$ -
	Check Box if This Project is Finished & Remaining Funds to be Recaptured	☐

Coronavirus Relief Fund (CRF) Worksheet
Department/Agency: City of Westminster

Category See below	Need	Solution	Cost Through December 2020	Ongoing Obligation	Ongoing Annual Cost	Concerns/Notes
Code Enforcement						
	Hazardous Compensation					
1		Hazard Pay	$1,500			
Human Resources						
	Continuity of Operations					
1		Thermometers	$1,424			
	Personal Protective Equipment					
1		Vinyl Gloves	$150			
Information Technology						
	Teleworking					
1		Laptops	$3,634			
1		HP Gaming	$4,543			
1		Zoom Video Conference	$3,061.27			
1		Cords	$104.27			
Police						
	Personal Protective Equipment					
1		N95 Masks - Envomasks	$4,149			
1		KN95 Masks	$700			
1		Face Shields	$2,135.22			
1		Eye Protection	$238.02			
1		Vinyl Gloves	$45.86			
1		Nitrile Gloves	$231.42			
3		Nitrile Gloves	$240.00			
3		Disposable Gowns	$3,500			
	Cleaning Supplies					
1		Hand Sanitizer	$107.71			

1		Hand Wash	$32.93			
1		Alcohol Wipes	$11.96			
1		Disinfectant Wipes	$178.92			
1		Vehicle Fogger	$150			
1		ClearEdge Solution	$110			
1		Aquox – 5 gallon	$330			
1		DEMA	$95			
1		Flexon	$9.48			
1		Brass Shut Off	$9.98			
3		Alcohol Wipes	$48			
3		Aquox – 5 gallon	$330			
3		ClearEdge Solution	$110			
	Hazardous Compensation					
1		Hazard Pay	$64,000			
Public Works						
	Park Restrictions					
1		Safety Fence	$103.68			
1		Wire Ties	$44.84			
1		Locks	$53.16			
1		Chain	$28.16			
1		Nuts & Bolts	$5.72			
1		Caution Tape	$36.76			
	Continuity of Operations					
1		Park Set Up Overtime	$2,688.91			
1		Water Treatment Overtime	$4,887.83			
3		Water Treatment Overtime	$10,932.92			
1		Air Mattress & Cots	$2,107.03			
	Hazardous Compensation					
1		Hazard Pay	$12,500			
Recreation & Parks						
	Cleaning Supplies					
1		Gloves, Wipes, Hand Clean	$381.77			
Total			$124,951			

Categories:

1. Employee Safety and Continuity of Operations
2. Constituent Needs – Businesses, Nonprofits, Individuals
3. Future Need/ Resiliency

To: Mayor and Common Council

From: Barbara B. Matthews, City Administrator

Date: June 18, 2020

Re: FY 2919 Audit Findings

Background

In accordance with §4-12.B of the City Code, an audited statement of the finances of the City is prepared on an annual basis as of the end of the preceding fiscal year. As is required by Generally Accepted Accounting Principles (GAAP), the audit is performed by a firm of independent Certified Public Accounts (CPA's) and the auditor's opinion is included in the financial statements. An independent audit is essential to demonstrate the accountability of government officials' use of public resources and provides a basis for user acceptance of the audited financial statements. The City contracted with Brown, Shultz, Sheridan, Fritz, CPAs to perform an outside audit and to prepare the City's annual Financial Reports for fiscal year (FY) 2019.

On May 7, 2020, Ms. Wanda Lynn of Brown, Shultz, Sheridan, Fritz, CPAs presented the FY 2019 financial reports to the Mayor and Common Council.

Discussion

The City's FY 2019 audit was conducted in conformity with Generally Accepted Auditing Standards (GAAS). These are the standards that a CPA must follow when auditing financial statements. In an independent audit, the CPA expresses an opinion as to whether the financial statements present fairly the financial position and results of operations for the year ended. The FY 2019 audit report includes this unqualified opinion. The report includes the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards; the Independent Auditor's Report on Compliance for Each Major Program; and on Internal Control over Compliance required by the Uniform Guidance.

There were eight findings on the FY 2019 financial statements. A brief summary of the eight findings is provided below:

- Finding 2019-001 concerns transactions not recorded in the period of benefit.
- Finding 2019-002 relates to the number of post-year adjustments.
- Finding 2019-003 involves Capital Assets being posted in the wrong period.
- Finding 2019-004 addresses inventory not correctly reflected on invoices.
- Finding 2019-005 relates to deposits not made to City accounts.

- Finding 2019-006 involves not allocating expenses to the Public Housing Agency consistently.

- Finding 2019-007 concerns the Public Housing Agency deposit agreement not being up to date.

- Finding 2019-008 addresses the Public Housing Agency Voucher Management System not being updated in a timely manner.

On May 7, 2020, the Mayor and Common Council agreed to schedule a follow up discussion of the FY 2019 audit findings, and the associated corrective action plan.

Attachment

- Excerpt from FY 2019 Audited Financial Reports

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Mayor and Common Council
City of Westminster
Westminster, Maryland

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of the City of Westminster, Maryland, as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the City of Westminster's basic financial statements, and have issued our report thereon dated April 9, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Westminster's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Westminster's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Westminster's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies in internal control described in the accompanying schedule of findings and questioned costs as items 2019-001 to 2019-003 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control described in the accompanying schedule of findings and questioned costs as items 2019-004 and 2019-005 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Westminster's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

City of Westminster's Responses to Findings

The City of Westminster's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City of Westminster's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brown Schultz Sheridan & Fritz

Westminster, Maryland
April 9, 2020

Independent Auditors' Report on Compliance
for each Major Program; Report on
Internal Control Over Compliance in Accordance
with the Uniform Guidance

Mayor and Common Council
City of Westminster
Westminster, Maryland

Report on Compliance for Each Major Federal Program

We have audited the City of Westminster's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City of Westminster's major federal program for the year ended June 30, 2019. The City of Westminster's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance of the City of Westminster's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) *Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program occurred. An audit includes examining, on a test basis, evidence about City of Westminster's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City of Westminster's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Westminster complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2019.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2019-007 and 2019-008. Our opinion on the major federal program is not modified with respect to these matters.

The City of Westminster's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. The City of Westminster's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

Management of the City of Westminster is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Westminster's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Westminster's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies; and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2019-006 and 2019-007, that we consider to be significant deficiencies. We identified a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2019-008, that we consider to be a material weakness.

The City of Westminster's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. The City of Westminster's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Brown Schultz Sheridan & Fritz

Westminster, Maryland
April 9, 2020

CITY OF WESTMINSTER

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

I. SUMMARY OF AUDITORS' RESULTS

Financial statements

Type of auditors' report issued:	Unmodified Opinion			
Internal control over financial reporting:				
Material weaknesses identified?	X	Yes		No
Significant deficiencies identified that are not considered to be material weaknesses?	X	Yes		No
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs:				
Material weaknesses identified?	X	Yes		No
Significant deficiencies identified that are not considered to be material weaknesses?	X	Yes		No
Type of auditors' report issued on compliance for major programs:	Unmodified Opinion			
Any audit findings disclosed that are required to be reported under Section 200.516 of the Uniform Guidance?	X	Yes		No

Identification of major programs tested:

CFDA Numbers	Name of Federal Program or Cluster
14.871	Housing Voucher Cluster

Dollar threshold used to distinguish between type A and type B programs	$ 750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

(continued)

II. FINDINGS - FINANCIAL STATEMENT AUDIT

Finding reference: 2019-001

Material weakness in internal control over financial reporting—prior period adjustments

Condition: Prior period adjustments were necessary to correct income tax receivables and deferred outflows related to pensions.

Criteria: 1) Income tax revenue should be reported when all eligibility criteria have been met; 2) deferred outflows of resources for the change in proportionate share of the City's net pension obligation should be recognized in pension expense over the expected remaining service lives of all employees provided pensions through the plan.

Context: 1) The June 30, 2018 financial statements included the local reserve allocation from the Comptroller of Maryland as a receivable as of June 30, 2018; however, the receivable did not meet the criteria for recognition; 2) Deferred outflows relating to the change in proportionate share of the net pension liability were expensed in full during the year ended June 30, 2018.

Effect or Potential Effect: See Note 22.

Cause: Improper guidance from prior auditors and management oversight.

Recommendation: We recommend the City 1) only record receivables which meet the criteria for revenue recognition, 2) amortize deferred outflows related to the change in proportionate share of the net pension liability over the expected remaining service lives of all employees provided pensions through the plan.

Views of Responsible Official(s) and Planned Corrective Actions: See corrective action plan.

Finding reference: 2019-002

Material weakness in internal control over financial reporting—fiscal year-end reporting

Condition: Many adjustments were required to the City's accounts after turned over by the City to the external auditors.

Criteria: The City's fiscal year-end account balances should include all significant transactions from the reporting period and should be reconciled at fiscal year end.

II. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding reference: 2019-002 (continued)

Context: While management informed us that adjustments would be required after the trial balance was provided to us for audit, many of the subsequent adjustments provided by management were the result of our questions and findings. These adjustments included cash and equity restrictions, interest income accruals, accounts receivable, inventory, capital assets, accounts payable retainage payable and housing revenues.

Effect or Potential Effect: The City's account balances were materially misstated at and for the year ended June 30, 2019 prior to adjustments being made to correct material misstatements. Because of this, there is concern that the monthly reports submitted to the City Council for review contained inaccurate information due to the number of journal entries required. It is important that accurate financial reports are provided to City Council throughout the year so that they have accurate information to base their decisions on.

Cause: Internal personnel turnover causing there to be a lack of internal review of account balances prior to audit.

Recommendation: We recommend that the City reviews their current internal control processes and procedures over financial reporting to ensure that all material transactions are recorded in the City's financial statements, and that their balances are materially correct at fiscal year end and throughout the fiscal year. Finance should work to ensure that the financial reports are as accurate as possible and that any material adjustments are made before providing to Council.

Views of Responsible Official(s) and Planned Corrective Actions: See corrective action plan.

II. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding reference: 2019-003

Material weakness in internal control over financial reporting—capital assets

Condition: Significant reconciliations were necessary between the fiscal year 2018 financial statements, the City's fixed assets system, and the City's general leger system because all three did not align with the totals of the capital asset categories. There were assets sold in fiscal year 2018 that were not disposed of in the fixed assets system until fiscal year 2019. The proceeds from the sales were recognized in fiscal year 2018, but the fixed assets were still listed on the fiscal year 2018 financial statements. On the fiscal year 2018 financial statements, there were several construction in progress projects that were completed and should have been placed in service during fiscal year 2018 or earlier. Also, there was a project that was completed in fiscal year 2019 that was not put into service. In the fixed assets system, there were multiple assets that had in service dates of June 30, 2019 instead of when they were actually acquired during the year. The City does not have formal procedures in place to determine the impairment of long-lived assets.

Criteria: Capital assets should be capitalized at their historical cost or estimated acquisition value and depreciated based on the date the asset is placed in service. Construction in progress projects should be evaluated annually to determine if they should be placed in service and depreciated. Assets that are no longer in service should be removed from the capital asset schedules. Long-lived assets should be evaluated annually for impairment.

II. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding reference: 2019-003 (continued)

Context: Some reconciliations between the 2018 fiscal year financial statements, the City's fixed assets system, and the City's general ledger were material, including a variance of $1,556,114 for the Water Fund Utility Plant & Equipment category. Assets were properly removed from the general ledger in a prior year, but the assets were not removed from the fixed asset system. The reconciliations were completed after we received the trial balance for the audit. This caused significant delays in the completion of the audit. Assets sold in fiscal year 2018, but not disposed until 2019 caused variances of $66,845 for Water Fund and $90,888 for governmental activities. Also, a police car that was totaled in fiscal year 2019 was not disposed of, causing an error of $26,420. In addition, some proceeds from the sale of assets were not recorded to the fund that was carrying the capital asset. For instance, two Water Fund assets were sold, but the proceeds were split in half and recorded in the Water Fund and the Sewer Fund. Overall, there were material misstatements caused by assets not being properly disposed of. Construction in progress projects completed in 2018, but not placed in service when they should have been totaled $1,899,763 for governmental activities and $1,517,237 for the Water Fund. There were multiple assets that had in service dates of June 30, 2019 instead of when they were actually acquired during the year causing depreciation expense to be calculated incorrectly. Also, functions for governmental activities assets were not coded properly for multiple assets tested during audit procedure which impacts which function the depreciation is booked to (for instance, a police vehicle being coded to public works instead of public safety).

Effect or Potential Effect: As described in Note 4, a reclassification of $439,999 was made to the governmental activities to correct the asset category in which assets were recorded. The culmination of the other errors described above were corrected in the current year financial statements.

Cause: Unidentified errors from software setup and general ledger integration.

II. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding reference: 2019-003 (continued)

Recommendation: Now that the audited financial statements, the City's fixed assets system and the City's general ledger system reconcile, we recommend that the City continues to maintain reconciliations of these three areas to ensure that the trial balance is not misstated and depreciation expense is calculated properly. We recommend that sales proceeds and insurance proceeds are reviewed annually as a check to ensure that all assets are properly disposed of in the fixed assets system and general ledger. We also recommend that sales proceeds are reviewed to ensure that the correct fund is being credited for the sale of the asset. We recommend that project managers are contacted and completion dates of the projects are discussed to determine when the projects need to be put into service to avoid future misstatement. We recommend that the in service dates and the functions assigned to acquired assets be reviewed prior to posting depreciation expense to ensure that the depreciation expense will be recorded properly. The City should take a physical inventory of its fixed assets on a regular basis (such as every two to three years) to ensure that only active, in-service property and equipment is included on the City's financial statements. This will ensure that fixed assets are properly stated and that depreciation is being calculated from a reliable listing. We recommend that the City establishes procedures for evaluating impairment of long-lived assets on a regular basis. This will ensure that impaired assets are treated properly on the financial statements.

Views of Responsible Official(s) and Planned Corrective Actions: See corrective action plan.

Finding reference: 2019-004

Significant deficiency in internal control over financial reporting—inventory

Condition: A physical observation of inventory is performed annually at fiscal year end. The spreadsheet calculating the inventory valuation at June 30, 2019 contained a number of errors, which resulted in misstatements in the inventory balance recorded.

Criteria: Materials and supplies on hand at the reporting date should be recorded as an inventory asset, based on the first-in, first-out (FIFO) method, according to the City's accounting policies. Periodic physical inventories provide a basis for updating inventory balances and aid in detecting significant inventory shortages.

Context: The Fiber Fund inventory was not properly valued based on the chosen inventory valuation of first-in, first-out (FIFO), which caused an overstatement in inventory of $31,959. We noted that there were numerous clerical errors in the final priced inventory listing, causing a misstatement in the amount recorded in the trial balance for inventory. Fiber inventory is abundant and is of high value, therefore, it is prone to potential theft. No physical inventory observation of the fiber is performed other than at fiscal year end.

II. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding reference: 2019-004 (continued)

Effect or Potential Effect: Numerous adjustments were necessary to properly state inventories at fiscal year end. Fiber inventory could potentially be stolen due to the lack of tracking, causing a loss for the City.

Cause: Management oversight and lack of procedures in place.

Recommendation: We recommend that inventory be valued based on the price per unit from the most recent invoice before year end. If that invoice does not have enough units purchased to account for all the items in inventory at year end, the invoice received before that invoice should be used to value the remaining inventory units, and so on. We recommend that someone not involved in the inventory count or initial compilation, check for clerical errors by re-footing and re-extending the inventory items on a test basis. We recommend that quarterly counts of the fiber inventory are completed because of the high value and high volume of the inventory on hand as of June 30, 2019. These additional inventory counts will help ensure that usage appears reasonable, theft is not occurring and will aid in the timely detection of errors and correction of causes.

Views of Responsible Official(s) and Planned Corrective Actions: See corrective action plan.

Finding reference: 2019-005

Significant deficiency in internal control over financial reporting—Community Foundation

Condition: Activity related to funds held by the Community Foundation of Carroll County for the benefit of the City of Westminster was not recorded on the City's financial statements.

Criteria: All deposits of the City, including external investment pools, should be reported as assets of the City.

Context: During the 2019 fiscal year, it came to the current senior management's attention that for several years three separate accounts were held by the Community Foundation of Carroll County with funds solicited by City employees and from City-sponsored events. It appears that several employees of the City maintained these funds without the knowledge of the current City Council or senior management. These same employees maintained complete control over the spending of the funds and determined which funding sources would be deposited into these funds. Additionally, one of these employees paid a portion of another employee's salary out of the funds at the Community Foundation. This was done in an effort to avoid the requirement of adding the employee to the City's pension plan based on the hours the employee was actually working.

II. FINDINGS - FINANCIAL STATEMENT AUDIT (CONTINUED)

Finding reference: 2019-005 (continued)

Effect or Potential Effect: While the activity in these accounts at the Community Foundation during the 2019 fiscal year was immaterial to the City's general fund and the City's financial statements as a whole, the employees with control of the funds were able to bypass the controls in place by the City resulting in no review or approval of the spending or recording of the activity in the City's financial records. The employees could potentially use the funds to pay for non-City related items. Additionally, the portion of the employee's payroll which was paid out of the Community Foundation's funds were not appropriately recorded in the employee's wages reported on their W-2. However, they did receive a Form 1099 from the Community Foundation. With these additional hours worked, the employee should have been a participant in the Maryland State Retirement and Pension System. The City and the employee also did not pay any payroll taxes related to these wages.

Cause: Several employees bypassing the City's controls and maintaining funds with the Community Foundation without council or management's knowledge.

Recommendation: We understand the City has closed, or is in the process of closing, these accounts subsequent to year end. Our recommendation is to communicate to the Community Foundation that it is the intention of management and council that all activity that relates to the City should flow through the City's internal policies and procedures; and therefore, there is no need for future accounts to be created and maintained through the Community Foundation. Any donations received for City activities by the Community Foundation should be forwarded directly to the City.

Views of Responsible Official(s) and Planned Corrective Actions: See corrective action plan.

III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

Finding reference: 2019-006

Federal Agency: Department of Housing and Urban Development
Federal Program: 14.871 Housing Choice Vouchers
Grant Period: 07/01/18 – 06/30/19
Requirement: Allowable Costs and Cost Principles
Type of Finding: Significant Deficiency

Condition: Administrative costs were charged to the Public Housing Agency using allocations that were not documented, were not consistent and were not reviewed.

III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT (CONTINUED)

Finding reference: 2019-006 (continued)

Criteria: Administrative costs should be allocated to the Public Housing Agency consistently. These allocations should be reviewed annually to determine if changes are necessary. All invoices require a signature of approval.

Cause: Management does not have procedures in place to review allocations being utilized for the Public Housing Agency fund. Procedures are in place to put an authorizing signature on each invoice, but due to oversight, several were missed.

Effect: Administrative costs could be charged to the program at an improper allocation rate or could be charged to the program when they shouldn't be.

Context: A sample of 20 transactions posted to non-payroll administrative accounts in the Public Housing Agency fund were tested. Of the 20 transactions tested, three invoices did not have support for the allocation utilized. Eight transactions utilized allocations that had not been updated for several years and it was unclear if the allocations were reasonable during the period under audit. Three invoices allocated to the Public Housing Agency fund did not have an authorizing signature present.

Recommendation: The City of Westminster should perform an analysis of administrative costs allocated across the funds to determine proper allocations for each type of cost. Once approved, these allocations should be distributed to the Finance Department and employees responsible for authorizing invoices. Authorizing signatures should be verified during the check signing or ACH process.

Views of Responsible Officials and Planned Corrective Actions: See corrective action plan

Finding reference: 2019-007

Federal Agency: Department of Housing and Urban Development
Federal Program: 14.871 Housing Choice Vouchers
Grant Period: 07/01/18 – 06/30/19
Requirement: Special Tests and Provisions
Type of Finding: Significant Deficiency; Noncompliance

Condition: The depository agreement was out of date and Public Housing Agency funds were not held in an interest-bearing account.

III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT (CONTINUED)

Finding reference: 2019-007 (continued)

Criteria: Public Housing Agencies are required to enter into a depository agreement with their financial institution in the form required by HUD and comply with the stated terms. Terms of the agreement state all monies deposited by the Public Housing Agency with the depository should be credited to a separate interest-bearing account.

Cause: Management was unaware that the depository agreement was out of date and that funds were required to be held in an interest-bearing account.

Effect: An expired agreement could put the safeguards around federal funds in jeopardy.

Context: The depository agreement in place was dated October 12, 2011 and was completed with HUD Form 51999. This Form expired on September 30, 2013. Funds were maintained in a non-interest bearing account at the depository.

Recommendation: The City of Westminster should contact the Depository to execute an HUD form and transfer the funds to an interest-bearing account. We commend management for addressing this finding as soon as it was brought to their attention.

Views of Responsible Officials and Planned Corrective Actions: See corrective action plan

Finding reference: 2019-008

Federal Agency: Department of Housing and Urban Development
Federal Program: 14.871 Housing Choice Vouchers
Grant Period: 07/01/18 – 06/30/19
Requirement: Reporting
Type of Finding: Material Weakness; Noncompliance

Condition: Monthly Voucher Management System (VMS) reports were filed with inaccurate balances and were not corrected timely.

Criteria: The Public Housing Agency is required to complete monthly reporting in the HUD VMS online system. Prior month corrections are to be made timely and not at the end of the reporting year.

III. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT (CONTINUED)

Finding reference: 2019-008 (continued)

Cause: The Housing Director completed the VMS submissions timely (22 days after month end). For any required corrections that happened during the year, the Housing Director updated the HAPPY software without entering a prior month correction in VMS. Monthly submissions to VMS were never reviewed for accuracy.

Effect: HUD utilizes the monthly submissions to VMS to adjust funding amounts provided to the Public Housing Agency. The failure to update incorrect amounts timely could result in incorrect funding.

Context: Out of eight months tested, four months had variances related to HAP vouchers and six months had variances related to portability vouchers that could not be explained by management. A full reconciliation was completed six months after year end to determine that four months tested were incorrect and a prior month correction was needed in the VMS system.

Recommendation: Each month, a reconciliation needs performed between the finance and housing department figures utilized for VMS reporting. If a reconciling item exists, it should be documented accordingly. Supporting documentation should be maintained for each filing submitted through VMS. If a correction occurs in a subsequent month after filing is complete, a prior month correction should be entered immediately into VMS. Since VMS requires corrections to be made in the month the voucher applies to and finance records are maintained on cash basis, there will be reconciling items from time to time. At the end of the reporting year, a reconciliation should be performed to determine if any corrections were missed.

Views of Responsible Officials and Planned Corrective Actions: See corrective action plan

CITY OF WESTMINSTER
56 West Main Street
Westminster, Maryland 21157

TELEPHONE:
(410) 848-9000
(410) 876-1313
www.westminstermd.gov

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

January 29, 2020

U.S. Department of Housing and Urban Development

City of Westminster respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2019.

Name and address of independent accounting firm:

Brown Schultz Sheridan & Fritz
205 E Main Street
Westminster, MD 21157

Please see below for the findings noted in the audit for the year ended June 30, 2018.

If you require additional information or have concerns, please contact Tammy Palmer, Director of Finance and Administrative Services (410-848-3274 or email: TPalmer@westgov.org).

Sincerely,

Tammy Palmer
Director of Finance and Administrative Services

PRIOR YEAR FINDINGS

Finding number 2018-001

Condition: During the audit, certain audit adjustments were required to adjust the recording of capital assets, pension, other postemployment benefits (OPEB), and fund balance/net position within the working trial balance after the City's year-end close of the accounting records.

Current Status: The City disagreed with this finding noted by the prior auditor. All journal entries are recorded in the proper fiscal year.

Finding number 2018-002

Housing Voucher Program, CFDA 14.871
Federal Agency: U.S. Department of Housing and Urban Development

Condition: As a result of our testing we noted the City did not submit their GAAP-based unaudited and audited financial information electronically to HUD.

Current Status: The written procedures for filing the City's financial reports were updated to included REAC requirements. Unaudited and audited filings for the year ended June 30, 2018 were submitted on November 8, 2018 and April 9, 2019, respectively. The unaudited filing for the year ended June 30, 2019 was submitted August 26, 2019, before the filing deadline. The Director of Finance will ensure the audited filing is submitted when the audit is final.

CITY OF WESTMINSTER
56 West Main Street, Suite 1
Westminster, Maryland 21157

TELEPHONE:
(410) 848-9000
(410) 876-1313
www.westminstermd.gov

CORRECTIVE ACTION PLAN

Date: April 9, 2020

Department of Housing and Urban Development

The City of Westminster, Maryland respectively submits the following corrective action plan for the year ended June 30, 2019.

Name and address of independent accounting firm:

Brown Schultz Sheridan & Fritz
205 E. Main Street
Westminster, MD 21157

Audit Period: July 1, 2018 to June 30, 2019

The findings from the schedule of questioned costs for the year ended June 30, 2019 are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT

Finding reference: 2019-001 – Material Weakness – Prior Period Adjustments

Recommendation: We recommend the City 1) only record receivables which meet the criteria for revenue recognition, 2) amortize deferred outflows related to the change in proportionate share of the net pension liability over the expected remaining service lives of all employees provided pensions through the plan.

Action taken: The Finance department will review the June 30, 2020 balances to ensure all receivables will be recognized in the correct period, and deferred outflows related to the change in proportionate share of the net pension liability will be amortized over the expected remaining service lives of all employees provided pensions through the plan. The Finance Department staff will receive training regarding pensions and amortizations by June 30, 2020.

Finding reference: 2019-002 – Material Weakness – Fiscal Year-End Reporting

Recommendation: We recommend that the City reviews their current internal control processes and procedures over financial reporting to ensure that all material transactions are recorded in the City's financial statements, and that their balances are materially correct at fiscal year-end and throughout the fiscal year. Finance should work to ensure that the financial reports are as accurate as possible and that any material adjustments are made before providing to Mayor and Common Council.

Action taken: Staff turnover created weaknesses in year-end reporting. New staff will be trained for year-end reporting by June 30, 2020.

Finding reference: 2019-003 – Material Weakness – Capital Assets

Recommendation: Now that the audited financial statements, the City's fixed assets system, and the City's general ledger system reconcile, we recommend that the City continues to maintain reconciliation of these three areas to ensure that the trial balance is not misstated and depreciation expense is calculated properly. We recommend that sales proceeds and insurance proceeds are reviewed annually as a check to ensure that all assets are properly disposed of in the fixed assets system and general ledger. We also recommend that sales proceeds are reviewed to ensure that the correct fund is being credited for the sale of the asset. We recommend that project managers are contacted and completion dates of the projects are discussed to determine when the projects need to be put into service to avoid future misstatement. We recommend that the in-service dates and the functions assigned to acquired assets be reviewed prior to posting depreciation expense to ensure that the depreciation expense will be recorded properly. The City should take a physical inventory of its fixed assets on a regular basis (such as every two to three years) to ensure that only active, in-service property and equipment is included on the City's financial statements. This will ensure that fixed assets are properly stated and that depreciation is being calculated from a reliable listing. We recommend that the City establishes procedures for evaluating impairment of long-lived assets on a regular basis. This will ensure that impaired assets are treated properly on the financial statements.

Action taken: The Finance Department staff will collect all capital invoices for equipment and enter into fixed assets prior to year-end. The Director of Public Works will provide a written report of which capital construction projects were complete at year-end. All completed projects will be entered into fixed assets from the Work in Progress schedule. All incomplete projects will be added to the Work in Progress schedule. All assets will be entered with the in-service date to ensure proper depreciation.

Finding reference: 2019-004 – Significant Deficiency - Inventory

Recommendation: We recommend that inventory be valued based on the price per unit from the most recent invoice before year-end. If that invoice does not have enough units purchased to account for all the items in inventory at year-end, the invoice received before that invoice should be used to value the remaining inventory units, and so on. We recommend that someone not involved in the inventory count or initial compilation check for clerical errors by re-footing and re-extending the inventory items on a test basis. We recommend that quarterly counts of the fiber inventory are completed because of the high value and high volume of the inventory on hand as of June 30, 2019. These additional inventory counts will help ensure that usage appears reasonable, theft is not occurring, and will aid in the timely detection of errors and correction of causes.

Action taken: Fiber inventory was acquired from the contractor during construction and was not counted as it was put into inventory and checked against the invoice. Counts were not accurate to what was billed. No further inventory is expected to be provided by a City contractor. All inventory will be checked by the acquiring department as it arrives from the manufacturer and Finance will use most current pricing from most current invoices to value inventory. All inventory counts will be performed at year end.

Finding reference: 2019-005 – Significant Deficiency – Community Foundation of Carroll County

Recommendation: We understand the City has closed, or is in the process of closing, these accounts subsequent to year-end. Our recommendation is to communicate to the Community Foundation that it is the intention of management and the Mayor and Common Council that all activity that relates to the City should flow through the City's internal policies and procedures, and therefore there is no need for future accounts to be created and maintained through the Community Foundation. Any donations received for City activities by the Community Foundation should be forwarded directly to the City.

Action taken: Accounts have been closed; no new accounts will be set up without specific authorization by the Mayor and Common Council.

FINDINGS – FEDERAL AWARD PROGRAM AUDIT

Finding reference: 2019-006 – 14.871 Housing Choice Vouchers – Significant Deficiency

Recommendation: The City of Westminster should perform an analysis of administrative costs allocated across the funds to determine proper allocations for each type of cost. Once approved, these allocations should be distributed to the Finance Department and employees responsible for

authorizing invoices. Authorizing signatures should be verified during the check signing or ACH process.

Action Taken: The Finance Department will perform an analysis of administrative costs to determine proper allocations between funds by the end of the fiscal year. Amounts charged to the Housing fund before the final analysis is performed will be assessed for reasonableness and any corrections that are required will be performed by June 30, 2020. Effective immediately, the Finance Department will ensure all invoices have authorizing signatures before they go to the check signers or the ACH transaction is completed.

Finding reference: 2019-007 – 14.871 Housing Choice Vouchers – Significant Deficiency; Noncompliance

Recommendation: The City of Westminster should contact the Depository to execute an HUD form and transfer the funds to an interest bearing account. We commend management for addressing this finding as soon as it was brought to their attention.

Action taken: HUD -51999, General Depository Agreement, was executed on January 17, 2020, and funds put in an interest bearing account at that time.

Finding reference: 2019-008 – 14.871 Housing Choice Vouchers – Material Weakness; Noncompliance

Recommendation: Each month, a reconciliation needs to be performed between the finance and housing department figures utilized for VMS reporting. If a reconciling item exists, it should be documented accordingly. Supporting documentation should be maintained for each filing submitted through VMS. If a correction occurs in a subsequent month after filing is complete, a prior month correction should be entered immediately into VMS. Since VMS requires corrections to be made in the month the voucher applies to, and finance records are maintained on cash basis, there will be reconciling items from time to time. At the end of the reporting year, a reconciliation should be performed to determine if any corrections were missed.

Action taken: Finance provides Housing with administrative costs at each month-end, and Housing will enter these costs into VMS. Starting with the March 2020 filing, housing will reconcile VMS to Finance reports monthly. Housing will maintain documentation for reconciling items in a Reconciling Items file for audit purposes. VMS filings previously completed for fiscal year 19-20 will be reconciled by the Housing Department and have supporting documentation produced.

If the Department of Housing and Urban Development has any questions regarding this response, please call Tammy Palmer, Direct of Finance and Administrative Services at 410-848-3274.

Sincerely,

Tammy Palmer
Director of Finance and Administrative Services