

Article VI. Finance, Revenue and Taxation.

Sec. 1. Financial supervision.

The mayor shall have complete supervision over the financial administration of the town government. The mayor may delegate, under his supervision, any of the financial powers and duties granted him by this Charter. He shall receive any assistance he requests with regard to financial matters from any town officer or employee.

Sec. 2. Expenditures to be authorized by council.

No public money may be expended without having been appropriated by the council.

Sec. 3. Fiscal year.

The town shall operate on an annual budget. The fiscal year of the town shall begin on the first day of July and shall end on the last day of June in each year. Such fiscal year shall also constitute the tax year, the budget year, and the accounting year.

Sec. 4. Budget - Estimates used for preparation.

The mayor, on such date as the council may require, but at least sixty days before the beginning of any fiscal year, shall submit to the council a budget and explanatory budget message for that purpose; at such date as he shall determine, the mayor, with the assistance of such town officers and employees as he requests, shall obtain from the head of each office, department, and agency (a) estimates of revenue and expenditures for the next fiscal year, detailed by organization units and character and object of expenditures; (b) such other supporting data as he may request; and (c) an estimate of all capital projects pending or which such office, department, or agency head believes should be undertaken (i) within the budget year and (ii) within the four next succeeding years. In preparing the budget, the mayor shall review the estimates, shall hold hearings thereon with the head or other representative of the office, department, or agency concerned, and may revise the estimates as he deems advisable.

Sec. 5. Same - Message.

The budget message submitted by the mayor to the council shall explain the budget, shall contain an outline of the proposed financial policies of the town for the budget year, and shall describe the important features of the budget plan. It shall set forth the reasons for salient changes from the previous year in cost and revenue items and shall explain any major changes in financial policy. It shall include a statement of pending capital projects of a capital program for the next four fiscal years. Attached to the budget message shall be such supporting schedules, exhibits, and other explanatory material, in respect to both current operations and capital improvements, as the mayor shall believe useful to the council.

Sec. 6. Same - Contents generally.

The budget shall provide a complete financial plan for the budget year. It shall contain in tabular form:

- (a) Comparative figures for prior fiscal year.
- (b) Detailed estimates of all anticipated revenues applicable to proposed expenditures.
- (c) All proposed expenditures.

Sec. 7. Same - Public record.

The budget and all supporting schedules shall be a public record in the office of the town clerk and such items shall be available for public inspection.

Sec. 8. Same - Public hearing.

At the meeting of the council at which the budget and budget message are submitted, the council shall determine the place and time of a meeting, regular or special, at which the budget will be considered and at which any interested person may be heard concerning the budget. The council shall give at least ten days notice of said meeting by an advertisement in one or more newspapers of general circulation in the town.

Sec. 9. Issuance and signing of checks.

All checks issued in payment of all municipal obligations shall be signed by the town clerk and shall be countersigned by the mayor. (1906, ch. 458, sec. 84. 1916, ch. 301.)

Sec. 10. Audit.

The financial books and accounts of the town shall be audited as of June 30 in each year by a competent person or persons appointed by the council. The audit shall be presented to the council and to the mayor by the first day of October. The council or the mayor may order an audit of the financial books and accounts of the town by a competent person or persons appointed by it or him at anytime it or he may deem it proper so to do. (1906, ch. 458, sec. 97B. 1910, ch. 365, sec. 97B (p. 1173). 194, ch. 103. 1951, ch. 44, sec. 1.)

Sec. 11. Taxation - Taxable property; limitations.

All real property and all tangible personal property within the corporate limits of the town, or personal property which may have a situs there by reason of the residence of the owner therein, shall be subject to taxation for municipal purposes, and the assessment used shall be the same as that for State and county taxes; provided that said tax assessment shall not exceed in any one year fifty five (\$.55) cents to every one hundred dollars of assessable real property; provided further, that said limitation shall have no application to any tax laid for the payment of principal and/or interest on any promissory notes or bonds issued by the town either before or after the adoption of this Charter. No authority is given by this Section to impose taxes on any property which is exempt from taxation by any act of the General Assembly. (1906, ch. 458, sec. 72. 1912, ch. 208. 1920, ch. 17. 1931, ch. 13, sec. 169. Res. No. 4, December 27, 1955; 1906, ch. 458, sec. 73; 1906, ch. 458, sec. 74.)

Sec. 12. Same - Industrial property.

To encourage industrial expansion and development in the Town of Easton, the council by ordinance is authorized to exempt from taxation for municipal purposes, the buildings and equipment owned and operated by any manufacturing company or association within the corporate limits of the town. Any exemption from taxation under the provisions of this Section may be extended to all manufacturing companies and associations within the town engaged in the branch of manufacturing which will benefit by any such exemption; provided, that any such abatement and exemption shall be limited to a period of five years from the passage of the ordinance granting the same; the council shall keep a public record of all abatements and exemptions made by it, as aforesaid. No abatement may be made for a fiscal year after July 1 of that year. (1906, ch. 458, sec. 72. 1912, ch. 208. 1920, ch. 17. 1931, ch. 13, sec. 169. Res. No. 4, December 27, 1955.)

Sec. 13. Same - Agricultural property.

The Town of Easton by action of the council may exempt from taxation all agricultural property within the town or may levy a lower tax rate thereon than is levied on other property within the town. For the purposes of this Section, the term "agricultural property" shall include all unimproved land used exclusively for agricultural purposes, including any residences, barns, stables, and similar improvements located thereon, and all farming implements and stock used in connection therewith.

Sec. 14. Same - Notice of new or increased assessments.

All persons or body corporate who shall be newly assessed or whose assessment shall be increased shall be notified by letter of the amount of said assessment. (1906, ch. 458, sec. 74.)

Sec. 15. Same - tax year and due date; discounts, interest on overdue taxes.

The council shall make their annual levy on or before the regular meeting in June of each year, and the same shall be due and payable on the first day of July of the year of the levy; and on all taxes paid on or before the first day of September a discount of three percent may be allowed; on the first day of October next succeeding the levy thereof taxes shall be deemed to be in arrears and interest shall be charged and collected on all taxes not then paid, and the town clerk shall take the discount from or add the interest to the tax bills regularly, in the manner aforesaid, and shall note the same upon his books and upon receipt given for taxes so paid; but the discount allowed by this Section shall not be made to any person, persons, or corporate institutions, unless the whole amount of taxes due by such person, persons or corporate institutions for the current year are paid at the time of making such discount. (1906, ch. 458, sec. 80; 1906, ch. 458, sec. 97G. 1918, ch. 134. Res. No. 5, December 27, 1955; Res. No. 39, □ 1, 10/15/73.)

Sec. 16. Same - Notice, payment and collection of overdue taxes.

Within ten days after the first day of January succeeding each levy the town clerk shall deliver and mail to the last known post office address of each delinquent taxpayer an account of his assessment and the taxes and interest due thereon, with a notice to said delinquent thereto attached, that unless payment be made in full on or before the fifteenth day of August next after the delivery of said notice that the same will be collected by process of law; and it shall be the duty of the town clerk to enforce the payment of all taxes remaining unpaid on the fifteenth day of August next after the delivery of said notice by a sale of either real or personal property. (1906, ch. 458, sec. 81.)

Sec. 17. Same - Liens for unpaid taxes and moneys.

(a) All taxes due and owing by any taxpayer upon real or personal property within the town shall be and constitute a lien on both said real and personal property; provided, however, that such real property may be sold to pay the delinquent taxes without regard to the existence of personal property.

(b) All sums of money due and owing to the Easton Utilities Commission for sanitary sewer, water, electric or gas rentals or services, shall be and constitute a lien upon the real property to or in which such sewer, water, electric or gas service is supplied, and said real property may be sold to satisfy such lien or liens. (1906, ch. 458, sec. 85; 1920, ch. 51.)

Sec. 18. Same - Tax bills.

Immediately after the levy is made by the council in each year, the town clerk shall give notice of the making of the levy in one or more newspapers of general circulation in the town. He shall make out and mail or deliver in person to each taxpayer or his agent a bill or account of the taxes due from him. This bill or account shall contain a statement of the amount of real and personal property with which the taxpayer is assessed, the rate of taxation, the amount of taxes due, and the date from which they will bear interest. In case the owner or his agent cannot be found, the town clerk shall attach the bill or account to a piece of the real property, or deliver it to the servant or bailee in custody of the personal property so assessed. He shall keep a copy of the bill or account with a memorandum thereon of the date of mailing,

delivering, or posting on the property, as the case may be, of such bill, and such memorandum shall be prima facie evidence of such mailing, delivering, or posting. (1906, ch. 458, sec. 79.)

Sec. 19. Authority to borrow money and issue and sell bonds or notes.

(a) The Town of Easton shall have the power to borrow upon the faith and credit of the town such sum or sums of money as it shall deem proper for municipal purposes in the manner prescribed by state law applicable to the borrowing of money and the issuance of bonds or tax anticipation notes by municipal corporations.

(b) In addition, and without limitation by sections 31 to 34, inclusive, of Article 23A of the Annotated Code of Maryland or any other provision of general law, the town may, by resolution, from time to time borrow money for any public purpose and may issue and deliver its notes or other evidences of the town's obligation (including renewal or refunding notes or bond anticipation notes) to mature not more than five (5) years from the date of issue and for the payment of which the town may designate such source or sources of funds, including tax or other revenues, as it deems appropriate to the purpose for which the borrowing is to be made. The notes or other evidences of obligation may be sold upon such terms, at public or private sale, and shall be executed and delivered in such manner and upon such conditions as the authorizing resolution shall provide. (1906, ch. 458, sec. 976; 1918, ch. 134. Res No. 5, December 27, 1955; Res. No. 43, 2/17/75.)

Sec. 20. Power to borrow for construction or purchase of industrial buildings.

The Town of Easton may borrow upon the full faith and credit of the town such sum or sums of money as it deems proper and shall deliver therefore promissory notes, bonds or other certificates of indebtedness which shall be based upon the full faith and credit of the town, said sum or sums of money to be used for the purpose of defraying the cost of acquiring any industrial building or buildings, either by purchase or construction, but only after an ordinance or resolution has been adopted by the legislative body of the municipality specifying the proposed undertaking, the amount of money to be borrowed, the manner by which it is to be borrowed, and the maximum rate of interest to be paid. The ordinance or resolution shall further provide that the industrial building is to be acquired pursuant to the provisions of this Section or pursuant to the provisions of Art. 41, Anno. Code Md., (1957 Ed.) Sec. 266 A through 266I, inclusive, and shall also provide that the industrial building is to be acquired for a bona fide tenant, as evidenced by a letter of intent or similar agreement between the prospective tenant and the municipality. Where differences exist between the methods of financing specified by Art. 41, Anno. Code Md. (1957 Ed.) Sec. 266A through 266I, inclusive, or Art. 23A, Anno. Code Md. (1957 Ed.), Sec. 31 through 39, inclusive, or this Section, each shall be considered as alternative methods which the town may select at its discretion. In any type of financing the council may enter into negotiations with regard to the sale of bonds or other indicia of indebtedness and sell the same at private sale without advertisement or publication of notice of sale or solicitation of competitive bids; any public local or public general law to the contrary notwithstanding. (Ch. amend. No. 28, December 28, 1964.)

Sec. 21. Special assessment districts.

(a) The Town of Easton have the power to establish special assessment districts in limited and determinable areas and to levy special assessments upon the real and personal property within such areas, which special assessment shall be used solely for the purpose of paying the cost of acquiring and developing off-street parking facilities.

(b) The boundaries of any special assessment district established hereunder to provide off-street parking facilities may be established by Ordinance or Resolution of the Council of the Town of Easton shall determine. No special assessment district shall be established unless prior to the final passage of such Ordinance or Resolution, public notice is given by notice inserted in two successive issues of a newspaper published in the Town of Easton, the last issue of which shall be published within ten days of the day on which a hearing is held by the Town of Easton. This notice shall further include a description of the boundaries of the special assessment district proposed, the time and place of the hearing to be held thereon, a statement of the special assessment proposed to be levied as well as a statement of the class of properties exempt from said levy, if exemption is proposed.

(c) The Council of the Town of Easton may exempt from the levy hereby authorized properties as follows:

1. Properties used for residential purposes only which provide on "off-street" parking space for each family.

2. Properties furnishing off-street parking facilities equal to the requirements of any zoning ordinance or any Off-Street Parking Ordinance or Resolution passed in pursuance of the authority hereby granted.

(d) The special assessment hereby provided shall constitute a lien against the respective properties upon which levied until paid, and bear interest in the same manner as all other town, real estate ad valorem taxes; any levy made hereunder shall be considered as being made for the purpose of servicing municipal bonds and shall not be used for general revenue purposes, and shall not be included in any computation of any limitation upon the taxing power of the Town of Easton which may be established by any other section of this Charter.

(e) Borrowing. The Town of Easton is hereby authorized to borrow whatever funds the Council determines, by Resolution duly passed, to be necessary to finance any off-street parking facilities including the acquisition of access to and egress from off-street parking facilities, and to evidence such borrowing by the issuance of notes, tax anticipation notes or such other indicia of indebtedness as the lender or lenders may request.

(f) The council of the Town of Easton is hereby authorized to enact appropriate legislation to amend any existing ordinance and/or resolution relating to special assessment districts for off-street parking facilities in order to eliminate therefrom any requirement that the special assessment levied thereby on property be limited to a rate not to exceed One Dollar (\$1) per \$100.00 of assessed valuation per annum. (Res. No. 37, July 17, 1972; Am. Res. No. 48, Oct. 18, 1982)

