



MARYLAND

**SALISBURY CITY COUNCIL  
WORK SESSION AGENDA**

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**DECEMBER 16, 2013  
COUNCIL CHAMBERS, ROOM 301  
GOVERNMENT OFFICE BUILDING**

**Closed Session – 1:30 p.m.**

- Vote to convene in Closed Session for the purpose of discussing a personnel matter (City Clerk evaluation) in accordance with the Annotated Code of Maryland §10-508(a)(1)(i).

**Special Meeting – 2:00 p.m.**

- Ordinance No. 2273 – 2<sup>nd</sup> reading – to authorize and empower City of Salisbury (the “City”) to issue and sell from time to time, upon its full faith and credit, General Obligation Bonds in one or more series in an aggregate principal amount not to exceed three million one hundred seventy-eight thousand dollars (\$3,178,000.00), the proceeds of the sale thereof to be used and applied for the public purpose of financing, reimbursing or refinancing costs (as defined herein, which include issuance costs and capitalized interest) of the public purpose projects identified herein as: Riverwalk, Mainstreet Master Plan, Coty Cox drainage improvements, and Germania Circle
- *Resolution No. 2358 - to approve the terms and conditions for the General Obligation Bond of 2013*

**Work Session – following adjournment of the Special Meeting**

- 2:15 p.m. Establishing a Stormwater Utility – Michael Moulds
- 2:45 p.m. Records Retention Policy – Tom Stevenson/Bill Garrett
- 3:00 p.m. Foreclosure Task Force Resolution – Tom Stevenson/Cheryl Meadows/Brandon Brittingham
- 3:30 p.m. Pay for Elected Officials – Council discussion
- 4:00 p.m. General Discussion
- 4:15 p.m. Adjournment

*Times shown are approximate. Council reserves the right to adjust the agenda as circumstances warrant.  
The Council reserves the right to convene in Closed Session as permitted under the Annotated Code of Maryland 10-508(a).*



# City of Salisbury

## CITY COUNCIL SPECIAL MEETING AGENDA



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**December 16, 2013**  
**Government Office Building**

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**2:00 p.m.**  
**Room 301**

Times shown for agenda items are estimates only.

2:00 p.m. CALL TO ORDER

2:01 p.m. WELCOME/ANNOUNCEMENTS

2:03 p.m. ORDINANCE – City Attorney Mark Tilghman

- Ordinance No. 2273 – 2<sup>nd</sup> reading - to authorize and empower City of Salisbury (the “City”) to issue and sell from time to time, upon its full faith and credit, General Obligation Bonds in one or more series in an aggregate principal amount not to exceed three million one hundred seventy-eight thousand dollars (\$3,178,000.00), the proceeds of the sale thereof to be used and applied for the public purpose of financing, reimbursing or refinancing costs (as defined herein, which include issuance costs and capitalized interest) of the public purpose projects identified herein as: Riverwalk, Mainstreet Master Plan, Coty Cox drainage improvements and Germania Circle

***RESOLUTION – Interim City Administrator Tom Stevenson***

- ***Resolution No. 2358 – approving the terms and conditions for the General Obligation Bond of 2013***

2:08 p.m. ADJOURNMENT

Copies of the agenda items are available for review  
in the City Clerk’s Office  
Room 305 – City/County Government Office Building  
410-548-3140  
or  
on the City’s web site  
[www.ci.salisbury.md.us](http://www.ci.salisbury.md.us)

City Council meetings are conducted in open session unless otherwise indicated. All or part of the Council’s meetings can be held in closed session under the authority of the Maryland Open Meetings Law, Annotated Code of Maryland 10-508(a), by vote of the City Council.

**Note: The December 23, 2013 Legislative Session has been cancelled**

**Proposed agenda items for January 13, 2014 (subject to change)**

- Public Hearing/Ordinance No. 2272 - 2<sup>nd</sup> reading - rezoning property (former Linens of the Week property) located on the Northerly side of Anne Street and on both sides of Short Street from General Commercial to R-5a Residential
- Public Hearing/Resolution No. 2356 - approving the Merritt Mill Road/Smith Annexation and establishing a date for the public hearing
- Public Hearing/Resolution No. 2357 - approving the Merritt Mill Road/Smith Annexation plan

Ordinance No. 2273

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3 AN ORDINANCE OF THE CITY OF SALISBURY TO AUTHORIZE AND EMPOWER CITY  
4 OF SALISBURY (THE “CITY”) TO ISSUE AND SELL FROM TIME TO TIME, UPON ITS  
5 FULL FAITH AND CREDIT, GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES  
6 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED THREE MILLION ONE  
7 HUNDRED SEVENTY-EIGHT THOUSAND DOLLARS (\$3,178,000.00), THE PROCEEDS OF  
8 THE SALE THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF  
9 FINANCING, REIMBURSING OR REFINANCING COSTS (AS DEFINED HEREIN, WHICH  
10 INCLUDE ISSUANCE COSTS AND CAPITALIZED INTEREST) OF THE PUBLIC PURPOSE  
11 PROJECTS IDENTIFIED HEREIN AS: RIVERWALK, MAINSTREET MASTER PLAN, COTY  
12 COX DRAINAGE IMPROVEMENTS, AND GERMANIA CIRCLE; SPECIFYING THE  
13 MAXIMUM PRINCIPAL AMOUNT OF THE BONDS OR BOND ANTICIPATION NOTES  
14 PROVIDED FOR HEREIN TO BE ALLOCATED TO EACH SUCH PROJECT, SUBJECT TO  
15 REALLOCATION BY THE CITY IN ACCORDANCE WITH APPLICABLE BUDGETARY  
16 PROCEDURES OR LAW; PROVIDING FOR THE ADOPTION OF A RESOLUTION OR  
17 RESOLUTIONS OF THE COUNCIL TO DETERMINE, APPROVE OR PROVIDE FOR  
18 VARIOUS MATTERS RELATING TO THE AUTHORIZATION, SALE, SECURITY,  
19 ISSUANCE, DELIVERY, PAYMENT AND REDEMPTION OF AND FOR EACH SERIES OF  
20 THE BONDS; AUTHORIZING AND EMPOWERING THE COUNCIL TO PROVIDE BY  
21 RESOLUTION FOR THE ISSUANCE AND SALE FROM TIME TO TIME OF ONE OR MORE  
22 SERIES OF GENERAL OBLIGATION BOND ANTICIPATION NOTES IN AN AGGREGATE  
23 PRINCIPAL AMOUNT NOT TO EXCEED THREE MILLION ONE HUNDRED SEVENTY-  
24 EIGHT THOUSAND DOLLARS (\$3,178,000.00), PRIOR TO AND IN ANTICIPATION OF  
25 THE ISSUANCE OF ANY OF THE BONDS AUTHORIZED HEREBY, IN ORDER TO  
26 FINANCE OR REIMBURSE PROJECT COSTS ON AN INTERIM BASIS; AUTHORIZING  
27 AND EMPOWERING THE COUNCIL TO PROVIDE BY RESOLUTION FOR THE  
28 ISSUANCE AND SALE FROM TIME TO TIME OF ONE OR MORE SERIES OF GENERAL  
29 OBLIGATION BONDS IN ORDER TO REFUND ANY OF THE BONDS ISSUED PURSUANT  
30 TO THE AUTHORITY OF THIS ORDINANCE (INCLUDING PAYING ISSUANCE COSTS  
31 AND INTEREST ON SUCH REFUNDING BONDS), PROVIDED THAT, THE AGGREGATE  
32 PRINCIPAL AMOUNT OF ANY SUCH ISSUE OF REFUNDING BONDS SHALL NOT  
33 EXCEED ONE HUNDRED THIRTY PERCENT (130%) OF THE AGGREGATE PRINCIPAL  
34 AMOUNT OF THE BONDS REFUNDED THEREFROM; PROVIDING FOR THE LEVY AND  
35 COLLECTION OF AD VALOREM TAXES SUFFICIENT FOR, AND PLEDGING THE FULL  
36 FAITH AND CREDIT AND UNLIMITED TAXING POWER OF THE CITY TO, THE PROMPT  
37 PAYMENT OF THE PRINCIPAL OF AND INTEREST ON EACH SERIES OF THE BONDS,  
38 THE BOND ANTICIPATION NOTES AND THE REFUNDING BONDS AUTHORIZED  
39 HEREBY (THE “OBLIGATIONS”); PROVIDING THAT THE PRINCIPAL OF AND  
40 INTEREST ON EACH SERIES OF SUCH OBLIGATIONS ALSO MAY BE PAID FROM ANY  
41 OTHER SOURCES OF REVENUE LAWFULLY AVAILABLE TO THE CITY FOR SUCH

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42 PURPOSE; PROVIDING THAT CERTAIN ACTIONS MAY BE TAKEN OR PROVIDED FOR  
43 BY RESOLUTION IN CONNECTION WITH THE REISSUANCE OF ANY OBLIGATION;  
44 PROVIDING THAT ANY OF THE OBLIGATIONS AUTHORIZED HEREBY MAY BE  
45 CONSOLIDATED WITH ANY BONDS, BOND ANTICIPATION NOTES AND/OR  
46 REFUNDING BONDS AUTHORIZED BY THE COUNCIL AND ISSUED AS A SINGLE  
47 SERIES OF BONDS, BOND ANTICIPATION NOTES AND/OR REFUNDING BONDS;  
48 AUTHORIZING AND DIRECTING OFFICIALS AND EMPLOYEES OF THE CITY TO TAKE  
49 ANY AND ALL ACTION NECESSARY TO COMPLETE AND CLOSE THE SALE AND  
50 DELIVERY OF THE OBLIGATIONS; PROVIDING THAT THIS TITLE SHALL BE DEEMED  
51 A STATEMENT OF THE SUBSTANCE OF THIS ORDINANCE FOR ALL PURPOSES; AND  
52 OTHERWISE GENERALLY RELATING TO THE ISSUANCE, SALE, DELIVERY AND  
53 PAYMENT OF THE OBLIGATIONS.

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RECITALS

57 WHEREAS, City of Salisbury, a municipal corporation of the State of Maryland (the  
58 “City”), is authorized and empowered by Sections 19-301 through 19-309, inclusive, of the Local  
59 Government Article of the Annotated Code of Maryland (previously codified as Sections 31 to 37,  
60 inclusive, of Article 23A of the Annotated Code of Maryland), as replaced, supplemented or  
61 amended (the “Enabling Act”), and Sections SC7-45 and SC7-46 of the Charter of the City of  
62 Salisbury, as published in Municipal Charters of Maryland, Volume 7, 2008 Replacement Edition,  
63 as replaced, supplemented or amended (the “Charter”), to borrow money for any proper public  
64 purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds;  
65 and

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WHEREAS, the City has determined to undertake the public purpose projects identified in  
Section 3 of this Ordinance; and

70 WHEREAS, the City has determined to authorize the issuance from time to time of one or  
71 more series of its general obligation bonds in order to finance, reimburse or refinance all or a  
72 portion of the costs of any of the public purpose projects identified in Section 3 of this Ordinance;  
73 and

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WHEREAS, prior to issuing one or more series of the bonds authorized hereby, the City  
may need to obtain interim financing in order to finance or reimburse applicable project costs on a  
timely basis through the issuance from time to time of general obligation bond anticipation notes in  
one or more series pursuant to the authority of Sections 19-211 through 19-223, inclusive, of the  
Local Government Article of the Annotated Code of Maryland (previously codified as Section 12 of  
Article 31 of the Annotated Code of Maryland), as replaced, supplemented or amended (the “Bond  
Anticipation Note Enabling Act”); and

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83 WHEREAS, subsequent to the issuance of any bonds provided for herein, the City may  
84 desire to refund or advance refund all or a portion of such bonds through the issuance from time to  
85 time of one or more series of its general obligation refunding bonds pursuant to the authority of  
86 Section 19-207 of the Local Government Article of the Annotated Code of Maryland (previously  
87 codified as Section 24 of Article 31 of the Annotated Code of Maryland), as replaced, supplemented  
88 or amended (the “Refunding Act”); and  
89

90 WHEREAS, the City has determined to pledge its full faith and credit and unlimited taxing  
91 power to the prompt payment of debt service on any bonds, bond anticipation notes or refunding  
92 bonds authorized hereby and  
93

94 WHEREAS, although Section SC7-46.E of the Charter provides that the City shall  
95 determine the manner of selling any bonds, notes or other evidences of indebtedness by resolution,  
96 it is the expectation of the Council of the City (the “Council”) that, as authorized by such Section of  
97 the Charter, the Bond Anticipation Note Enabling Act and the Refunding Act, as applicable, each  
98 series of the bonds, the bond anticipation notes and the refunding bonds authorized hereby shall be  
99 sold by private (negotiated) sale unless the Council determines otherwise by resolution; and  
100

101 WHEREAS, the City shall issue any bonds, bond anticipation notes or refunding bonds  
102 authorized hereby in accordance with the terms and conditions provided for in a resolution or  
103 resolutions to be adopted by the Council pursuant to the authority of the Charter, this Ordinance and  
104 other applicable law.  
105

106 SECTION 1. NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF  
107 THE CITY OF SALISBURY, MARYLAND that (a) the Recitals to this Ordinance are deemed a  
108 substantive part of this Ordinance and incorporated by reference herein. Capitalized terms used in  
109 the Sections of this Ordinance and not defined herein shall have the meanings given to such terms in  
110 the Recitals.  
111

112 (b) References in this Ordinance to any official by title shall be deemed to refer (i) to  
113 any official authorized under the Charter or other applicable law to act in such titled official’s stead  
114 during the absence or disability of such titled official, (ii) to any person who has been elected,  
115 appointed or designated to fill such position in an acting capacity under the Charter or other  
116 applicable law, (iii) to any person who serves in a “Deputy” or “Assistant” capacity as such an  
117 official, provided that the applicable responsibilities, rights or duties referred to herein have been  
118 delegated to such deputy or assistant in accordance with applicable law or authority, and/or (iv) to  
119 the extent an identified official commonly uses another title not provided for in the Charter or the  
120 code of ordinances of the City (the “City Code”), the official, however known, who is charged  
121 under the Charter, the City Code or other applicable law or authority with the applicable  
122 responsibilities, rights or duties referred to herein.  
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124            SECTION 2. BE IT FURTHER ORDAINED that pursuant to the authority of the  
 125 Enabling Act and the Charter, the City hereby determines to borrow money and incur indebtedness  
 126 from time to time for the public purpose of financing, reimbursing or refinancing the costs (as  
 127 defined in Section 3(b) hereof) of any of the Projects identified in Section 3(b) hereof.  
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129            SECTION 3. BE IT FURTHER ORDAINED that (a) to evidence the borrowing and  
 130 indebtedness authorized in Section 2 of this Ordinance, the City, acting pursuant to the authority of  
 131 the Enabling Act and the Charter, hereby determines to issue and sell from time to time, in one or  
 132 more series, upon its full faith and credit, its general obligation bonds in an aggregate principal  
 133 amount not to exceed Three Million One Hundred Seventy-eight Thousand Dollars (\$3,178,000.00)  
 134 (collectively, the “Bonds”). Any series of the Bonds may be issued as one or more bonds and any  
 135 such bond may be issued in installment form and/or draw-down form.  
 136

137            (b) With respect to the projects listed below, the word “costs” as used in Section 2  
 138 hereof shall include, as applicable, land and right-of-way acquisition and development; site and  
 139 utility improvements; acquisition, construction, expansion, demolition, reconstruction, replacement,  
 140 renovation, rehabilitation, improvement, installation, furnishing and equipping activities and  
 141 expenses, and related or similar costs; planning, design, engineering, architectural, feasibility,  
 142 inspection, construction management, surveying, permitting, financial and legal expenses, and  
 143 related or similar costs; costs of issuance (which may include costs of bond insurance or other credit  
 144 or liquidity enhancement); interest during construction and for a reasonable period thereafter  
 145 (whether or not expressly so stated); and any such costs that may represent the City’s share or  
 146 contribution to the financing, reimbursement or refinancing of any such project. The total Bond (or  
 147 BANs, as identified in Section 6 hereof) funds to be appropriated or applied to the costs of such  
 148 projects (exclusive of any premium realized upon sale or investment earnings that may be applied  
 149 for such purposes) shall be allocated among the following public purpose projects in the maximum  
 150 principal amount set forth opposite each, except as otherwise herein provided:  
 151

	<u>Project Name</u>	<u>Maximum Principal Amount</u>
1.	Riverwalk	\$1,600,000.00
2.	Mainstreet Master Plan	268,000.00
3.	Coty Cox Drainage Improvements	1,200,000.00
4.	Germania Circle	110,000.00
TOTAL		<u>\$3,178,000.00</u>

152  
 153 The projects and costs of issuance identified in items 1-4 above are collectively referred to herein as  
 154 the “Projects”. The City, without notice to or the consent of any registered owners of the Bonds (or  
 155 the registered owners of any of the BANs, as applicable), may reallocate the maximum principal  
 156 amount of the Bonds (and of any of the BANs, as applicable) to be spent among any of the Projects

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157 identified herein in compliance with applicable budgetary procedures or applicable law, including,  
158 to the extent applicable, by resolution. Further, it is the intention of the Council that proceeds of the  
159 Bonds (or of any of the BANs, as applicable) may be spent on any applicable costs (as defined  
160 above) relating to the Projects identified in items 1-4 above.

161  
162 (c) In the event the City issues any series of the BANs pursuant to Section 6 of this  
163 Ordinance, proceeds of the Bonds of any series in anticipation of which such BANs were issued  
164 may also be applied to prepay or pay principal, premium and/or interest on such series of the BANs  
165 in accordance with the Bond Anticipation Note Enabling Act, and such application shall be deemed  
166 the payment of “costs” for purposes of this Ordinance.

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168 SECTION 4. BE IT FURTHER ORDAINED that the proceeds of the Bonds shall be used  
169 and applied by the City exclusively and solely for the public purposes described in Section 3 of this  
170 Ordinance, unless a supplemental ordinance is enacted by the Council to provide for the use and  
171 application of such proceeds for some other proper public purpose authorized by the Enabling Act,  
172 the Charter or other applicable law.

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174 SECTION 5. BE IT FURTHER ORDAINED that pursuant to the authority of the Enabling  
175 Act, the Charter and this Ordinance, the Council, prior to the issuance, sale and delivery of each  
176 series of the Bonds, shall adopt a resolution or resolutions (in each such case and, collectively, the  
177 “Resolution”) specifying, prescribing, determining, providing for or approving such matters, details,  
178 forms (including, without limitation, the complete forms of the Bonds of such series), documents or  
179 procedures as may be required by the Enabling Act, the Charter or this Ordinance or as the Council  
180 may deem appropriate for the authorization, sale, security, issuance, delivery, payment, prepayment  
181 or redemption of or for such series of the Bonds. The Resolution shall set forth, determine or  
182 provide for the determination of, provide for, or approve or provide for the approval of, among  
183 other matters, as applicable, the designation of such series of the Bonds; the date of issue of such  
184 series of the Bonds; the aggregate principal amount of such series of the Bonds; the denominations  
185 of such series of the Bonds; the maturity or maturities of such series of the Bonds; the principal  
186 installment or installments payable on such series of the Bonds; the rate or rates of interest, or the  
187 method of determining the rate or rates of interest, payable on such series of the Bonds, which may  
188 be fixed or variable; provisions for the payment of late fees and/or additional interest or penalties  
189 payable on the Bonds of such series or adjustments to interest rates in appropriate circumstances;  
190 the purchase price for such series of the Bonds or the method of determining the purchase price;  
191 provisions relating to the prepayment or redemption of such series of the Bonds at the City’s option  
192 or by mandatory sinking fund payments; provisions allowing the registered owners of such series of  
193 the Bonds to put or cause the prepayment or redemption of the same at their option; the manner of  
194 selling such series of the Bonds, which may be by private (negotiated) sale without advertisement or  
195 solicitation of competitive bids or at public sale after publication or dissemination of the notice of  
196 sale, and all matters in connection therewith; the specific Projects the costs of which are to be  
197 financed, reimbursed or refinanced from proceeds of such series of the Bonds; provisions for the  
198 appropriation, disposal and investment of proceeds of such series of the Bonds; provisions for the

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199 application of unexpended proceeds, any premium paid upon sale or investment earnings on  
200 proceeds of such series of the Bonds, which may include, without limitation, on costs of the Projects  
201 or on debt service payable on such series of the Bonds; certifications, representations,  
202 determinations, designations or elections relating to the tax-exempt or taxable status of interest  
203 payable on such series of the Bonds; and all other terms and conditions pursuant to which such  
204 series of the Bonds will be issued, sold and delivered, including, without limitation, any  
205 determinations to be made by resolution as required by Charter Section SC7-46.A. Among other  
206 matters, the Council, pursuant to the Resolution, may authorize, approve or otherwise provide for (i)  
207 any commitment fee or similar fee and any other costs payable in connection with any series of the  
208 Bonds, (ii) the obtaining of credit enhancement or liquidity enhancement for any series of the Bonds  
209 (and the execution and delivery of any agreements or documents relating thereto), and (iii) any other  
210 agreements necessary to enhance the marketability of or as security for any series of the Bonds,  
211 including (without limitation) any continuing disclosure undertaking required to satisfy the  
212 requirements of Securities and Exchange Commission Rule 15c2-12. Any Resolution may  
213 determine the matters identified in this Section 5 for more than one series of the Bonds.  
214

215 SECTION 6. BE IT FURTHER ORDAINED that (a) pursuant to the authority of the  
216 Bond Anticipation Note Enabling Act and the Charter, the City is hereby authorized and  
217 empowered to issue and sell, upon its full faith and credit, its general obligation bond anticipation  
218 notes in one or more series from time to time in an aggregate principal amount not to exceed  
219 Three Million One Hundred Seventy-eight Thousand Dollars (\$3,178,000.00) (collectively, the  
220 “BANs”), prior to and in anticipation of the sale of any series of the Bonds, for the public purpose  
221 of financing or reimbursing costs of the Projects on an interim basis. Any such series of the BANs  
222 may consist of one or more notes and any note may be issued in installment form and/or draw-down  
223 form. Prior to the issuance, sale and delivery of each series of the BANs, the Council shall adopt a  
224 resolution or resolutions pursuant to the authority of the Bond Anticipation Note Enabling Act, the  
225 Charter and this Ordinance authorizing such series of the BANs and specifying, prescribing,  
226 determining or providing for the determination of, providing for, or approving or providing for the  
227 approval of, with respect to such series of the BANs, the same types of matters, details, forms,  
228 documents or procedures and determinations specified to be made or addressed in Section 5 hereof  
229 with respect to each series of the Bonds, to the extent applicable with respect to such series of the  
230 BANs, and as otherwise may be authorized or required by applicable law.  
231

232 (b) As authorized by the Bond Anticipation Note Enabling Act, by resolution the  
233 Council may provide for the renewal of any series of the BANs at maturity with or without resale,  
234 together with any amendments or modifications to such series of the BANs and any related  
235 documentation.  
236

237 SECTION 7. BE IT FURTHER ORDAINED that pursuant to the authority of the  
238 Refunding Act and the Charter, the City is hereby authorized and empowered to issue and sell,  
239 upon its full faith and credit, its general obligation refunding bonds in one or more series from  
240 time to time (collectively, the “Refunding Bonds”), for the purpose of refunding or advance

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241 refunding any of the Bonds authorized hereby, including the payment of any prepayment or  
242 redemption premium and any interest accrued or to accrue to the date of prepayment,  
243 redemption, purchase or maturity of the Bonds to be refunded, paying costs and expenses in  
244 connection with the issuance, sale and delivery of such series of the Refunding Bonds, and, to  
245 the extent determined by the Council by resolution, paying interest on such series of the  
246 Refunding Bonds, for the public purpose of realizing savings to the City in the aggregate cost of  
247 debt service on either a direct comparison or present value basis or in order to accomplish any  
248 debt restructuring or other purpose that is permitted by applicable law; provided that, the  
249 aggregate principal amount of any series of the Refunding Bonds shall not exceed one hundred  
250 thirty percent (130%) of the aggregate principal amount of the Bonds refunded therefrom. Any  
251 such series of the Refunding Bonds may consist of one or more bonds and any bond may be issued  
252 in installment form and/or draw-down form. Prior to the issuance, sale and delivery of each series  
253 of the Refunding Bonds, the Council shall adopt a resolution or resolutions authorizing such  
254 series of the Refunding Bonds and specifying, describing, determining or providing for the  
255 determination of, providing for, or approving or providing for the approval of, with respect to  
256 such series of the Refunding Bonds, the same types of matters, details, forms, documents,  
257 procedures and determinations specified to be made or addressed in Section 5 hereof with respect  
258 to each series of the Bonds, to the extent applicable to such series of the Refunding Bonds, and  
259 as otherwise may be authorized or required by applicable law, including the purposes of the  
260 Refunding Act to be achieved by the issuance of such series of the Refunding Bonds.

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262 SECTION 8. BE IT FURTHER ORDAINED that (a) for the purpose of paying the  
263 principal of and interest on the Bonds, the BANs and the Refunding Bonds (individually or  
264 collectively, the “Obligations”) when due, the City shall levy or cause to be levied, for each and  
265 every fiscal year during which any series of the Obligations may be outstanding, ad valorem taxes  
266 upon all real and tangible personal property within its corporate limits subject to assessment for  
267 unlimited municipal taxation in rate and amount sufficient to provide for the prompt payment, when  
268 due, of the principal of and interest on such series of the Obligations in each such fiscal year. If the  
269 proceeds from the taxes so levied in any such fiscal year are inadequate for such payment,  
270 additional taxes shall be levied in the succeeding fiscal year to make up such deficiency.

271  
272 (b) The full faith and credit and unlimited taxing power of the City are hereby  
273 irrevocably pledged to the prompt payment of the principal of and interest on each series of the  
274 Obligations as and when they become due and payable and to the levy and collection of the taxes  
275 hereinabove described as and when such taxes may become necessary in order to provide sufficient  
276 funds to meet the debt service requirements of such series of the Obligations. The City hereby  
277 covenants and agrees with the registered owners, from time to time, of each series of the  
278 Obligations to levy and collect the taxes hereinabove described and to take any further action that  
279 may be lawfully appropriate from time to time during the period that such series of the Obligations  
280 remains outstanding and unpaid to provide the funds necessary to pay promptly the principal thereof  
281 and the interest due thereon.

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283 (c) The foregoing provisions shall not be construed so as to prohibit the City from  
284 paying the principal of and interest on any series of the Obligations from the proceeds of the sale of  
285 any other obligations of the City or from any other funds legally available for that purpose  
286 (including, without limitation, (i) with respect to the BANs, from the proceeds of the Bonds and (ii)  
287 with respect to the Bonds, from the proceeds of the Refunding Bonds). Within any applicable  
288 limitations of Maryland or federal law (including without limitation, the Internal Revenue Code of  
289 1986, as amended, and the U.S. Treasury Regulations promulgated thereunder), the City may apply  
290 to the payment of the principal of or interest on any series of the Obligations any funds received by  
291 it from the State of Maryland or the United States of America, or any governmental agency or  
292 instrumentality, or from any other source, if such funds are granted or paid to the City for the  
293 purpose of assisting the City in the types of projects which the Obligations of such series are issued  
294 to finance, reimburse or refinance or are otherwise available for such purpose, and to the extent of  
295 any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may  
296 be reduced proportionately.

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298 SECTION 9. BE IT FURTHER ORDAINED that by resolution, the Council may make any  
299 appropriate arrangements (including, without limitation, by authorizing one or more appropriate  
300 officials to make any elections, designations, determinations or filings on the City's behalf) in the  
301 event any right of the registered owner of an Obligation to put or cause the prepayment or  
302 redemption of such Obligation at its option, or any change in the interest rate of an Obligation, or  
303 any other modification to an Obligation could lead to a reissuance of such Obligation for purposes  
304 of the Internal Revenue Code of 1986, as amended, and the U.S. Treasury Regulations promulgated  
305 thereunder.

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307 SECTION 10. BE IT FURTHER ORDAINED that by resolution, the Council may  
308 determine that any of the Bonds, the BANs or the Refunding Bonds authorized hereby may be  
309 consolidated with any bonds, bond anticipation notes and/or refunding bonds authorized by the  
310 Council and issued as a single series of bonds, bond anticipation notes and/or refunding bonds.

311  
312 SECTION 11. BE IT FURTHER ORDAINED that the Mayor, the City Administrator, the  
313 Director of Internal Services, the City Clerk and all other appropriate officials and employees of the  
314 City are hereby authorized and directed to take any and all action necessary to complete and close  
315 the sale and delivery of the Bonds, the BANs or the Refunding Bonds and to approve, execute and  
316 deliver all documents, certificates and instruments necessary or appropriate in connection therewith.

317  
318 SECTION 12. BE IT FURTHER ORDAINED that the title of this Ordinance shall be  
319 deemed to be, and is, a statement of the substance of this Ordinance for publication and all other  
320 purposes.

321  
322 SECTION 13. BE IT FURTHER ORDAINED that this Ordinance shall become effective  
323 following approval by the Mayor or subsequent passage by the Council in accordance with the

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Underlining : Indicates material added by amendment after introduction  
~~Strike-through~~ : Indicates material deleted by amendment after introduction



# City of Salisbury



MARYLAND



125 NORTH DIVISION STREET  
SALISBURY, MARYLAND 21801  
Tel: 410-334-3028  
Fax: 410-548-3192

KEITH A. CORDREY  
DIRECTOR OF INTERNAL SERVICES

JAMES IRETON, JR.  
MAYOR

TOM STEVENSON  
INTERIM CITY ADMINISTRATOR

To: Tom Stevenson, Interim City Administrator  
From: Keith Cordrey, Director of Internal Services *KAC*  
Date: December 12, 2013  
Re: Bond Solicitation Responses and Bond Resolution

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On November 20<sup>th</sup> 2013 the city entered into an agreement with Davenport & Company LLC to issue an RFP for a General Obligation Bond up to the amount of \$ 3,178,000. The City received five responses from the RFP issued by Davenport. Please see the attached sheet titled "*Bond Qualified General Obligation Bond of 2013*" that summarizes the interest rates and terms and conditions from each bank. We recommend council approve our recommendation to select Hebron Savings Bank (HSB). The HSB proposal has the lowest interest rate of all other bidders except for the Bank of America Merrill Lynch (BOA). While BOA proposed a lower rate, they were not recommended for the following reasons:

1. The BOA bid included a 9.5 year term vs. the city's requested 15 year term.
2. The BOA lower interest rate results in total debt service over the life of the loan (380k less than HSB) but the annual debt service during the term would be 111.5k more due to the shorter term.
3. BOA's quote rate was as of December 10 and is subject to be reset two days prior to closing.
4. BOA terms do not permit redemption prior to maturity date.
5. The BOA interest rate is subject to a tax gross-up in the event that a Determination of Taxability occurs.

Assuming the issuance of the full amount of \$3,178,000, the level debt service will cost the City approximately \$262,823 per year in principal and interest payments.

Attached please find attached:

- the resolution that will set all terms and conditions for this General Obligation bond,
- Bullet points prepared by Lindsey our bond counsel

If you have any further questions, please let me know.

**City of Salisbury, Maryland**  
**Bank Qualified General Obligation Bond of 2013**  
**Summary of Proposals Received**

	<u>Bank of America Merrill Lynch</u>	<u>BB&amp;T</u>	<u>Hebron Savings Bank</u>	<u>PNC Bank</u>	<u>SunTrust Bank</u>
<b>Purpose:</b>	New Money for Capital Projects	New Money for Capital Projects	New Money for Capital Projects	New Money for Capital Projects	New Money for Capital Projects
<b>Security:</b>	General Obligation Pledge	General Obligation Pledge	General Obligation Pledge	General Obligation Pledge	General Obligation Pledge
<b>Amount:</b>	\$3,178,000	\$3,178,000	Up to \$3,178,000	Up to \$3,178,000	Up to \$3,178,000
<b>Term:</b>	9.5 Years	Option One: 10 Years Option Two: 15 Years	<b>15 Years</b>	15 Years	15 Years
<b>Interest Rate:</b>	2.29%	Option One: 2.34% Option Two: 3.04%	<b>2.96%</b>	3.44%	With Fee Opportunity: 3.04% Without Fee Opportunity: 3.12%
<b>Interest Rate Reset:</b>	None.	None.	<b>None.</b>	On July 1, 2024, the Bank will have the option to reset the annual interest rate for the then-remaining term to a rate that the bank determines in its sole discretion.	None.
<b>Bank Closing Costs:</b>	Legal Fee not to exceed \$3,500.	\$3,900 Legal Fee.	None.	\$2,500 Legal Fee.	\$3,000 Bank Fee and \$3,000 Legal Fee.
<b>Prepayment Provisions:</b>	Not subject to redemption prior to maturity date.	Prepayment in whole on an anniversary date with a 1% penalty for the first ten years then callable at par thereafter.	Prepayment may be made in whole or in part without penalty. Any partial prepayment will be applied first to the payment of interest and then to unpaid principal.	Prepayment in whole or in part at anytime subject to a "Cost of Prepayment" (i.e. make whole) penalty.	Prepayment in whole or in part at any time with 5 days written notice.
<b>Accept By:</b>	Not Specified.	12/20/2013	Not Specified.	12/19/2013	12/23/2013
<b>Close By:</b>	12/30/2013	1/24/2014	12/31/2013	12/23/2013	12/30/2013
<b>Annual Debt Service:</b> <sup>(1)</sup>	\$374,344	Option One: \$358,279 Option Two: \$272,651	<b>\$262,823</b>	\$271,732	With Fee Opportunity: \$264,289 Without Fee Opportunity: \$265,808
<b>Total Debt Service:</b> <sup>(2)</sup>	\$3,556,272	Option One: \$3,582,785 Option Two: \$3,953,432	<b>\$3,937,150</b>	N/A	With Fee Opportunity: \$3,958,529 Without Fee Opportunity: \$3,980,443
<b>Other Notes/Information:</b>	2.29% interest rate is an indicative quote as of December 10; the actual interest rate shall be set two days prior to closing. The interest rate is subject to a 3% increase in the event of a payment default. The interest rate is subject to a tax gross-up in the event that a Determination of Taxability occurs.	Bond proceeds shall be deposited in a project fund account with BB&T.	The City is responsible for paying or reimbursing the Bank for fees and expenses of its counsel in the event of a post-closing dispute concerning the Bond. Interest will be calculated on a 365/365 basis.	The Bank will have a put option on July 1, 2024. The City will be required to maintain a minimum Baa3/BBB- general obligation public investment grade rating (rating falling below this level with 2 of 3 rating agencies is an event of default). The City shall pay the Bank under customary yield protection provisions additional amounts that will compensate the Bank in the event they become subject to legal, capital or reserve requirements. The City must waive a jury trial.	Fee Opportunity refers to SunTrust's procurement card technology that the City shall consider within 90 days of the award of the financing. Yield Maintenance Language that specifies the interest rate takes into consideration a marginal maximum federal corporate tax rate of 35% and in the event of a decrease in this tax rate, the Bank will adjust the interest rate upwards in order to maintain the same after tax yield. If a determination of taxability event occurs, the rate will also be adjusted upwards to a rate determined necessary to maintain the same after-tax yield.

(1) Annual debt service figures are shown assuming a par amount of \$3,178,000 and are an average based on the term of the financing. For Bank of America Merrill Lynch and BB&T, debt service figures are shown from the amortization schedules provided in the respective proposals.  
(2) Total debt service figures are shown assuming a par amount of \$3,178,000. For Bank of America Merrill Lynch and BB&T, debt service figures are shown from the amortization schedules provided in the respective proposals. For PNC Bank, no total is shown due to rate reset/put feature.

All proposals are subject to the negotiation of mutually satisfactory documentation and final terms between the City and the Bank.  
This summary is not intended to be an all-inclusive list of the terms/conditions provided by each Bank. Please see the individual Bank responses for further details.

Prepared by Davenport & Company LLC  
Tuesday, December 10, 2013

# Disclaimer

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The U.S. Securities and Exchange Commission (the “SEC”) has clarified that a broker, dealer or municipal securities dealer engaging in municipal advisory activities outside the scope of underwriting a particular issuance of municipal securities should be subject to municipal advisor registration. Davenport & Company LLC (“Davenport”) has registered as a municipal advisor with the SEC. As a registered municipal advisor Davenport may provide advice to a municipal entity or obligated person. When acting as a registered municipal advisor Davenport is a fiduciary required by federal law to act in the best interest of a municipal entity or obligated person without regard to its own financial or other interests, except when Davenport acts as an underwriter, as noted below, or as a registered investment advisor. If and when an issuer engages Davenport to provide financial advisory or consultant services with respect to the issuance of municipal securities, Davenport is obligated to evidence such a financial advisory relationship with a written agreement. As a financial advisor, Davenport’s fiduciary obligations to the issuer are the same as those of a registered municipal advisor.

However, should an issuer choose to consider Davenport as an underwriter, under the Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 Davenport is obligated to disclose that the underwriter’s primary role is to purchase securities with a view to distribution in an arm’s length commercial transaction with the issuer and the underwriter has financial and other interests that differ from those of the issuer; unlike a municipal advisor, the underwriter does not have a fiduciary duty to the issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interest of the issuer without regard to its own financial or other interests; the underwriter has a duty to purchase securities from the issuer at a fair and reasonable price, but must balance that duty with its duty to sell municipal securities to investors at prices that are fair and reasonable; the underwriter will review the official statement of the issuer’s securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction. Rule G-17 also requires an underwriter to deal fairly at all times with both municipal issuers and investors. The SEC has clarified that in order for a person to serve as an underwriter with respect to an issuance of municipal securities there must be a relationship to a particular transaction.

Davenport’s compensation when serving as an underwriter is normally contingent on the closing of a transaction. Clients generally prefer this arrangement so they are not obligated to pay a fee unless the transaction is completed. However, MSRB Rule G-17 requires an underwriter to disclose that compensation that is contingent on the closing of a transaction or the size of a transaction presents a conflict of interest, because it may cause the underwriter to recommend a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

This material was prepared by public finance, or other non-research personnel of Davenport. This material was not produced by a research analyst, although it may refer to a Davenport research analyst or research report. Unless otherwise indicated, these views (if any) are the author’s and may differ from those of the Davenport fixed income or research department or others in the firm. Davenport may perform or seek to perform financial advisory, underwriting or placement agent services for the issuers of the securities and instruments mentioned herein.

This material has been prepared for information purposes only and is not a solicitation of any offer to buy or sell any security/instrument or to participate in any trading strategy. Any such offer would be made only after a prospective participant had completed its own independent investigation of the securities, instruments or transactions and received all information it required to make its own investment decision, including, where applicable, a review of any offering circular or memorandum describing such security or instrument. That information would contain material information not contained herein and to which prospective participants are referred. This material is based on public information as of the specified date, and may be stale thereafter. We have no obligation to tell you when information herein may change. We make no representation or warranty with respect to the completeness of this material. Davenport has no obligation to continue to publish information on the securities/instruments mentioned herein. Recipients are required to comply with any legal or contractual restrictions on their purchase, holding, sale, exercise of rights or performance of obligations under any securities/instruments transaction.

The securities/instruments discussed in this material may not be suitable for all investors or issuers. Recipients should seek independent financial advice prior to making any investment decision based on this material. This material does not provide individually tailored investment advice or offer tax, regulatory, accounting or legal advice. Prior to entering into any proposed transaction, recipients should determine, in consultation with their own investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory and accounting characteristics and consequences, of the transaction. You should consider this material as only a single factor in making an investment decision.

The value of and income from investments and the cost of borrowing may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions or companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance and estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes only to simplify the presentation and/or calculation of any projections or estimates, and Davenport does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein. This material may not be sold or redistributed without the prior written consent of Davenport

Resolution No. 2358

A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY AUTHORIZING THE ISSUANCE AND SALE BY CITY OF SALISBURY (THE "CITY") OF ITS GENERAL OBLIGATION INSTALLMENT BOND IN THE PRINCIPAL AMOUNT OF \$3,178,000.00, SUBJECT TO REDUCTION AS PROVIDED HEREIN, PURSUANT TO THE AUTHORITY OF SECTIONS 19-301 TO 19-309, INCLUSIVE, OF ARTICLE 23A OF THE ANNOTATED CODE OF MARYLAND, AS REPLACED, SUPPLEMENTED OR AMENDED, SECTIONS SC7-45 AND SC7-46 OF THE CHARTER OF THE CITY OF SALISBURY, AS PUBLISHED IN MUNICIPAL CHARTERS OF MARYLAND, VOLUME 7, 2008 REPLACEMENT EDITION, AS REPLACED, SUPPLEMENTED OR AMENDED, AND ORDINANCE NO. 2273, PASSED BY THE COUNCIL OF THE CITY PRIOR TO ADOPTION OF THIS RESOLUTION, THE BOND TO BE DESIGNATED "CITY OF SALISBURY PUBLIC IMPROVEMENTS BOND OF 2013" (THE "BOND") AND THE PROCEEDS OF THE SALE THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF FINANCING OR REIMBURSING COSTS OF THE PUBLIC PURPOSE PROJECTS IDENTIFIED HEREIN AS: RIVERWALK, MAINSTREET MASTER PLAN, COTY COX DRAINAGE IMPROVEMENTS, AND GERMANIA CIRCLE, SUBJECT TO THE FURTHER PROVISIONS OF THIS RESOLUTION; PRESCRIBING THE FORM AND TENOR OF THE BOND AND THE TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE THEREOF BY PRIVATE (NEGOTIATED) SALE WITHOUT ADVERTISEMENT OR SOLICITATION OF COMPETITIVE BIDS TO HEBRON SAVINGS BANK; PRESCRIBING THE TERMS AND CONDITIONS OF THE BOND AND OTHER DETAILS INCIDENT TO THE ISSUANCE, SALE AND DELIVERY OF THE BOND AND AUTHORIZING THE MAYOR, ON BEHALF OF THE CITY, WITH THE ADVICE OF CERTAIN IDENTIFIED OFFICIALS, TO DETERMINE TO REDUCE OR ELIMINATE THE AMOUNT OF BOND PROCEEDS TO BE APPLIED TO ANY SUCH PROJECT, TO DETERMINE THE FINAL PRINCIPAL AMOUNT OF THE BOND AND TO ADJUST THE AMORTIZATION SCHEDULE THEREFOR; PROVIDING FOR THE DISBURSEMENT AND INVESTMENT OF THE PROCEEDS OF THE BOND; PROVIDING FOR THE LEVY AND COLLECTION OF AD VALOREM TAXES SUFFICIENT FOR, AND PLEDGING THE FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER OF THE CITY TO, THE PROMPT PAYMENT OF PRINCIPAL AND INTEREST ON THE BOND; PROVIDING THAT THE PRINCIPAL OF AND INTEREST ON THE BOND ALSO MAY BE PAID FROM ANY OTHER SOURCES OF REVENUE LAWFULLY AVAILABLE TO THE CITY FOR SUCH PURPOSE; MAKING OR PROVIDING FOR THE MAKING OF CERTAIN REPRESENTATIONS, COVENANTS AND DESIGNATIONS RELATING TO THE TAX-EXEMPT STATUS OF INTEREST PAYABLE ON THE BOND; AND GENERALLY RELATING TO THE ISSUANCE, SALE, DELIVERY AND PAYMENT OF AND FOR THE BOND.

RECITALS

WHEREAS, City of Salisbury, a municipal corporation of the State of Maryland (the "City"), is authorized and empowered by Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (previously codified as Sections 31 to 37,

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inclusive, of Article 23A of the Annotated Code of Maryland), as replaced, supplemented or amended (the “Enabling Act”), and Sections SC7-45 and SC7-46 of the Charter of the City of Salisbury, as published in Municipal Charters of Maryland, Volume 7, 2008 Replacement Edition, as replaced, supplemented or amended (the “Charter”), to borrow money for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds; and

WHEREAS, pursuant to Ordinance No. 2273, passed by the Council of the City (the “Council”) prior to the adoption of this Resolution (the “Ordinance”), the City authorized the issuance and sale from time to time, upon its full faith and credit, of one or more series of bonds in an aggregate principal amount not to exceed Three Million One Hundred Seventy-eight Thousand Dollars (\$3,178,000.00) (the “Authorized Bonds”); and

WHEREAS, the Ordinance provides that the proceeds of the sale of the Authorized Bonds are to be used and applied for the public purpose of financing, reimbursing or refinancing the costs of certain projects identified in Section 3(b) of the Ordinance as Riverwalk, Main Street Master Plan, Coty Cox Drainage Improvements and Germania Circle (the “Authorized Projects”); and

WHEREAS, the Ordinance further provides that the Authorized Bonds may be issued from time to time in one or more series and that any such series may be issued as one or more bonds and that any bond may be issued in installment form; and

WHEREAS, the City has determined that it is in a position to proceed with a sale of the Authorized Bonds and desires to sell a series of the Authorized Bonds in the maximum principal amount authorized by the Ordinance, subject to reduction as provided herein, and in the form of a single general obligation installment bond; and

WHEREAS, as authorized by Section SC7-46 of the Charter, and based on the recommendation of Davenport & Company LLC, the financial advisor to the City, that current market conditions warranted a sale of the Authorized Bonds by private (negotiated) sale without advertisement or solicitation of competitive bids due to the ability in the current municipal capital market to achieve favorable interest rates through a private (negotiated) sale, the ability to time the market, the ability to negotiate with potential purchasers and the lower costs of issuance typically associated with a private (negotiated) sale, Davenport & Company LLC, with the participation of the Director of Internal Services of the City (the “Director of Internal Services”) and bond counsel to the City, provided for the distribution to banking institutions and other institutional investors in the general vicinity of the City and in the Baltimore-Washington, D.C. regional area of a solicitation for indications of interest dated November 25, 2013 for the purchase of such bond in the maximum aggregate principal amount of up to \$3,178,000.00, and to be issued on a tax-exempt basis, in order to determine the potential purchaser likely to offer the most beneficial interest rate and satisfactory other terms and, thereby, to obtain for the City, as nearly as possible, the best possible results for the sale of such bond without conducting a public sale by the solicitation of competitive bids; and

WHEREAS, potential respondents were asked to submit proposals providing for a bond maturing on July 1, 2028; and

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WHEREAS, five proposals were received in response to such solicitation for indications of interest, and the financial advisor to the City and the Director of Internal Services recommend that Hebron Savings Bank be selected as the purchaser of the bond because Hebron Savings Bank offered to purchase the bond for the City's preferred almost 15-year term, with very advantageous prepayment rights and other satisfactory terms; and

WHEREAS, the Council has determined that it is in the best interests of the City and its citizens to issue and sell a single series of the Authorized Bonds in the form of a single general obligation installment bond with annual serial installments in accordance with, and pursuant to, the authority contained in the Enabling Act, the Charter and the Ordinance, and upon the terms and conditions set forth in this Resolution, the proceeds of which general obligation installment bond are to be used and applied as herein set forth; and

WHEREAS, the maximum \$3,178,000.00 aggregate principal amount of the bond provided for herein shall not cause the City to exceed the debt limit provided for in Charter Section SC7-48.

SECTION 1. NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that (a) the Recitals hereto constitute an integral part of this Resolution and are incorporated herein by reference. Capitalized terms used in the Recitals to this Resolution and not otherwise defined herein shall have the meanings given to such terms in the Recitals.

(b) References in this Resolution to any official by title shall be deemed to refer (i) to any official authorized under the Charter or other applicable law to act in such titled official's stead during the absence or disability of such titled official, (ii) to any person who has been elected, appointed or designated to fill such position in an acting capacity under the Charter or other applicable law, (iii) to any person who serves in a "Deputy" or "Assistant" capacity as such an official, provided that the applicable responsibilities, rights or duties referred to herein have been delegated to such deputy or assistant in accordance with applicable law or authority, and/or (iv) to the extent an identified official commonly uses another title not provided for in the Charter or the code of ordinances of the City (the "City Code"), the official, however known, who is charged under the Charter, the City Code or other applicable law or authority with the applicable responsibilities, rights or duties referred to herein.

SECTION 2. BE IT FURTHER RESOLVED that (a) pursuant to the authority of the Enabling Act, the Charter and the Ordinance, and subject to the provisions of Section 3 hereof, the City hereby determines to borrow money and incur indebtedness for the public purpose of financing or reimbursing the costs of the following public purpose projects in the maximum principal amount set forth opposite each such project (exclusive of any investment earnings that may be applied for such purposes):

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	<u>Project Name</u>	<u>Maximum Principal Amount</u>
1.	Riverwalk	\$1,600,000.00
2.	Mainstreet Master Plan	268,000.00
3.	Coty Cox Drainage Improvements	1,200,000.00
4.	Germania Circle	110,000.00
<b>TOTAL</b>		<b><u>\$3,178,000.00</u></b>

The projects identified in items 1-4 above are collectively referred to herein as the “Projects” and individually as a “Project”.

(b) With respect to the Projects listed above, the word “costs” shall include, as applicable, land and right-of-way acquisition and development; site and utility improvements; acquisition, construction, expansion, demolition, reconstruction, replacement, renovation, rehabilitation, improvement, installation, furnishing and equipping activities and expenses, and related or similar costs; planning, design, engineering, architectural, feasibility, inspection, construction management, surveying, permitting, financial and legal expenses, and related or similar costs; costs of issuance (which may include costs of bond insurance or other credit or liquidity enhancement); interest during construction and for a reasonable period thereafter (whether or not expressly so stated); and any such costs that may represent the City’s share or contribution to the financing or reimbursement of costs of any such Project.

(c) Notwithstanding the provisions of subsection (a) above, in the event the Mayor of the City (the “Mayor”), with the assistance of the City Administrator of the City (the “City Administrator”) and the Director of Internal Services, determines prior to the issuance and delivery of the Bond that other moneys are available or are substantially likely to be available to pay any portion of the costs of any one or more of the Projects, the Mayor is hereby authorized and empowered, on behalf of the City, to determine to reduce and/or eliminate the maximum principal amount of proceeds of the Bond identified in Section 3 hereof to be applied to the costs of any one or more of the Projects identified in subsection (a) above (exclusive of any investment earnings that may be applied for such purpose). Any such reduction or elimination in the maximum principal amount of proceeds of the Bond to be applied to costs of any such Project (exclusive of any investment earnings that may be applied for such purpose), shall be evidenced conclusively by the Mayor’s execution and delivery of the Section 148 Certificate provided for in Section 13 hereof. The Mayor is also hereby authorized, but not required, to execute an executive order providing for such reduction or elimination. In any such event, the final principal amount of the Bond will be reduced from \$3,178,000.00 in accordance with the provisions of Section 3 hereof.

(d) Proceeds of the Bond identified in Section 3 below are hereby appropriated and allocated to pay costs of the Projects in the maximum principal amount specified for each Project in subsection (a) above (exclusive of any investment earnings that may be applied for such purposes), subject to adjustments as to such amounts as provided for in subsection (c) above; provided that, the City, without notice to or the consent of the registered owner of the Bond, may reallocate the maximum principal amount of the proceeds of the Bond to be spent among the Projects identified in

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such subsection (a), as adjusted as provided in subsection (c), in compliance with applicable City budgetary procedures or applicable law, including, to the extent applicable, by resolution. Further, it is the intention of the Council that proceeds of the Bond provided for in Section 3 of this Resolution may be spent on any applicable costs (as defined in subsection (b) above).

SECTION 3. BE IT FURTHER RESOLVED that (a) to evidence the borrowing and indebtedness authorized in Section 2 of this Resolution, the City, acting pursuant to the authority of the Enabling Act, the Charter and the Ordinance, hereby determines to issue and sell, upon its full faith and credit, its general obligation installment bond in the principal amount of Three Million One Hundred Seventy-eight Thousand Dollars (\$3,178,000.00) or, in the event it is determined in accordance with the provisions of Section 2(c) of this Resolution prior to issuance of the Bond identified in the next sentence that the City does not need to issue the maximum principal amount provided for any of the Projects identified in Section 2(a) of this Resolution, the Bond shall be issued in such lesser principal amount as the Mayor shall determine with the assistance of the financial advisor to the City, the City Administrator and the Director of Internal Services. Such bond shall be designated the “City of Salisbury Public Improvements Bond of 2013” (the “Bond”).

(b) In the event the Mayor, with the advice of the financial advisor to the City, the City Administrator and the Director of Internal Services, determines in accordance with Section 2(c) of this Resolution that the City does not need to issue the maximum principal amount provided for any of the Projects identified in Section 2(a) of this Resolution, the Mayor, on behalf of the City, is hereby authorized and empowered to approve the final lesser principal amount of the Bond, such approval to be evidenced conclusively by the Mayor’s execution and delivery of the Bond reflecting such lesser principal amount in accordance with Sections 6 and 8 hereof.

SECTION 4. BE IT FURTHER RESOLVED that (a) the Bond shall be dated the date of its delivery and shall be issued in the form of a single, fully-registered bond, without coupons attached. The Bond shall mature, subject to prior prepayment as provided for in accordance with Section 5 of this Resolution, on July 1, 2028. Subject to the remaining provisions of this subsection (a), principal of the Bond shall be payable in fifteen (15) annual serial installments on July 1 of each year, commencing July 1, 2014 and ending on July 1, 2028, subject to prior prepayment as provided for in accordance with Section 5 of this Resolution, as follows:

<u>Date</u>	<u>Principal Installment</u>	<u>Date</u>	<u>Principal Installment</u>
July 1, 2014	\$170,000	July 1, 2022	\$216,000
July 1, 2015	176,000	July 1, 2023	223,000
July 1, 2016	181,000	July 1, 2024	230,000
July 1, 2017	187,000	July 1, 2025	237,000
July 1, 2018	192,000	July 1, 2026	244,000
July 1, 2019	198,000	July 1, 2027	251,000
July 1, 2020	204,000	July 1, 2028	259,000
July 1, 2021	210,000		

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The foregoing principal amortization schedule was prepared by the financial advisor to the City and assumes that the Bond will be issued and delivered on December 27, 2013 in the principal amount of Three Million One Hundred Seventy-eight Thousand Dollars (\$3,178,000.00). The Mayor, on behalf of the City, with the advice of the financial advisor to the City, the City Administrator and the Director of Internal Services, prior to the issuance and delivery of the Bond, is hereby authorized and empowered to make revisions to such principal amortization schedule (i) to reflect any reduction of the final principal amount of the Bond as contemplated in Sections 2 and 3 hereof, (ii) to reflect a different date of issuance of the Bond, and/or (iii) to correct typographical or calculation errors, such revised amortization schedule to be prepared by the financial advisor to the City or the Purchaser of the Bond provided for in Section 9 hereof and reflected in the executed and delivered Bond, and the Mayor's approval thereof to be evidenced conclusively by his execution and delivery of the Bond as provided for in Sections 6 and 8 hereof.

(b) The Bond shall bear interest from its date of delivery at the rate of two and ninety-six hundredths percent (2.96%) per annum.

(c) Interest on the Bond shall be payable on January 1 and July 1 in each year until maturity or prior prepayment in full, commencing on July 1, 2014; provided that, the last installment of interest shall be paid on the date that principal of the Bond is retired or prepaid in full. The Bond shall bear interest from the most recent date to which interest has been paid or, if no interest has been paid, from the date of its delivery. Interest shall be computed on a 365/365-day basis. For purposes of calculating the interest due on the Bond, unpaid outstanding principal on any date shall be an amount equal to the original principal amount of the Bond, less any principal installment paid in accordance with the final amortization schedule for the Bond, and less any principal prepaid in accordance with Section 5 below.

(d) The registered owner of the Bond shall provide written notice to the Director of Internal Services of the interest and, if applicable, principal due on the Bond on each interest payment date at least ten (10) days prior to such interest payment date, or such fewer number of days as is acceptable to the Director of Internal Services, but failure to deliver such notice shall not affect the amount of, or the City's obligation to pay, principal or interest due on the Bond. The date and amount of each principal installment payment made by the City on the Bond shall be noted by the registered owner of the Bond on its books and records, which notation when made will be presumed correct absent manifest error. The registered owner's failure to make appropriate notation of any such principal installment payment shall not limit or otherwise affect the City's obligations hereunder.

(e) If a principal payment date or interest payment date falls on a Saturday, Sunday or a day on which the City, banks in the State of Maryland and/or banks in the state in which the registered owner of the Bond is located are not required to be open, payment may be made on the next succeeding day that is not a Saturday, Sunday or a day on which the City, banks in the State of Maryland and/or banks in the state in which the registered owner of the Bond is located are not required to be open, and no interest shall accrue on the scheduled amount owed for the intervening period.

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(f) Principal of and interest on the Bond shall be payable in lawful money of the United States of America. The principal of the Bond, at maturity or upon prior prepayment in full, shall be payable by check or draft at the office of the Director of Internal Services in Salisbury, Maryland, unless the Director of Internal Services and the registered owner of the Bond agree on a different place or manner of payment. Principal of the Bond, prior to maturity or prior prepayment in full, and interest on the Bond will be payable by check or draft mailed to the registered owner thereof at the address designated by the registered owner in writing to the Director of Internal Services unless the Director of Internal Services and the registered owner agree on a different manner of payment. The Director of Internal Services, on behalf of the City, is hereby authorized and empowered to make the agreements provided for in this Section 4(f).

SECTION 5. BE IT FURTHER RESOLVED that the Bond shall be subject to prepayment prior to maturity at the option of the City in whole or in part at any time, at a prepayment price of the par amount of the Bond outstanding to be prepaid, plus accrued interest on the principal amount being prepaid to the date fixed for prepayment, without premium or penalty, and with or without advance notice to the registered owner of the Bond. If the City determines to prepay the Bond in part, the amount of prepayment shall be applied first to the payment of accrued interest and then to the prepayment of principal in such order of installment as the City shall determine. Any notice of optional prepayment given by the City shall be given by mailing or otherwise giving to such registered owner (including, without limitation, by electronic means), a notice fixing the prepayment date, indicating the principal amount of the Bond to be prepaid and, if the Bond is to be prepaid in part, the future installments against which such partial prepayment shall be applied. Any such notice may be conditioned upon receipt of funds sufficient to effect such prepayment.

SECTION 6. BE IT FURTHER RESOLVED that the Bond shall be executed in the name of the City and on its behalf by the Mayor. The corporate seal of the City shall be affixed to the Bond and attested by the signature of the City Clerk of the City (the "City Clerk"). In the event any official of the City whose signature appears on the Bond shall cease to be such official prior to the delivery of the Bond, or, in the event any such official whose signature appears on the Bond shall have become such after the date of issue thereof, the Bond shall nevertheless be a valid and binding obligation of the City in accordance with its terms.

SECTION 7. BE IT FURTHER RESOLVED that the Bond shall be transferable only upon the books kept for that purpose by the Director of Internal Services at Salisbury, Maryland, by the registered owner thereof in person or by the registered owner's attorney duly authorized in writing, upon surrender thereof, together with (i) a written instrument of transfer in a form satisfactory to the Director of Internal Services and duly executed by the registered owner or the registered owner's duly authorized attorney and (ii) a written covenant and agreement substantially in substance as described in Section 9(b) hereof duly executed by the transferee. Upon such transfer there shall be issued in the name of the transferee a new registered Bond of the same series in principal amount equal to the unpaid principal amount of the Bond surrendered, and with the same maturity date and installment payment dates and amounts (or then-remaining installment payment dates and amounts, as applicable) and bearing interest at the same rate.

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SECTION 8. BE IT FURTHER RESOLVED that except as provided hereinafter or in a resolution or resolutions of the Council adopted prior to the issuance of the Bond, the Bond shall be issued substantially in the form attached hereto as Exhibit A and incorporated by reference herein. Appropriate variations and insertions may be made by the Mayor to such form to provide dates, numbers, amounts and other terms (including, without limitation, to reflect matters determined in accordance with Sections 2, 3 and 4 hereof), and modifications not altering the substance of the Bond to carry into effect the purposes of this Resolution or to comply with recommendations of legal counsel. All of the covenants contained in the form of the Bond as finally executed and delivered by the Mayor in accordance with the provisions of Section 6 hereof and this Section 8 are hereby adopted by the City as and for the form of obligation to be incurred by the City, and the covenants and conditions contained therein are hereby made binding upon the City, including the promise to pay therein contained. The execution and delivery of the Bond by the Mayor in accordance with this Resolution shall be conclusive evidence of the approval by the Mayor of the final form of the Bond and of any variations, insertions, omissions, notations, legends or endorsements authorized by this Resolution.

SECTION 9. BE IT FURTHER RESOLVED that (a) the City hereby ratifies, confirms, approves and adopts as actions of the City all actions taken by the financial advisor to the City, the Director of Internal Services and bond counsel to the City, on behalf of the City, to identify the banking institution or institutional investor which offered the most beneficial interest rate for the Bond and satisfactory prepayment and other terms, including, without limitation, the preparation, execution, delivery and circulation of the request for indications of interest dated November 25, 2013 and further communications with respondents to the solicitation in order to clarify terms of their proposals. The City hereby determines that it shall be in the best interests of the City to sell the Bond by private (negotiated) sale without advertisement or solicitation of competitive bids to Hebron Savings Bank (by whatever legal name known), which submitted the most advantageous proposal to the City for the purchase of the Bond pursuant to such solicitation, which sale on a negotiated basis is hereby deemed by the City to be in its best interest and in the interest of its citizens due to the ability in the current municipal capital market to achieve favorable interest rates through a private (negotiated) sale, the ability to time the market, the ability to negotiate with potential purchasers and the lower costs of issuance typically associated with a private (negotiated) sale and the resulting attractive interest rate, favorable prepayment terms and satisfactory other terms. Therefore, and pursuant to the authority of the Enabling Act, the Charter and the Ordinance, the Bond shall be sold by private (negotiated) sale without advertisement or solicitation of competitive bids to Hebron Savings Bank (by whatever legal name known, the "Purchaser"), for a price of par, with no payment of accrued interest.

(b) The Bond shall be sold for investment purposes only and not for resale to the general public. Accordingly, as a condition to delivery of the Bond and prior to the issuance of the Bond, the Purchaser shall furnish to the City a certificate acceptable to bond counsel to the City generally to the effect that (i) the Purchaser has such knowledge and experience in financial and business matters, including purchase and ownership of tax-exempt municipal obligations, that it is capable of evaluating the risks and merits of the investment represented by the purchase of the Bond; (ii) the Purchaser has made its own independent and satisfactory inquiry of the

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financial condition of the City, including inquiry into financial statements and other information relating to the financial condition of the City to which a reasonable investor would attach significance in making investment decisions, and of any other matters deemed to be relevant to a reasonably informed decision to purchase the Bond; (iii) the Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City and the Bond, all so that as a reasonable investor the Purchaser has been able to make a reasonably informed decision to purchase the Bond; (iv) the Purchaser is purchasing the Bond for investment purposes only (and not as an “underwriter” or “Participating Underwriter” as defined in Securities and Exchange Commission Rule 15c2-12, as replaced, supplemented or amended) and is not purchasing for more than one account or with a view to distributing the Bond; (v) if the Bond is subsequently sold, transferred or disposed of, such sale, transfer or disposition will be made only in compliance with federal and state securities laws and any other applicable laws; and (vi) the Purchaser understands and acknowledges that (A) the Bond (1) is not being registered under the Securities Act of 1933, as amended, and is not being registered or otherwise qualified for sale under the “blue sky” laws and regulations of any state, (2) will not be listed on any stock or other securities exchange, (3) will carry no rating from any rating service, and (4) will not be readily marketable, and (B) no disclosure document is being prepared in connection with the issuance and sale of the Bond.

SECTION 10. BE IT FURTHER RESOLVED that the Bond shall be suitably prepared in definitive form, executed and delivered to the Purchaser on such date as shall be mutually acceptable to the Director of Internal Services, the Purchaser and bond counsel to the City, contemporaneously with the receipt of the purchase price for the Bond; provided that, the Bond shall not be delivered on a date later than December 31, 2013 without the prior written consent of the Purchaser, which consent shall be granted or withheld in the sole discretion of the Purchaser. The Mayor and/or the City Administrator, on behalf of the City, are hereby authorized and empowered to negotiate, execute and deliver any commitment letter or proposal required by the Purchaser, and the Mayor, the City Administrator, the Director of Internal Services, the City Clerk and all other appropriate officials and employees of the City are expressly authorized, empowered and directed to take any and all action necessary to complete and close the issuance, sale and delivery of the Bond to the Purchaser, to negotiate, approve, execute and deliver all documents, certificates and instruments necessary or appropriate in connection therewith, including to reflect any requirements specified by the Purchaser in its proposal, including, without limitation, the obligation of the City to pay or reimburse the Purchaser for the fees and expenses of the law firm designated by the Purchaser in the event of a dispute concerning the Bond that arises between the City and the Purchaser following issuance and delivery of the Bond, and to consummate the transactions contemplated by this Resolution.

SECTION 11. BE IT FURTHER RESOLVED that (a) the Director of Internal Services or, in his absence, one of the Assistant Directors of Internal Services, is hereby designated and authorized to receive payment on behalf of the City of the proceeds of the sale of the Bond contemporaneously with the delivery of the Bond. Any portion of the purchase price for the Bond may be disbursed by the Purchaser directly to third parties at the direction of the appropriate City official or officials, and any such disbursement to third parties at the direction of the appropriate City official or officials shall be deemed to constitute receipt of the proceeds of the Bond for

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purposes of this Section 11. Any proceeds of the Bond physically received by the City shall be deposited in the proper account or accounts of the City, may be invested within the limits prescribed by Maryland and federal law, and shall be used and applied exclusively to pay or reimburse the costs of the Projects as described herein. If the proceeds received from the sale of the Bond exceed the amount needed for the public purposes hereinabove described, the amount of such unexpended excess shall be set apart in a separate fund or funds and applied to pay subsequent debt service payments on the Bond or to prepay the Bond, unless a supplemental ordinance or resolution, as applicable, is passed by the Council to provide for the expenditure of such unexpended excess for some other valid purpose authorized by the Enabling Act, the Charter or other applicable law. Investment earnings on proceeds of the Bond, if any, held by the City may be applied to pay costs of the Projects, to pay subsequent debt service payments on the Bond or to prepay the Bond, unless a supplemental ordinance or resolution, as applicable, is passed by the Council to provide for the expenditure of such earnings for some other valid purpose authorized by the Enabling Act, the Charter or other applicable law. Nothing in this Resolution shall be construed to authorize the expenditure of any moneys except for a proper public purpose.

SECTION 12. BE IT FURTHER RESOLVED that (a) for the purpose of paying the principal of and interest on the Bond when due, the City shall levy or cause to be levied in all fiscal years in which the Bond is outstanding, upon all real and tangible personal property within its corporate limits subject to assessment for unlimited municipal taxation, ad valorem taxes in rate and amount sufficient to provide for the prompt payment of the principal of and interest on the Bond due in each such fiscal year. If the proceeds from the taxes so levied in any such fiscal year are inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up such deficiency.

(b) The full faith and credit and unlimited taxing power of the City are hereby irrevocably pledged to the prompt payment of the principal of and interest on the Bond as and when they become due and payable and to the levy and collection of the taxes hereinabove described as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Bond. The City hereby covenants and agrees with the registered owner, from time to time, of the Bond to levy and collect the taxes hereinabove described and to take any further action that lawfully may be appropriate from time to time during the period that the Bond remains outstanding and unpaid to provide the funds necessary to pay promptly the principal thereof and the interest due thereon.

(c) The foregoing provisions of this Section 12 shall not be construed so as to prohibit the City from paying the principal of and interest on any portion of the Bond from the proceeds of the sale of any other obligations of the City or from any other funds legally available for that purpose. Subject to the provisions of Sections 13 and 14 of this Resolution, the City may apply to the payment of the principal of or interest on the Bond any funds received by it from the State of Maryland or the United States of America, or any governmental agency or instrumentality, or from any other source, if the funds are granted, paid or are otherwise available to the City for the purpose of assisting the City in accomplishing the types of projects which the Bond is issued to finance or reimburse, and to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

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SECTION 13. BE IT FURTHER RESOLVED that (a) (i) the Mayor and (ii) either (A) the City Administrator or (B) the Director of Internal Services are the officials of the City responsible for the issuance of the Bond within the meaning of Section 1.148-2(b)(2) of the U.S. Treasury Regulations (the “Treasury Regulations”). The Mayor and either of (i) the City Administrator and (ii) the Director of Internal Services also shall be the officials of the City responsible for the execution and delivery (on the date of the issuance of the Bond) of a certificate of the City (the “Section 148 Certificate”) that complies with the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and the Treasury Regulations, and such officials are hereby authorized and directed to execute and deliver the Section 148 Certificate to counsel rendering an opinion on the validity and tax-exempt status of the Bond on the date of the issuance thereof.

(b) The City shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Bond or of any monies, securities or other obligations to the credit of any account of the City which may be deemed to be proceeds of the Bond pursuant to Section 148 of the Code or the Treasury Regulations (collectively, the “Bond Proceeds”). The City covenants with the registered owner of the Bond that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the City’s reasonable expectations on the date of issuance of the Bond and will be, to the best of the certifying officials’ knowledge, true and correct as of that date.

(c) The City covenants with the registered owner of the Bond that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Bond Proceeds that would cause the Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code and the Treasury Regulations, and that it will comply with those provisions of Section 148 of the Code and the Treasury Regulations as may be applicable to the Bond on its date of delivery and which may subsequently lawfully be made applicable to the Bond as long as the Bond remains outstanding and unpaid.

(d) In connection with their execution and delivery of the Section 148 Certificate, the authorized officials identified in this Section 13 are hereby authorized and empowered, on behalf of the City, to make any designations, elections, determinations or filings on behalf of the City provided for in or permitted by the Code and the Treasury Regulations and to reflect the same in the Section 148 Certificate and/or the IRS Form 8038-G filed in connection with the issuance of the Bond or any other documentation deemed appropriate by bond counsel to the City; provided that, only one of such identified officials must sign the IRS Form 8038-G.

SECTION 14. BE IT FURTHER RESOLVED that the City specifically covenants that it will comply with the provisions of the Code and the Treasury Regulations applicable to the Bond, including, without limitation, compliance with provisions regarding the timing of the expenditure of the proceeds of the Bond, the use of such proceeds and the facilities financed with such proceeds, the restriction of investment yields, the filing of information with the Internal Revenue Service, and the rebate of certain earnings resulting from the investment of the proceeds of the Bond or payments in lieu thereof. The City further covenants that it shall make such use of the proceeds of the Bond,

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regulate the investment of the proceeds thereof and take such other and further actions as may be required to maintain the exemption from federal income taxation of interest on the Bond. All officials, officers, employees and agents of the City are hereby authorized and directed to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Bond as may be necessary or appropriate.

SECTION 15. BE IT FURTHER RESOLVED that for purposes of Section 148(f)(4)(D) of the Code (relating to the exception for small governmental units from the arbitrage rebate requirement) the City represents and certifies that (i) the City has general taxing powers, (ii) the Bond is not a “private activity bond” within the meaning of Section 141 of the Code, (iii) at least ninety-five percent (95%) of the proceeds of the Bond are to be used for local governmental activities of the City, and (iv) the aggregate face amount of all tax-exempt bonds (other than “private activity bonds” within the meaning of the Code) issued by the City (and all on-behalf-of issuers and subordinate entities of the City) during calendar year 2013 is not reasonably expected to exceed Five Million Dollars (\$5,000,000.00).

SECTION 16. BE IT FURTHER RESOLVED that the City hereby designates the Bond as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code (relating to the exception from the disallowance of the deduction for that portion of a financial institution’s interest expense that is allocable to tax-exempt interest), and, in connection therewith, represents and certifies that (i) the Bond is not a “private activity bond” within the meaning of Section 141 of the Code, (ii) the reasonably anticipated amount of tax-exempt obligations (excluding private activity bonds other than “qualified 501(c)(3) bonds” within the meaning of Section 145 of the Code), which will be issued by the City (and all on-behalf-of issuers and subordinate entities of the City) during calendar year 2013 does not exceed Ten Million Dollars (\$10,000,000.00), and (iii) not more than Ten Million Dollars (\$10,000,000.00) of obligations issued by the City (and all on-behalf-of issuers and subordinate entities of the City) during calendar year 2013, including the Bond, have been designated or, except as permitted by Section 265(b)(3) of the Code, will be designated, qualified tax-exempt obligations of the City.

SECTION 17. BE IT FURTHER RESOLVED that this Resolution shall become effective upon adoption by the Council and approval by the Mayor; provided that, the Bond may not be issued and delivered unless the Ordinance becomes effective in accordance with its terms. Pursuant to Charter Section SC7-46A, this Resolution may not be petitioned to referendum.

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THIS RESOLUTION was introduced and duly adopted at a meeting of the Council of the City of Salisbury held on the \_\_\_\_\_ day of \_\_\_\_\_, 2013.

ATTEST:

\_\_\_\_\_  
Kimberly R. Nichols, City Clerk

\_\_\_\_\_  
Jacob R. Day, City Council President

APPROVED BY ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2013:

\_\_\_\_\_  
James Ireton, Jr., Mayor

#159305;58111.023

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EXHIBIT A

(Form of Bond)

No. R-\_\_ UNITED STATES OF AMERICA  
STATE OF MARYLAND  
CITY OF SALISBURY \$\_\_\_\_\_

PUBLIC IMPROVEMENTS BOND OF 2013

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Date</u>
July 1, 2028	_____%	_____, 2013

Registered Owner:

Principal Sum: DOLLARS

IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER ALL OR ANY PORTION OF THE PRINCIPAL AMOUNT HAS BEEN PAID OR PREPAID. EACH PAYMENT OR PREPAYMENT OF A PRINCIPAL INSTALLMENT SHALL BE NOTED BY THE REGISTERED OWNER OF THIS BOND ON ITS BOOKS AND RECORDS, WHICH NOTATION WHEN MADE WILL BE PRESUMED CORRECT ABSENT MANIFEST ERROR. THE REGISTERED OWNER'S FAILURE TO MAKE APPROPRIATE NOTATION OF ANY SUCH PAYMENT OR PREPAYMENT SHALL NOT LIMIT OR OTHERWISE AFFECT THE OBLIGATIONS OF THE CITY HEREUNDER AND SHALL NOT AFFECT THE VALID PAYMENT AND DISCHARGE OF SUCH OBLIGATION EFFECTED BY SUCH PAYMENT OR PREPAYMENT.

City of Salisbury, a municipal corporation organized and existing under the Constitution and laws of the State of Maryland (the "City"), hereby acknowledges itself indebted for value received and promises to pay to the registered owner shown above, or registered assignee or legal representative, the Principal Sum shown above, payable in fifteen (15) annual serial installments on

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July 1, commencing July 1, 2014, plus interest on the unpaid balance as set forth herein, subject to prior prepayment as hereinafter provided, as follows:

<u>Date</u>	<u>Principal Installment</u>	<u>Date</u>	<u>Principal Installment</u>
July 1, 2014		July 1, 2022	
July 1, 2015		July 1, 2023	
July 1, 2016		July 1, 2024	
July 1, 2017		July 1, 2025	
July 1, 2018		July 1, 2026	
July 1, 2019		July 1, 2027	
July 1, 2020		July 1, 2028	
July 1, 2021			

This bond shall bear interest on the unpaid outstanding principal balance from the date of its delivery at an annual rate which is equal to two and ninety-six hundredths percent (2.96%) per annum.

Interest on this bond shall be payable on January 1 and July 1 in each year until maturity or prior prepayment in full, commencing on July 1, 2014. This bond shall bear interest from the most recent date to which interest has been paid or, if no interest has been paid, from the date of its delivery.

Interest shall be computed on the basis of a 365/365-day year. For purposes of calculating the interest due on this bond, unpaid outstanding principal on any date shall be an amount equal to the original principal amount of this bond, less any principal installment paid as described above, and less any principal prepaid as described below. The registered owner of this bond shall provide written notice to the Director of Internal Services of the City (the “Director of Internal Services”) of the interest and any principal due on this bond on each interest payment date at least ten (10) days prior to such interest payment date, or such fewer number of days as is acceptable to the Director of Internal Services, but failure to provide such notice shall not affect the amount of, or the City’s obligation to pay, principal or interest due on this bond.

Principal of and interest on this bond shall be payable in lawful money of the United States of America. The principal of this bond, at maturity or upon prior prepayment in full, shall be payable by check or draft at the office of the Director of Internal Services in Salisbury, Maryland, unless the Director of Internal Services and the registered owner agree on a different place or manner of payment. Principal of this bond, prior to maturity or prior prepayment in full, and interest on this bond will be payable by check or draft mailed to the registered owner at the address designated by the registered owner in writing to the Director of Internal Services, unless the Director of Internal Services and the registered owner hereof agree on a different manner of payment. If a principal payment date or interest payment date falls on a Saturday, Sunday or a

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day on which the City, banks in the State of Maryland and/or banks in the state in which the registered owner of this bond is located are not required to be open, payment may be made on the next succeeding day that is not a Saturday, Sunday or a day on which the City, banks in the State of Maryland and/or banks in the state in which the registered owner of this bond is located are not required to be open, and no interest shall accrue on the scheduled amount owed for the intervening period.

This bond is the duly authorized bond of the City, aggregating \$\_\_\_\_\_.00 in principal amount, dated the date of its delivery and designated “City of Salisbury Public Improvements Bond of 2013”. This bond is issued pursuant to and in full conformity with the provisions of Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (previously codified as Sections 31 to 37, inclusive, of Article 23A of the Annotated Code of Maryland), as replaced, supplemented or amended, and Sections SC7-45 and SC7-46 of the Charter of the City of Salisbury, as published in Municipal Charters of Maryland, Volume 7, 2008 Replacement Edition, as replaced, supplemented or amended, and by virtue of due proceedings had and taken by the Council of the City (the “Council”), particularly Ordinance No. 2273, which was passed by the Council on December \_\_, 2013, approved by the Mayor of the City (the “Mayor”) on December \_\_, 2013 and became effective on December \_\_, 2013 (the “Ordinance”), and Resolution No. \_\_\_\_\_, which was adopted by the Council on December \_\_, 2013, approved by the Mayor on December \_\_, 2013 and became effective on December \_\_, 2013 (the “Resolution”).

This bond is transferable only upon the books kept for that purpose at the office of the Director of Internal Services, by the registered owner hereof in person, or by his duly authorized attorney, upon surrender hereof, together with (i) a written instrument of transfer in the form attached hereto and satisfactory to the Director of Internal Services and duly executed by the registered owner or his duly authorized attorney and (ii) a written covenant and agreement substantially in substance as described in Section 9(b) of the Resolution duly executed by the transferee.

This bond may be transferred or exchanged at the office of the Director of Internal Services. Upon any such transfer or exchange, the City shall issue a new registered bond of the same series in denomination equal to the unpaid principal amount of the bond surrendered, and with the same maturity date, principal installment dates and principal installment payment amounts (or then-remaining installment payment dates and amounts, as applicable) and bearing interest at the same rate. In each case, the Director of Internal Services may require payment by the registered owner of this bond requesting transfer or exchange hereof of any tax, fee or other governmental charge, shipping charges and insurance that may be required to be paid with respect to such transfer or exchange, but otherwise no charge shall be made to the registered owner hereof for such transfer or exchange.

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The City may deem and treat the party in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

This bond is subject to prepayment in whole or in part at any time, at the option of the City, at a prepayment price of the par amount of this bond outstanding to be prepaid, plus accrued interest on the principal amount being prepaid to the date fixed for prepayment, without premium or penalty, and with or without advance notice to the registered owner of this bond. If the City determines to prepay this bond in part, the amount of prepayment shall be applied first to the payment of accrued interest and then to the prepayment of principal in such order of installment as the City shall determine. Any notice of optional prepayment given by the City shall be given by mailing or otherwise giving to such registered owner (including, without limitation, by electronic means), a notice fixing the prepayment date, indicating the principal amount of this bond to be prepaid and, if this bond is to be prepaid in part, the future installments against which such partial prepayment shall be applied. Any such notice may be conditioned upon receipt of funds sufficient to effect such prepayment.

The full faith and credit and unlimited taxing power of City of Salisbury are hereby unconditionally and irrevocably pledged to the payment of the principal of and interest on this bond according to its terms, and the City does hereby covenant and agree to pay punctually the principal of and the interest on this bond, at the dates and in the manner mentioned herein, according to the true intent and meaning hereof.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened or to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland, the Ordinance and the Resolution, and that this bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of Maryland and that due provision has been made for the levy and collection of an annual ad valorem tax or taxes upon all the legally assessable property within the corporate limits of the City in rate and amount sufficient to provide for the payment, when due, of the principal of and interest on this bond.

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IN WITNESS WHEREOF, City of Salisbury has caused this bond to be executed in its name by the manual signature of the Mayor and its corporate seal to be affixed hereto, attested by the manual signature of the City Clerk, all as of the \_\_\_\_\_ day of \_\_\_\_\_, 2013.

(SEAL)

ATTEST:

CITY OF SALISBURY

By: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Mayor

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(Form of Instrument of Transfer)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF ASSIGNEE

\_\_\_\_\_  
\_\_\_\_\_

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS,  
INCLUDING ZIP CODE OF ASSIGNEE)

the within bond and all rights thereunder and does hereby constitute and appoint \_\_\_\_\_

attorney to transfer the within bond on the books kept for the registration thereof, with full power of  
substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Notice: Signatures must be guaranteed by a  
member firm of the New York Stock  
Exchange or a commercial bank or trust  
company.

\_\_\_\_\_  
Notice: The signature to this assignment  
must correspond with the name as it appears  
upon the face of the within bond in every  
particular, without alteration or enlargement  
or any change whatsoever.

\_\_\_\_\_  
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**BULLET POINTS SUMMARY OF  
2013 SALISBURY TAX-EXEMPT GO BOND RESOLUTION**

- Recitals indicate that pursuant to Ordinance No. 2273, the City is authorizing the issuance and sale from time to time of one or more series of general obligation bonds in an aggregate principal amount not to exceed \$3,178,000 in order to finance, reimburse or refinance costs of the projects identified in such Ordinance as “Riverwalk”, “Mainstreet Master Plan”, “Coty Cox Drainage Improvements” and “Germania Circle”.
- Recitals indicate that the City is ready to proceed with bond funding the projects identified in Ordinance No. 2273, and Davenport & Company LLC, financial advisor to the City, recommended that the current interest rate environment provides an opportunity to sell the authorized bonds by private placement with a bank or financial institution, and Davenport conducted a request for proposals on behalf of the City. Five banks submitted proposals in response to the RFP.
- Section 2 – The City determines to borrow money to finance or reimburse costs of the projects identified therein in the maximum principal amount set forth opposite each project, and proceeds are appropriated for such purposes, provided that the City, without notice or consent to the registered owner of the Bond identified in Section 3, may reallocate the maximum principal amount of Bond proceeds to be spent on each project in accordance with City budgetary procedures or applicable law. In addition, in the event it is determined prior to issuance and delivery of the Bond that other moneys are available or likely to be available for any of such projects, the Mayor, with the advice of the City Administrator and the Director of Internal Services, is authorized to determine to reduce or eliminate the maximum principal amount of Bond proceeds allocated to any one or more of such projects. (See the Notes at the end of this summary.)
- Section 3 – The “City of Salisbury Public Improvements Bond of 2013” (the “Bond”) will be issued in the principal amount of \$3,178,000 or such lesser amount as the Mayor, with the advice of the City Administrator, the Director of Internal Services and the financial advisor, shall determine, in order to fund costs of the projects.
- Section 4(a) – The Bond will be issued as a single general obligation installment bond with principal due each July 1 in the years 2014-2028, inclusive. The Bond will be payable pursuant to the principal amortization schedule set forth in Section 4(a) unless the Mayor, with the advice of the City Administrator, the Director of Internal Services and the financial advisor, determines to change the presumed delivery date of the Bond, it is determined that the maximum authorized amount is not needed for any project or typographical or calculation errors need to be corrected.
- Section 4(b) – Interest rate on the Bond will be 2.96% per annum.
- Section 4(c) – Interest on the Bond will be payable semiannually on January 1 and July 1, commencing July 1, 2014.
- Rest of Section 4 – Standard provisions re: the registered owner of the Bond giving notice of payments when due (though failure to give same does not allow the City to excuse non-payment), payment dates not falling on business days, and method of payment.
- Section 5 – Bond can be prepaid in whole or in part at any time at the option of the City, at par plus accrued interest, with no premium or penalty, in order of maturity selected by the City, and with or without advance notice to the registered owner of the Bond.

- Sections 6-8 – Standard provisions for execution, transfer and approval of final form of the Bond.
- Section 9 – The Council ratifies and confirms the circulation of the RFP to banks and subsequent negotiations with respondents, and determines to sell the Bond to Hebron Savings Bank by private (negotiated) sale without advertisement or solicitation of competitive bids (even though Davenport circulated an RFP, that does not constitute a “public sale” for MD state law purposes), for a price of par, with no payment of accrued interest. The Bond to be sold for investment purposes only and Hebron Savings Bank required to deliver a certification to bond counsel at closing.
- Section 10 - The Bond to be prepared and delivered on a date acceptable to the Director of Internal Services, Hebron Savings Bank (identified as the Purchaser) and bond counsel, but no later than December 31 2013 without consent of Hebron Savings Bank, and appropriate officials are authorized to take all action necessary to close the Bond, to reflect the Purchaser’s requirements in closing documents, and to consummate the transactions contemplated by the Resolution.
- Section 11 – The Director of Internal Services (or an Assistant Director) is authorized to receive Bond proceeds. The appropriate official or officials authorized to direct application of Bond proceeds and provide for any investment. Unless the Council determines otherwise by ordinance or resolution, as applicable, (i) excess proceeds will be applied to pay debt service on the Bond or prepay the Bond and (ii) investment earnings will be applied to pay Project costs, debt service on the Bond or prepay the Bond. (Note: If the City later wishes to apply Bond proceeds to other projects not identified in the Ordinance and the Resolution, we will need to supplement both to authorize such application; we have done that with respect to other bond issues when the City achieved unexpected cost savings or a project was delayed or discontinued.)
- Section 12 –The City pledges its full faith and credit and unlimited taxing power to payment of the Bond and agrees to levy taxes sufficient to make such payments, provided that if other funds are lawfully available to make such payments, the taxes required to be levied shall be reduced proportionately.
- Sections 13 and 14—The City makes standard representations and covenants relating to the tax-exempt status of the Bond. The Mayor, together with either the City Administrator or the Director of Internal Services, is authorized to sign a tax certificate and take certain actions relating to the tax-exempt status of the Bond.
- Section 15 – The City designates the Bond as a “qualified tax-exempt obligation” for purposes of the federal tax code (commonly referred to as a “bank-qualified bond”) and represents that it, its subordinate entities and its on-behalf-of issuers do not reasonably anticipate issuing more than \$10,000,000 of tax-exempt obligations for their own purposes or qualified 501(c)(3) bonds in calendar year 2013. (Note—a calendar year, not a fiscal year test.)
- Section 16 – The City expresses its intention not to issue more than \$5 million of tax-exempt obligations in calendar year 2013 for its own purposes (if that remains true, the City qualifies for the small issuer exception from the arbitrage rebate requirement with respect to the Bond).
- Section 17 – The Resolution shall be effective upon adoption by the Council and approval by the Mayor, provided that the Bond may not be issued until Ordinance No. 2273 is also effective.

- Exhibit A – Form of Bond, which the Mayor is authorized to complete/modify before delivering pursuant to Sections 6 and 8 of the Resolution.

Notes:

(1) The reason the Mayor, with the advice of identified officials, is authorized to reduce the final principal amount of the Bond prior to issuance (and to make corresponding reductions in the amortization schedule for the Bond), is because the City has some unexpended other bond proceeds it hopes to be able to direct to one or more of the indicated projects.

(2) While there is currently an Acting City Administrator (sometimes referred to as the Interim City Administrator), references throughout the Resolution are to the City Administrator because certain provisions of the Resolution allow officials to take actions throughout the life of the bond issue. Section 1(b)(ii) of the Resolution provides that references to officials by title in the Resolution are deemed to refer to any person serving in an acting capacity where applicable, so Mr. Stevenson's taking any actions in connection with the bond closing are contemplated and authorized.

#159413;58111.028

# City of Salisbury



**MARYLAND**



JAMES IRETON, JR.  
MAYOR

TOM STEVENSON  
ACTING CITY ADMINISTRATOR

125 NORTH DIVISION STREET  
SALISBURY, MARYLAND 21801  
Tel: 410-548-3170  
Fax: 410-548-3107

MICHAEL S. MOULDS, P.E.  
DIRECTOR OF PUBLIC WORKS

To: Tom Stevenson, Acting City Administrator  
From: Mike Moulds, Director  
Amanda Pollack, Deputy Director  
Date: November 25, 2013  
Re: Stormwater Utility discussion

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Per the direction from Council at the October 21, 2013 work session, attached is a draft ordinance to establish a Stormwater Utility. The ordinance adds a section to Code Chapter 13 to create a Stormwater Utility. The new code section identifies the purpose and use of a Stormwater Utility fee. It also classifies the two types of properties: residential and non-residential. The procedure to request a correction in the fee is detailed. Finally, the proposed code sets the framework for a Public Works policy to allow for credits from Best Management Practices.

The effective date of the creation of the Stormwater Utility is set for January 1, 2015. This will provide staff time in developing a recommended fee and notifying property owners of the fee for their properties. Public Works also seeks to perform the impervious area calculations for non-residential properties prior to setting the fee rate. If the ordinance is passed, then the actual fees will be set via a Resolution prior to January 1, 2015.

Unless you or the Mayor have further questions, please forward a copy of this memo and the draft ordinance to the City Council.



**STORMWATER UTILITY**

Sections:

- 13.30.010 Creation of Stormwater Utility.
- 13.30.020 Definitions.
- 13.30.030 Establishment of Stormwater Utility Fund.
- 13.30.040 Purposes of the Fund.
- 13.30.050 Stormwater Utility Fee.
- 13.30.060 Classification of property for purposes of determination of the Stormwater Utility Fee.
- 13.30.070 Equivalent Residential Unit Rate.
- 13.30.080 Charges for tax-exempt properties.
- 13.30.090 Assessment notices.
- 13.30.100 Payment terms and penalties.
- 13.30.110 Request for correction of the Stormwater Utility Fee.
- 13.30.120 Request for credit to the Stormwater Utility Fee.

**13.30.010 Creation of Stormwater Utility.**

A Stormwater Utility is hereby established for the purpose of monitoring, maintaining, improving and overseeing the operation of the Stormwater System in the City of Salisbury. The Stormwater Utility shall function under the direction and supervision of the Public Works Department and the Director of Public Works.

**13.30.020 Definitions.**

- A. “Equivalent Residential Unit” (ERU) means the median Impervious Surface Area associated with Residential Property in the City.
- B. “Equivalent Residential Unit Rate” means the Stormwater Utility Fee charged on an Equivalent Residential Unit (ERU). The annual Stormwater Utility Fee for a Residential Property in the City equals the ERU rate.
- C. “Fee” or “Stormwater Utility Fee” means the charge established under this chapter and levied on owners of parcels or pieces of real property to fund the cost of operating, maintaining and improving the Stormwater System in the City.
- D. “Impervious Surface” means a surface area which is compacted or covered with material that is resistant to infiltration by water, including, but not limited to, most conventionally surfaced streets, roofs, sidewalks, patios, driveways, parking lots, swimming pools and any other oiled, graveled, graded, compacted, or other surface which impedes the natural infiltration of surface water.
- E. “Impervious Surface Area” means the number of square feet of horizontal surface covered by buildings and other Impervious Surfaces.
- F. “Non-Residential Property” means property other than Residential Property. Such property shall include but not be limited to, apartments, care homes, hotels, motels, mixed-use buildings, mobile home parks, commercial property, industrial property, parking lots, hospitals, schools, recreational and cultural facilities, offices and churches.

99 G. “Residential Property” means a property which serves the primary purpose, or is zoned to provide  
100 the primary purpose, of providing a permanent dwelling unit and which is classified as residential in the  
101 state assessment rolls. Townhouses, single-family dwellings, semidetached dwellings, and single-family  
102 attached dwelling are included in this definition.

103  
104 H. “Stormwater Management” means the planning, design, construction, regulation, improvement,  
105 repair, maintenance and operation of facilities and programs relating to water, flood plains, flood control,  
106 grading, erosion and sediment control.

107  
108 I. “Stormwater Utility Fund” means the fund created by this chapter to operate, maintain, and  
109 improve the City’s Stormwater System.

110  
111 J. “Stormwater System” means the system or network of storm and surface water management  
112 facilities including but not limited to inlets, pipes, manholes, channels, ditches, drainage easements,  
113 retention and detention basins, infiltration facilities, and other components as well as all natural  
114 waterways.

115  
116 **13.30.030 Establishment of Stormwater Utility Fund.**

117  
118 A. The Stormwater Utility is provided to protect the waterways and land in the City by controlling  
119 flooding and protecting the natural environment. The cost of designing, developing, improving,  
120 operating, maintaining and monitoring the Stormwater System required in the City should, therefore, be  
121 allocated, to the extent practicable, to all property owners based on their impact on the Stormwater  
122 System. In order to provide a revenue to fund those cost and to fairly allocate those costs, a Stormwater  
123 Utility Fund (“the Fund”) is established.

124  
125 B. All revenues collected from the Stormwater Utility Fee and from grants, permit fees and other  
126 charges collected under Chapter 13.30 Stormwater Utility, shall be deposited to the Fund. The City  
127 Council may make additional appropriations to the Fund.

128  
129 **13.30.040 Purposes of the Fund.**

130  
131 All disbursements from the Fund shall be for the following purposes.

132  
133 A. All costs of administration and implementation of the Stormwater Utility, including the  
134 establishment of reasonable operation and capital reserves to meet unanticipated or emergency  
135 Stormwater System requirements.

136  
137 B. Engineering and design, debt services and related financing expenses, construction costs for new  
138 facilities, and enlargement or improvement of existing facilities.

139  
140 C. Operation and maintenance of the Stormwater System.

141  
142 D. Monitoring, surveillance, and inspection of stormwater control devices.

143  
144 E. Water quality monitoring and water quality programs.

145  
146 F. Retrofitting developed areas for pollution control.

147  
148 G. Inspection and enforcement activities.

149

150 H. The payment or reimbursement of debt service on bonds, notes or other obligations that finance  
151 Stormwater System projects and the pledging of such revenue and fund to secure the repayment of this  
152 debt service.

153

154 I. The acquisition by gift, purchase, or condemnation of real and personal property, and interest  
155 therein, necessary to construct, operate, and maintain stormwater control facilities.

156

157 **13.30.050 Stormwater Utility Fee.**

158

159 An annual service charge is imposed upon all real property in the City, as of January 1, 2015, to fund the  
160 Stormwater Utility. This service charge shall be known as the Stormwater Utility Fee (“Fee”). Any real  
161 property annexed into the City after January 1, 2015 will be subject to a partial year charge for the  
162 remainder of the first year and the full fee each year thereafter.

163

164 **13.30.060 Classification of property for purposes of determination of the Stormwater Utility Fee.**

165

166 A. For purposes of determining the Stormwater Utility Fee, all properties in the City are classified  
167 into one of two classes: Residential Property; or Non-Residential Property. Vacant parcels shall be  
168 classified based on the applicable zoning for that parcel.

169

170 B. Residential Fee. The City Council finds that the intensity of development of most parcels of real  
171 property in the City classified as residential is similar and that it would be excessive and unnecessarily  
172 expensive to determine precisely the square footage of the Impervious Surface Area on each such parcel.  
173 Therefore, all Residential Properties in the City shall be charged a flat Stormwater Utility Fee, equal to  
174 the ERU Residential rate, regardless of the size of the parcel or the Impervious Surface Area.

175

176 C. Non-Residential Property Fee. The Fee for Non-Residential Property in the City shall be based  
177 on the numerical factor obtained by dividing the total Impervious Surface Area (square feet) of the  
178 property by one ERU unit. The Impervious Surface Area for Non-Residential Property is the square  
179 footage for the buildings and other improvements on the property. At the sole discretion of the Director  
180 of Public Works, the Impervious Surface Area of the Non-Residential Property may be determined  
181 through site examination, mapping information, aerial photographs or other available information. The  
182 minimum Stormwater Utility Fee for Non-Residential Property shall equal the ERU rate for Residential  
183 Property.

184

185 **13.30.070 Equivalent Residential Unit Rate.**

186

187 The City Council shall, by resolution, establish the annual (fiscal year) ERU rate for the Stormwater  
188 Utility Fee. The base rate shall be calculated to ensure adequate revenues to fund the costs of the  
189 Stormwater Utility and provide for the operation, maintenance, and capital improvements of the  
190 Stormwater System in the City.

191

192 **13.30.080 Charges for tax-exempt properties.**

193

194 The City Council finds that all real property in the City contributes to runoff and either uses or benefits  
195 from the maintenance of the Stormwater System. All real property in the City, including property that is  
196 exempt from property tax by Title 7 of the Tax-Property Article, Annotated Code of Maryland, as  
197 amended, shall be charged the Fee.

198

199 **13.30.090 Assessment notices.**

200

201 A. The Director of Public Works shall send assessment notices for the Fee to property owners of  
202 Non-Residential Property prior to billing for the Fee.

203  
204 B. The notice shall include the following information:

205 1. The Impervious Surface Area of the property.

206 2. The method by which the Impervious Surface Area of the property was determined.

207 3. The amount of the ERU rate (i.e., the residential Fee).

208 4. The number of ERU units on the property. If the number of units is a fraction, it shall be  
209 rounded to the next highest whole number.

210  
211  
212  
213  
214

215 **13.30.100 Payment terms and penalties.**

216  
217 A. The Stormwater Utility Fee shall be billed to the property owners at the same time that the bills  
218 for water charges and sewer charges are rendered. Property owners are responsible for payment of all  
219 Stormwater Utility Fees, and if any bill rendered for the Stormwater Utility Fee is not paid within forty-  
220 five (45) days after the close of the billing period for which such bill was rendered, a penalty of five  
221 percent of the amount of such bill shall be payable, in addition to the amount of such bill.

222  
223 B. The Fee, including interest and penalties, when overdue is a lien on real property and may be  
224 collected in the same manner as delinquent real property taxes or by a suit against the property owner.

225  
226 **13.30.110 Request for correction of the Stormwater Utility Fee.**

227  
228 A. A property owner may request correction of the Fee by submitting the request in writing to the  
229 Director of Public Works after the date the assessment notice or the bill is mailed or issued to the property  
230 owner. Grounds for correction of the Fee include:

231 1. Incorrect classification of the property for the purposes of determining the Fee;

232 2. Errors in the square footage of the Impervious Surface Area of the property;

233 3. Mathematical errors in calculating the Fee to be applied to the property; and

234 4. Errors in the identification of the property owner of a property subject to the Fee.

235  
236  
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239

240 B. The Director of Public Works shall make a determination within 30 days after receipt of the  
241 property owner's completed written request for correction of the Fee. The Director of Public Works  
242 decision on a request for correction of the Fee shall be final.

243  
244 C. A property owner must comply with all rules and procedures adopted by the City when  
245 submitting a request for correction of the Fee and must provide all information necessary for the Director  
246 of Public Works to make a determination on a request for correction of the Fee. If a property owner  
247 alleges an error under section 13.30.110 (A)(2), the request for correction must include a certification by a  
248 registered engineer or a professional land surveyor of the Impervious Surface Area of the property.  
249 Failure to comply with the provisions of this subsection shall be grounds for denial of the request.

250  
251 **13.30.120 Request for credit to the Stormwater Utility Fee.**



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INTER

OFFICE

# MEMO

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## *OFFICE OF THE MAYOR*

**To:** City Council  
Mayor  
**From:** Tom Stevenson  
**Subject:** Records Retention Policy  
**Date:** December 9, 2013

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During the Council's evaluation of the Records Retention Policy on Monday, November 18, 2013, the foremost concern was the retention of Council minutes. State law now allows streaming audio/video to serve as "minutes". Members of Council are concerned that this provision could result in the loss of irreplaceable material. To prevent this, the Records Retention Policy has been modified to require that all Council minutes be captured in written format.

To summarize, the policy requires that:

- All records are adequately protected and maintained
- Records that are of no value or are no longer needed are discarded in the appropriate time and manner
- Records maintained in electronic format are accessible and retrievable
- Department Heads periodically review currently used records and forms to determine if they are adequate and appropriate for the departments needs
- Department Heads periodically review the retention schedule to determine if the retention periods should be modified
- When there is a potential for litigation, the record must be maintained until the litigation hold is lifted

A copy of the Records Retention Policy, Retention Schedule, Certificate of Destruction and the Digital Repository resource review are attached for reexamination.

Please let me know if you have any questions or require additional information.

# Memo

To: Tom Stevenson, Interim City Administrator  
From: Bill Garrett, Director of Information Technology  
Date: 11/8/2013  
Re: Laserfiche Software

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## Laserfiche

As we discussed before, Laserfiche is a digital repository software that the City owns licensing for. Each department/division can be assigned their own secure "folder" within the system to scan and electronically store their documents. The system allows read-only, read-write, or administer access for each section of the system and can be configured as needed. The system allows OCR conversion, so the documents are not just scanned and stored, but can be searched for text inside the document.

Furthermore, the Laserfiche server, which is physically located at the Fire Department in their secured, generator-powered and climate-controlled server room, is backed-up both on-site and off-site to a backup repository in the Government Office Building. This allows us redundant backups of all files in the system in the event of a catastrophe or system failure.

With the pending discussions of file retention, I would recommend the Administration and City Council consider allowing the departments to use this system. It offers a very efficient way to allow departments to remove the physical documents while keeping a reliable copy at their fingertips. Not only does it make searching through old documents easier, it would be no or minimal cost to the city. We currently have 6 concurrent user licenses for the software, and if it got to the point where we needed to have more than 6 users inside the system concurrently, additional licenses are \$900 each.

# City of Salisbury

## Records Retention Policy

To facilitate efficient and effective operations, and to comply with the Records Retention Schedule approved by Maryland State Archives, the City of Salisbury will implement the following policy. The purpose of this policy is to ensure that necessary records and documents are adequately protected and maintained and to ensure that records that are no longer needed or of no value are discarded at the appropriate time. All forms of records, including written, printed, recorded and electronic (including e-mails) should be kept no longer than the specified period. The Records Administrator shall destruct all records according to the terms of the approved schedule.

Maintaining records in electronic format requires that the records be accessible and retrievable throughout the stated retention period. This may mean the creation of a file that is separately maintained. If there is a system upgrade or a new version of software that is implemented during the retention life of the record, the various components of the record will need to be moved forward to the next technology in order to retain access and retrievability. If the content of an e-mail message has record value and relates to an established record series, it should be retained for the same time period as that of the related hard copy record series.

Each Department Head periodically should review currently-used records and forms to determine whether these are adequate and appropriate for each department's requirements. Each Department Head should also periodically review the Record Retention Schedule to determine any special circumstances that necessitate changes in the retention periods. Requests for changes in retention periods or deviations from specified retention periods should be made to the Records Administrator.

All records will be kept for the periods listed in the Records Retention Schedule. When there is a probability of litigation, all records (including electronic records and emails) will be retained beyond the listed retention periods. After becoming aware of a claim or potential litigation, these records will be retained until the litigation hold is lifted.

Destruction of all records will be performed only by the Records Administrator.

All meetings of the City Council of the City of Salisbury must be captured in written format and maintained in accordance with the Records Retention Schedule.

Agency City of Salisbury	Division/Unit Office of the Mayor
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ITEM NO.	DESCRIPTION	RETENTION
1.	General Correspondence and Subject files. --Original incoming letters, copies of outgoing letters, memoranda, reports, studies, directives, policies, accident reports, and other materials related to administration of City business.	Screen annually. Destroy material having no further administrative, fiscal, legal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
2.	Correspondence relating to City Departments.	Retain 5 years, then destroy.
3.	Time Sheets/Employees. --Daily time sheets  (Originals to Finance Department.)	Retain 1 year, then destroy.
4.	Worker's Compensation Claims. --Incident reports, requests for checks, correspondence, medical reports, invoices and/or medical authorization reports.  (Originals to Human Resources)	Retain 1 year, then destroy.
5.	Personnel Records. --Personnel files.  (Originals to Human Resources)	Retain 1 year, then destroy.

APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>6/19/08</u> SIGNATURE <u><i>John R. Pick</i></u> TYPE NAME <u>John R. Pick</u> TITLE <u>City Administrator</u>	SCHEDULE AUTHORIZED BY STATE ARCHIVIST SIGNATURE <u><i>Edward C. Agnew</i></u> DATE <u>1/3/08</u>
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Agency City of Salisbury	Division/Unit Office of the Mayor	
ITEM NO.	DESCRIPTION	RETENTION
6.	Special Events/Programs. --Correspondence, general liability insurance, agenda, contract information, copy of contract, applications & forms, hand-written notes, drawings/maps.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
7.	Budget Reports. --Budget work papers, first and second reading of the operating budget, legal notices, final fiscal year budget book.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
8.	Invoices. --Corporate Express, computer purchases, printer purchases, telephone, etc.  (Originals to Parking & Procurement)	Retain 1 year, then destroy.
9.	Board & Commission Minutes. --Various Board & Commission meeting minutes transcribed and approved by the governing body.	Permanent. Transfer periodically to the Maryland State Archives.
10.	Board & Commission Audio Tapes. --Various Board & Commission minutes of meetings (if applicable).	Retain 1 year after approval of transcribed minutes by the governing body, then destroy.
11.	Media Services. --Press releases for various events, media contacts.	Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the State Archives. Retain all other material for 1 year, then destroy.

## RECORDS RETENTION AND DISPOSAL SCHEDULE

PAGE 3 OF 4

Agency	Division/Unit	
City of Salisbury	Office of the Mayor	
ITEM NO.	DESCRIPTION	RETENTION
12.	Board & Commission Records. -Various member lists, bylaws, procedures, etc.	Screen annually. Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the State Archives. Destroy non-permanent material having no further legal, administrative, legal, fiscal or operational value.
13.	Cable Franchise. -Franchise agreements, correspondence, tolling orders, etc.	Retain for the life of the agreement and for 6 years thereafter, then destroy.
14.	Auto/Liability Claims. -Correspondence, photos, insurance claim payments, copies of checks, invoices, recorded statement summaries, accident reports	Screen annually as non-permanent. Destroy material having no further legal, administrative, fiscal or operational value.
15.	Event Lease Agreements. -Lease agreements, correspondence, report of general liability insurance (each event), memoranda, etc.	Retain 2 years after event, then destroy.
16.	Complaints/Requests. -Citizen complaints or requests for service.	Retain 3 years, then destroy.
17.	Claims for Damages. - Accident claims against the City.	Retain until the settlement, plus 6 years, then destroy.
18.	Poplar Hill Mansion. -Inventory lists, insurance, history, etc.	Screen annually. Destroy material having no further administrative, fiscal, legal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the mansion. Transfer periodically to the Maryland State Archives.

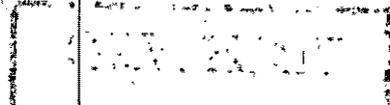
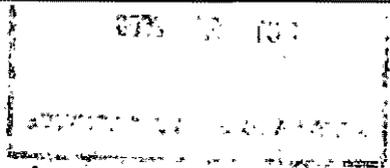
Agency	Division/Unit	
City of Salisbury	Office of the Mayor	
ITEM NO.	DESCRIPTION	RETENTION
19.	Certificates of Insurance	Retain 6 years; then destroy.
20.	Disaster/Emergency Management Plan.	Retain until obsolete or superseded, then destroy.
21.	Fire/Other Emergency Drill Reports.	Retain until superseded, then destroy.
22.	Insurance Policies. –Automobile, theft, fire liability, life, and all other insurance policies purchased by agency.	Retain until termination of policy plus 6 years, then destroy.
23.	Insurance Waiver(s).	Retain until termination of waiver, then destroy.

Agency City of Salisbury	Division/Unit Office of the Mayor - Grants/Special Projects
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ITEM NO.	DESCRIPTION	RETENTION
1.	Grants. --Open space, block, Main Street, summary of costs, correspondence, copies of invoices, financial status reports, request for funds, final request for reimbursement and other statistical documentation.	Retain for life of grant plus 3 years and all audit requirements have been fulfilled (period required to keep by grant or program), then destroy.
2.	Final Expenditure Report(s) (Non-Continuing Grants). --End of a project report accounting for the expenditure of grant funds submitted.	Same as Item 1.
3.	Financial Support Documents (Continuing Grants). --Working papers, summaries, spreadsheets and other data reflecting the expenditures of grant funds.	Same as Item 1.
4.	Financial Support Documents (Non-Continuing Grants). --Working papers, summaries, spreadsheets and other data reflecting the expenditures of grant funds.	Same as Item 1.
5.	Grant Agreement(s). --Official statements of the terms and conditions of the grant agreed upon and signed by the grantor and the grantee.	Same as Item 1.

<p>APPROVED BY DEPARTMENT REPRESENTATIVE</p> <p>DATE <u>7/31/06</u></p> <p>SIGNATURE <u><i>Lore L. Chambers</i></u></p> <p>TYPE NAME <u>Lore L. Chambers</u></p> <p>TITLE <u>Grants Admin/ Special Projects Dir</u></p>	<p>SCHEDULE AUTHORIZED BY</p> <p>STATE ARCHIVIST</p> <p>DATE <u>11 Dec 06</u></p> <p>SIGNATURE <u><i>Edward C. [Signature]</i></u></p>
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RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency City of Salisbury		Division/Unit Office of the Mayor - Grants/Special Projects
ITEM NO.	DESCRIPTION	RETENTION
6.	Grant Application(s) - (Approved) -Narrative of nature and purpose of proposed project, amount of funds requested, matching funds, in-kind contribution(s), and plan of work.	Same as Item 1.
7.	Grant Application(s) - (Not Approved)	Retain 1 year, then destroy.
8.	Grant Project Warrant(s), Checks, Vouchers and Registers.	Retain 6 years or until all audit requirements have been fulfilled (period required to keep by grant or program), then destroy.
9.	Project Reports. -Progress, problems and success reports in completion of grant project. (Periodic, annual, special and final).	Same as Item 1.
		
		

RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency City of Salisbury	Division/Unit Community Development
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ITEM NO.	DESCRIPTION	RETENTION
1.	Grants. -CDBG & HOME summary of costs, correspondence, copies of invoices, financial status reports, request for funds, final request for reimbursement and other statistical documentation.	Retain for life of grant plus 5 years and all audit requirements have been fulfilled (period required to keep by grant or program), then destroy.
2.	Community Legacy, Program Open Space, Community Parks & Playgrounds & Neighborhood Grants summary of costs, correspondence, copies of invoices, financial status reports, request for funds, final request for reimbursement and other statistical documentation.	Retain for life of grant plus 3 years and all audit requirements have been fulfilled (period required to keep by grant or program), then destroy.
3.	Final Expenditure Report(s) (Non-Continuing Grants). -End of a project report accounting for the expenditure of grant funds submitted.	Same as Item 2.
4.	Financial Support Documents (Continuing Grants). -Working papers, summaries, spreadsheets and other data reflecting the expenditures of grant funds.	Same as Item 2.
5.	Financial Support Documents (Non-Continuing Grants). -Working papers, summaries, spreadsheets and other data reflecting the expenditures of grant funds.	Same as Item 2.

APPROVED BY DEPARTMENT REPRESENTATIVE  
 DATE 7/31/06  
 SIGNATURE *Deborah J. Stam*  
 TYPE NAME Deborah J. Stam  
 TITLE Community Development Director

SCHEDULE AUTHORIZED BY  
 STATE ARCHIVIST  
 DATE 11 Dec 06  
 SIGNATURE *Edward C. Pappas*

Agency		Division/Unit
City of Salisbury		Community Development
ITEM NO.	DESCRIPTION	RETENTION
6.	Grant Agreement(s). -Official statements of the terms and conditions of the grant agreed upon and signed by the grantor and the grantee.	Same as Item 2.
7.	Grant Application(s) - (Approved) -Narrative of nature and purpose of proposed project, amount of funds requested, matching funds, in-kind contribution(s), and plan of work.	Same as Item 2.
8.	Grant Application(s) - (Not Approved)	Retain 1 year, then destroy.
9.	Grant Project Warrant(s), Checks, Vouchers and Registers.	Retain 6 years or until all audit requirements have been fulfilled (period required to keep by grant or program), then destroy.
10.	Project Reports. -Progress, problems and success reports in completion of grant project. (Periodic, annual, special and final).	Same as Item 2.

RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency City of Salisbury	Division/Unit City Clerk
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ITEM NO.	DESCRIPTION	RETENTION
1.	Subject Files. -General correspondence (original incoming letters, copies of outgoing letters), memoranda, studies, reports, directives, policies, budgets, and other materials related to the administration of the agency.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development, and accomplishments of the office. Transfer periodically to the Maryland State Archives.
2.	Agreements/Contracts/Leases. -Agreements, contracts and leases between the City of Salisbury and various individuals/entities.	Retain for life of agreement, contract or lease, plus 3 years, then destroy.
3.	Legislation. -Original charter amendments, ordinances, and resolutions adopted by the City Council together with supporting and background documents, if any.	Retain permanently. Transfer periodically to the Maryland State Archives.
4.	Minute Books. -Original approved Minutes of the City Council.	Retain permanently. Transfer periodically to the Maryland State Archives.
5.	Minute Books - Work Sessions -Minutes of the City Council meetings in which no votes are taken (work sessions, closed sessions, budget sessions).	Retain permanently and transfer periodically to the Maryland State Archives.

APPROVED BY DEPARTMENT REPRESENTATIVE

DATE 6-20-07

SIGNATURE Brenda J. Colegrove

TYPE NAME Brenda J. Colegrove

TITLE City Clerk

SCHEDULE AUTHORIZED BY STATE ARCHIVIST

SIGNATURE [Signature]

DATE 1/3/08

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency	Division/Unit	
City of Salisbury	City Clerk	
ITEM NO.	DESCRIPTION	RETENTION
6.	City Council Audio and Video Tapes. -Recordings of City Council meetings and work sessions used to draft minutes.	Retain 1 year, then destroy.
7.	Financial Disclosures. -Disclosure statements filed annually by various elected officials and appointed employees as required by the Salisbury City Code.	Retain 4 years from date of receipt, then destroy.
8.	City Code and Supplements. -Current local laws of the City of Salisbury. The bound supplement book contains amendments to the Code that have been made throughout the years.	Retain permanently. Transfer periodically to the Maryland State Archives.
9.	License Applications. -Current hawkers & peddlers, closing out sale, circus, fortuneteller, auctions, etc.	Keep current and 1 year prior, then destroy.
10.	City Elections - Candidates Reports and Campaign Funding. -All documents filed by candidates; election results.	Retain permanently. Transfer periodically to the Maryland State Archives.
11.	Deeds and Easements. -Records of fee simple and right-of-way acquisition, utility and miscellaneous easements attributed to the City of Salisbury.	Retain permanently. Transfer periodically to the Maryland State Archives.
12.	Proclamations/Certificates of Appreciation.	Retain 2 years or until superseded, then destroy.
13.	Certificates of Publication. -Legal ads, agendas, public hearings, etc.	Retain 2 years, then destroy.
14.	Public Meeting Notices.	Retain 2 years, then destroy.

## RECORDS RETENTION AND DISPOSAL SCHEDULE

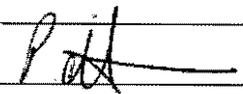
Agency	Division/Unit	
City of Salisbury	City Clerk	
ITEM NO.	DESCRIPTION	RETENTION
15.	Newspaper Clippings. -News stories/complaints/comments from the daily newspaper.	Screen annually. Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the Maryland State Archives. Destroy non-permanent material having no further legal, administrative, fiscal or operational value.
16.	Council Briefing Books. -Materials being presented at City Council meetings.	Retain 1 year, then destroy.
17.	Petty Cash Fund. -Receipts for petty cash slips.	Retain 1 year and until all audit requirements have been fulfilled, then destroy.
18.	Employee Files. -Personnel records of current employees (applications, employee action forms, job descriptions, performance appraisals).	Retain for 3 years after termination, then destroy.
19.	Employment Applications. -Applications/resumes for employment.	If not selected for employment, retain for 1 year from date of application, then destroy.
20.	Timesheets. -Employee time records  (Originals to Finance.)	Retain 1 year, then destroy.
21.	Personnel Hearing Files. -Terminations appealed to the City Council.	Screen annually as non-permanent. Destroy material having no further legal, administrative, fiscal or operational value.
22.	Central City District Commission (CCDC) Minutes. -Meeting minutes and supporting documentation approved by the body.	Permanent. Transfer periodically to the Maryland State Archives.

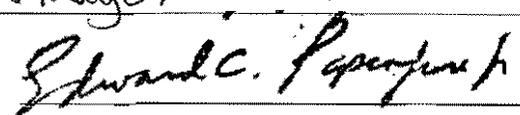
## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency	Division/Unit	
City of Salisbury	City Clerk	
ITEM NO.	DESCRIPTION	RETENTION
23.	Audio Tapes of Central City District Commission (CCDC) meetings. -Tape recordings of meetings from which minutes are prepared.	Retain 1 year, then destroy.
24.	Public Information Act Request. -Formal request submitted by citizens for access to public records.	Retain 3 years, then destroy.

Agency City of Salisbury	Division/Unit City Solicitor
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ITEM NO.	DESCRIPTION	RETENTION
1.	General Correspondence. -Original incoming letters, copies of outgoing letters, memoranda, reports, studies, directives, policies, and other materials related to administration of the agency.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development, and accomplishments of the office. Transfer periodically to the Maryland State Archives.
2.	Opinions. -Written opinions rendered by City Attorney's usually at the request of the Mayor and/or City Council.	Retain permanently. Transfer periodically to the Maryland State Archives.
3.	Litigation. -Files of cases involving the City of Salisbury.	Retain 5 years after litigation files have been closed. Screen and retain permanently case files with historical and legal relevance or significance for periodic transfer to the Maryland State Archives. Destroy all other files.

APPROVED BY DEPARTMENT REPRESENTATIVE  
 DATE 7/31/06  
 SIGNATURE   
 TYPE NAME Paul D. Wilber  
 TITLE City Attorney

SCHEDULE AUTHORIZED BY  
 STATE ARCHIVIST  
 DATE 25 May 07  
 SIGNATURE 

Agency City of Salisbury		Division/Unit Department of Internal Services/Finance - Administration
ITEM NO.	DESCRIPTION	RETENTION
1.	Miscellaneous Subject Records. -Budget reports, correspondence, payment/report calendar, stock requisitions, purchase orders.	Retain 3 years, then destroy.
2.	Licenses. -License file changes, fee calculation, business master inquiry, tax account master inquiry, correspondence, license report-occupational license, trader's license.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
3.	Subject Records. -Blue Cross/Blue Shield of Maryland, capital improvement program, investments, long term debt, revenue book, wastewater, cash receipts, accounts receivable, etc.	Screen annually. Destroy material having no further administrative, fiscal, legal or operational value. Retain permanently any material that serve to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
4.	Employee Information Records. -Employee evaluations, increment justifications, job descriptions, employee duties, vacation requests, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
5.	Comprehensive Annual Financial Reports (CAFR). - Annual financial report. - Correspondence.	(Report) Permanent. Transfer periodically to Maryland State Archives.  (Correspondence) Retain 3 years, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>June 20, 2007</u> SIGNATURE <u>Pamela B. Oland</u> TYPE NAME <u>Pamela B. Oland</u> TITLE <u>Director of Internal Services</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>29. NOV 07</u> SIGNATURE <u>Edward C. J. [Signature]</u>

## RECORDS RETENTION AND DISPOSAL SCHEDULE

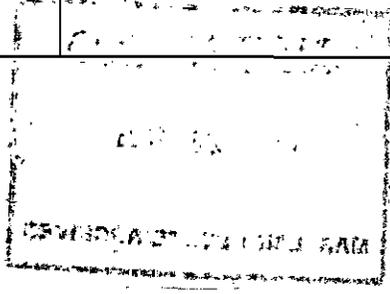
Agency		Division/Unit
City of Salisbury		Department of Internal Services/Finance - Administration
ITEM NO.	DESCRIPTION	RETENTION
6.	Audits, External Audit Reports. –OMB Circular-A-128, single audit act of 1984, supplemental financial report, audit work papers, final audit reports, correspondence, audit RFP	Permanent. Transfer periodically to the Maryland State Archives.
7.	Maryland State Uniform Financial Report. –Information required by the Department of Legislative Services to prepare the local government financial reports, correspondence.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
8.	Budget Reports. Budget work papers, first and second reading of the operating budget, legal notices.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
9.	Final fiscal year budget book.	Permanent. Transfer periodically to Maryland State Archives.
10.	Bonds for General Obligation, Refunding, Improvement. –Bond proceeds bids, project schedules, expenditures, project budget report, new issue book entry, correspondence, work papers, bond books, construction fund, etc.	Retain for life of bond plus 3 years, then destroy.
11.	Computer Reports. -Support schedules, summary general ledger, balance sheet, summary budget report, revenue reports, budget to actual, pension, long term debt, risk management, trial balance, expenditures and encumbrances, cash register closeout, final total of funds collected report, deposit tickets, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.

Agency		Division/Unit
City of Salisbury		Department of Internal Services/Finance - Administration
ITEM NO.	DESCRIPTION	RETENTION
12.	Physical Inventory Reports. –Exception reports, inventory worksheets.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
13.	General Correspondence. –Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the agency.	Screen Annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
14.	Postage Meter License.	Retain until obsolete or superseded plus 6 years, then destroy.
15.	Postage Expenditure Report.	Retain 3 years, then destroy.

## RECORDS RETENTION AND DISPOSAL SCHEDULE

PAGE 1 OF 2

Agency City of Salisbury		Division/Unit Department of Internal Services/Finance - Accounts Payable
ITEM NO.	DESCRIPTION	RETENTION
1.	Accounts Payable Records. -Check copies and/or wire transfer documentation, invoices.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
2.	Payroll Canceled Checks (if applicable).	Retain 3 years, then destroy.
3.	General Fund Canceled Checks.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
4.	Daily Cash Summary Sheets. -Daily cash summary reconciliation sheet, adding machine tape, deposit ticket, adjusting journal edit list, G/L summary distribution report, batch invoice report.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
5.	Pension Cash Reconciliation and Reports. -Combined statements of plan net assets, pension journal entries, copies of email, generic check register, copies of checks, monthly reports.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
6.	Journal Entries. -Wire transfers, correspondence, journal entry memo, invoices, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
7.	Bank Reconciliations. -Bank statements, deposit tickets, copies of checks, G/L entries, canceled checks, Recycling account, copies of checks, customer reconciliation reports.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>August 29, 2006</u> SIGNATURE <u>Pamela B. Oland</u> TYPE NAME <u>Pamela B. Oland</u> TITLE <u>Director of Internal Services</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>11 Dec 06</u> SIGNATURE <u>Edward C. Pappas</u>

Agency City of Salisbury		Division/Unit Department of Internal Services/Finance - Accounts Payable
ITEM NO.	DESCRIPTION	RETENTION
8.	<p>Grants (if applicable).                      –Block grants, open space, summary of costs, correspondence, copies of invoices, financial status reports, request for funds, final request for reimbursement.</p> <p>(All grant information <u>may be kept</u> by Grants Director.)</p>	Retain for life of grant plus 3 years, then destroy.
9.	<p>Fees/Taxes (if applicable).                      –Sales &amp; use tax, admission tax, rents and concessions, Wastewater rent, room tax, excise tax, copies of invoices, correspondence.</p>	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
		

RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency City of Salisbury		Division/Unit Department of Internal Services/Finance - Payroll
ITEM NO.	DESCRIPTION	RETENTION
1.	Payroll Reports. --Payroll distribution, error listing register, direct deposit register, deduction register, hours proof listing.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
2.	Wage Attachments. --Wage attachments, District Court satisfaction of judgement, payroll deduction agreement, various states.	Retain for life of agreement plus 3 years, then destroy.
3.	Federal/State Tax Records. --W-3 transmittal of wage and tax statements, E4 annual survey of government employment, Maryland Quarterly, 941's. Deferred compensation plan (457), state employees credit union.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
4.	Direct Deposit Authorization. --Authorization form, copy of check (employee checking account), etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
5.	Child Support. --Child Support wage withholdings, memo to establish wage withholdings.	Retain for life of withholding, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>August 29, 2006</u> SIGNATURE <u><i>Pamela B Oland</i></u> TYPE NAME <u>Pamela B. Oland</u> TITLE <u>Director of Internal Services</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u><i>25 May 07</i></u> SIGNATURE <u><i>Edward C. Papcojura Jr</i></u>

Agency		Division/Unit
City of Salisbury		Department of Internal Services/Finance - Payroll
ITEM NO.	DESCRIPTION	RETENTION
6.	Workers Compensation (third party sick pay). -Report of group claims paid, US tax information monthly report, premium invoice, correspondence.	Screen Annually. Destroy material having no further legal, administrative, fiscal or operational value. Non-Permanent file.
7.	W-2 Reports. -Year end payroll information used to create W-2 for employees.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
8.	Time Accumulation Reports. (Time Sheets)	Retain 3 years and until all audit requirements have been fulfilled, then destroy.

## RECORDS RETENTION AND DISPOSAL SCHEDULE

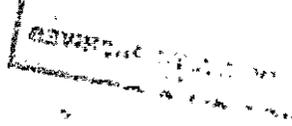
PAGE 1 OF 2

Agency City of Salisbury		Division/Unit Dept. of Internal Services/Finance - Billing & Collections
ITEM NO.	DESCRIPTION	RETENTION
1.	Property Transfer Forms. -Show seller, buyer, address, property description, amount due, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
2.	Miscellaneous Accounts Receivable. -Miscellaneous revenue inquiry, remittance form, adding machine tape, invoice inquiry, remittance advice, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
3.	Application for Business License. -Application, license renewal.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
4.	Miscellaneous Medical Claim Payments. -Audit Trial reports, payments, correspondence, patient collection report, explanation of payment, remittance advice, provider voucher, insurance call-in information sheet, EMS registration face sheet.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
5.	Computer Reports. -Adjustment update register, payment update register, combined billing update, adjustment updates, trial balance, cash updates, cash posting, tax billing interface, invoice billing register, cash receipts, adjustment updates.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE		SCHEDULE AUTHORIZED BY
DATE <u>June 20, 2007</u>		STATE ARCHIVIST
SIGNATURE <u>Pamela B. Oland</u>		DATE <u>29 NOV 07</u>
TYPE NAME <u>Pamela B. Oland</u>		SIGNATURE <u>[Signature]</u>
TITLE <u>Director of Internal Services</u>		

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency	Division/Unit	
City of Salisbury	Dept. of Internal Services/Finance - Billing and Collections	
ITEM NO.	DESCRIPTION	RETENTION
6.	Utility Bills. -Copy of bill, payment stub returned with payment, customer receipt, adding machine tape.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
7.	Tax Reports. -Parcel listings, tax roll, tax payments edit list.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
8.	Property Tax Payments. -Remittance stub, adding machine tape, tax certificate, accounts receivable inquiry, check stub, disbursement check voucher.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.

Agency City of Salisbury		Division/Unit Dept. of Internal Services/Parking and Procurement
ITEM NO.	DESCRIPTION	RETENTION
1.	Bid Records. --Correspondence, bid awards, purchase orders, notice to bid, bids received, specifications, rental agreements (if applicable).	Retain 5 years and until all audit requirements have been fulfilled, then destroy.
2.	Auctions. --Correspondence, check copies, auction list, equipment information list, advance notification of auction.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
3.	Time Sheets/Employees. -Daily Time Sheets  (Originals to Finance)	Retain 1 year, then destroy.
4.	Computer Reports. -Summary of parking tickets, City parking ticket system (if applicable), Parking ticket daily issuance report, hours proof listing, time sheets, accrual register, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
5.	Vendor Records. -Copies of all outgoing correspondence, contracts and leases for each vendor.	Retain old vendor records 3 years, then destroy. Current vendors records active as long as vendor is active.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>August 29, 2006</u> SIGNATURE <u>Pamela B. Oland</u> TYPE NAME <u>Pamela B. Oland</u> TITLE <u>Director of Internal Services</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>11 Dec 06</u> SIGNATURE <u>Edward C. Papenfuss Jr</u>

Agency		Division/Unit
City of Salisbury		Dept. of Internal Services/Parking and Procurement
ITEM NO.	DESCRIPTION	RETENTION
6.	General Correspondence. —Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other material related to the administration of the agency.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development, and accomplishments of the office. Transfer periodically to the Maryland State Archives.
7.	Purchase Orders. —Requisitions, price procurement document and resulting purchase order.	Retain 3 years and until audit requirements have been fulfilled, then destroy.
8.	Request for Quotations/Invitations to Bid. —Bid specifications, drawings, advertisement, agenda bid tabulations, notice to proceed and letter of contract award.	Retain 5 years after contract completion or until audit requirements have been fulfilled, then destroy.
9.	Work Orders. —Original copies of all work orders requested by the various departments.	Retain 1 year, then destroy.
10.	Surplus Property Inventory. —Inventory listing of all surplus items (held for auction) from the different departments.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
11.	Auction Terms and Conditions Agreements.	Retain 3 years after auction, then destroy.
12.	Bill-of-Sale.	Retain 3 years after auction, then destroy.
		

Agency City of Salisbury		Division/Unit Fire Department - Administration
ITEM NO.	DESCRIPTION	RETENTION
1.	General Correspondence. -Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the agency.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
2.	Personnel Records. -Personnel records for career/employees to include: applications for employment, disciplinary actions, commendations, promotions, awards, leave/vacation records, etc.  (Originals to Human Resources)	Retain 3 years after termination date, then destroy.
3.	Budgets. -Operating, Capital Improvement, program budgets, purchases by volunteers with City monies, and related materials.	Retain 1 year and until all audit requirements have been fulfilled, then destroy.
4.	Incident Reports. -Incident Report Form - used to record incidents that need to be documented and reviewed by others to resolve the issue or to take further action as necessary.	Retain 3 years, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>6/20/07</u> SIGNATURE <u>David B. See</u> TYPE NAME <u>David B. See</u> TITLE <u>Chief</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>20 Nov 07</u> SIGNATURE <u>Edward C. [Signature]</u>

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency City of Salisbury	Division/Unit Fire Department - Administration	
ITEM NO.	DESCRIPTION	RETENTION
5.	<p>Directive Records. –Orders published weekly, items of interest to the department employees, notices of training, action taken by the City Council that pertains to Fire Department, special details, changes in department operations. Staff meeting minutes.</p>	<p>Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to Maryland State Archives. Retain all other material until superseded or updated, then destroy.</p>
6.	<p>Inspection Reports. –Drawings, correspondence, case history and actions, complaint reports, smoke detector certification form, fire alarm report, inspection report, supplemental inspection report.</p>	<p>Screen annually as non-permanent. Destroy material having no further legal, administrative, fiscal or operational value.</p>
7.	<p>Building Drawings. –Various building drawings used to locate sprinkler systems, routes, etc.</p>	<p>Screen annually and retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to Maryland State Archives. Destroy non-permanent material having no further legal, administrative, fiscal or operational value.</p>
8.	<p>Subject Records. –Hazardous material response, special hazards, correspondence, purchase orders, purchase authorizations, smoke detectors, incident reports, equipment inventory, etc.</p>	<p>Screen annually as non-permanent. Destroy material having no further legal, administrative, fiscal or operational value.</p>
9.	<p>Background Records (Career Firefighters). –Background records of firefighter applications including credit checks, licensing information, motor vehicle checks, criminal history, military history and personal history.  (Originals to Human Resources)</p>	<p>Retain 5 years after termination, then destroy.</p>

Agency	Division/Unit	
City of Salisbury	Fire Department - Administration	
ITEM NO.	DESCRIPTION	RETENTION
10.	Background Records (Volunteer Personnel). Application and criminal history.	Same as Item 9 above.
11.	Investigation Reports. --Correspondence, fire activity reports, complaint reports, investigation reports, etc.	Retain 10 years, then destroy.
12.	Injured Workers Insurance. --Worker compensation reports (Career & Volunteer).	Retain 5 years after termination, then destroy.
13.	Corporation of Volunteers. --Shows how the volunteers came about and how they function within the City of Salisbury.	Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.

Agency City of Salisbury	Division/Unit Fire Department -EMS
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ITEM NO.	DESCRIPTION	RETENTION
1.	General Correspondence. -Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the agency.	Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the Maryland State Archives. Retain non-permanent material 3 years, then destroy.
2.	Ambulance Reports (Run Sheets). -Patient records from three (3) paramedic units. Patients are treated and/or transported. Reports are CONFIDENTIAL - Medical Information.	Retain 7 years, then destroy.
3.	MS/Valium Narcotics Control Sheets. -Paramedic unit narcotic inventory and tracking.	Retain 1 year, then destroy.
4.	EMS Log Sheets. -Log of EMS response information listed call by call.	Retain 1 year, then destroy.
5.	Medical Records. -Unsafe conditions to include Blood-borne pathogens, HIV, Hepatitis-B, etc.	Retain 30 years after termination, then destroy (per OSHA/NIOSH/MOSH).

APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>2 August 2006</u> SIGNATURE <u>David B. See</u> TYPE, NAME <u>David B. See</u> TITLE <u>Chief</u>	SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>25 May 07</u> SIGNATURE <u>Edward C. Pappas</u>
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## RECORDS RETENTION AND DISPOSAL SCHEDULE

PAGE 1 OF 2

Agency City of Salisbury		Division/Unit Fire Department - Operations
ITEM NO.	DESCRIPTION	RETENTION
1.	General Correspondence. -Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the agency.	Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the Maryland State Archives. Retain all other material 3 years, then destroy.
2.	Senior Station Officer's Monthly Reports. -Station activities, equipment/apparatus, condition of buildings, forms management, and etc.	Retain 3 years, then destroy.
3.	Duty Officer's Daily Reports/Officer-In-Charge/Fire Reports. -Personnel assignments, personnel absences and incidence calls.	Retain 5 years, then destroy.
4.	Maintenance & Supply Records: --Hose reports. --Equipment inventories/weekly inventories. --Vehicle and equipment maintenance, vehicle preventative maintenance check sheets, apparatus check sheets and related equipment.	Retain for life of hose, then destroy. Retain 1 year, then destroy.  Retain 1 year, then destroy.
5.	Alarm Sheets/Station Records/Daily Log. -Daily record and record of all calls from fire alarm.	Retain 5 years, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE		SCHEDULE AUTHORIZED BY STATE ARCHIVIST
DATE <u>6/20/07</u>		DATE <u>29 NOV 07</u>
SIGNATURE <u>David B. See</u>		SIGNATURE <u>Edward C. [Signature]</u>
TYPE NAME <u>David B. See</u>		
TITLE <u>Chief</u>		

## RECORDS RETENTION AND DISPOSAL SCHEDULE

PAGE 2 OF 2

Agency	Division/Unit	
City of Salisbury	Fire Department - Operations	
ITEM NO.	DESCRIPTION	RETENTION
6.	Daily Time Sheets/Alarm Attendance Sheets/Station Daily Log. -Daily log of company and personnel movement, including: alarms, annual leave, emergency leave, etc.	Retain 5 years, then destroy.
7.	Vehicle Maintenance Records. -Vehicle service and repair records.	Retain 3 years, then destroy.

## RECORDS RETENTION AND DISPOSAL SCHEDULE

PAGE 1 OF 2

Agency City of Salisbury		Division/Unit Fire Department - Training
ITEM NO.	DESCRIPTION	RETENTION
1.	General Correspondence. —Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the agency.	Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to Maryland State Archives. Retain all other material 3 years, then destroy.
2.	Individual Training Records and Reports: Career - current. —All outside training (MFRI - NFA - etc.) taken by career personnel to include in-service training.	Retain 1 year after termination, then destroy.
3.	Individual Outside Training Records and Reports: Volunteer —All outside training (MFRI - NFA - etc.) taken by volunteer personnel.	Retain 1 year after termination, then destroy.
4.	Company Training Report. —In-service training.	Retain 2 years, then destroy.
5.	Physical Ability Test Records. —Records of the applicants and statistics of test to include the scores.	Retain 1 year after date of test, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>6/20/07</u> SIGNATURE <u>David B. See</u> TYPE NAME <u>David B. See</u> TITLE <u>Chief</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>11/9/07</u> SIGNATURE <u>Edward C. Green</u>

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency		Division/Unit
City of Salisbury		Fire Department - Training
ITEM NO.	DESCRIPTION	RETENTION
6.	Safety Records. –Records to include: Risk Management, unsafe conditions, safety officer’s reports, minutes from the Safety Committee, and other related materials.	Retain 5 years, then destroy.
7.	Accident and Injury Review Board Records. –Written reports of all accidents and injuries to fire personnel and equipment.	Retain 3 years, then destroy.
8.	Turnout Inspection Forms. –Monthly inspection records of turnout gear and its serviceability.	Retain 2 years after completion, then destroy.

Agency City of Salisbury		Division/Unit Police Department - Chief of Police
ITEM NO.	DESCRIPTION	RETENTION
1.	Subject Records. -Correspondence, CID computers, City departments, mounted patrol, personnel training, policies, patrol liquor board reports, payroll, seized property files, mutual aid agreements, general orders, etc.	Screen annually. Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the Maryland State Archives. Destroy material having no further legal, administrative, fiscal or operational value.
2.	Internal Investigations Relating to Officers. -Case booklet, handwritten notes, includes hearing tapes, etc.	Retain until individual is deceased, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>6/20/07</u> SIGNATURE <u><i>Allan J. Webster</i></u> TYPE NAME <u>Allan J. Webster</u> TITLE <u>Chief</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>11/9/07</u> SIGNATURE <u><i>Robert L. ...</i></u>

Agency City of Salisbury	Division/Unit Police Department - Property & Evidence	
ITEM NO.	DESCRIPTION	RETENTION
1.	Property Inventory. -Property/Evidence Forms, correspondence, certified mail receipts.	Retain for 10 years. Non-Permanent Destroy material having no further legal, administrative, fiscal or operational value.
2.	Vehicles for Public Auction. -MVA registrations, certified mail receipt, title hearing notice, notice of impoundment-right to reclaim vehicle.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
3.	Officer Issue Equipment. -Listing of all equipment issued to officers, shows type of equipment, issue date, amount and date returned.	Retain until superseded or updated, then destroy.
4.	Laundry Pick-up Form. -Shows identification numbers, numbers of shirts, pants, coats, and ties.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
5.	City/State Ticket Book/Issue Log. -Shows ticket series, issue date, name of officer, City and State log.	Retain 3 years, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>8/02/06</u> SIGNATURE <u><i>Allan J. Webster</i></u> TYPE NAME <u>Allan J. Webster</u> TITLE <u>Chief</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>25 May 07</u> SIGNATURE <u><i>Edward C. Popenjancic</i></u>

Agency City of Salisbury	Division/Unit Police Department - Criminal Investigations
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ITEM NO.	DESCRIPTION	RETENTION
1.	Case Records. -Case files maintained by each detective. --Notes, complaint forms, supplement form, witness reports, 911 tapes, victim statements, property evidence report.	Retain for 10 years. Non-Permanent Destroy material having no further legal, administrative, fiscal or operational value.

APPROVED BY DEPARTMENT REPRESENTATIVE

DATE 8/22/06

SIGNATURE: *Allan J. Webster*

TYPE NAME: Allan J. Webster

TITLE Chief

SCHEDULE AUTHORIZED BY STATE ARCHIVIST

DATE 25 May 07

SIGNATURE *Edward C. [Signature]*

Agency City of Salisbury		Division/Unit Police Department - Patrol
ITEM NO.	DESCRIPTION	RETENTION
1.	Daily Assignment and Training Log. -Date, sector assignment, special assignments and roll call training.	Retain 1 year, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>8/22/06</u> SIGNATURE <u><i>Allan J. Webster</i></u> TYPE NAME <u>Allan J. Webster</u> TITLE <u>Chief</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>11 Dec 06</u> SIGNATURE <u><i>Edward C. Pappas</i></u>

Agency City of Salisbury		Division/Unit Police Department - Community Services
ITEM NO.	DESCRIPTION	RETENTION
1.	Grants-Federal/State/County. -Proposal, budget, awards, dollar amount, quarterly reports/activity/financial, productivity sheets, correspondence, work activity sheet, purchase orders, progress financial status reports.	Retain for life of grant plus 3 years, then destroy.
2.	Subject Records. -Catalogs, child fingerprints, private security, McGruff House, citizens on patrol, neighborhood watch program, crime free multi-housing cult stuff, reality program, security guide, hate crime investigations, etc.	Screen annually. Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the Maryland State Archives. Destroy non-permanent material having no further legal, administrative, fiscal or operational value.

APPROVED BY DEPARTMENT REPRESENTATIVE

DATE 6/20/07

SIGNATURE *Allan J. Webster*

TYPE NAME Allan J. Webster

TITLE Chief

SCHEDULE AUTHORIZED BY  
STATE ARCHIVIST

DATE 11/9/07

SIGNATURE *Robert C. [unclear]*

Agency City of Salisbury	Division/Unit Police Department - Fiscal Affairs
-----------------------------	---

ITEM NO.	DESCRIPTION	RETENTION
1.	Vendor Records. -Invoices, purchase orders, copies of stubs, correspondence, statement of accounts, budget change request.	Retain 2 years. If purchases have warranties over 2 years, maintain records until warranty expires, then destroy.
2.	Travel Expenses. -travel expense reports, travel requests, copies of check stubs.	Retain 2 years, then destroy.
3.	Tow Company Payment Authorization. -Payment authorization, license and renewal payments, correspondence, etc.	Retain 2 years, then destroy.
4.	Noise Complaints. -Policy referral form, response memo, referral, report for various departments of the City, noise violations, log sheets, noise statistics, warnings, etc.	Screen annually. Non-Permanent Destroy material having no further legal, administrative, fiscal or operational value.

APPROVED BY DEPARTMENT REPRESENTATIVE

DATE 8/02/06

SIGNATURE *Allan J. Webster*

TYPE NAME Allan J. Webster

TITLE Chief

SCHEDULE AUTHORIZED BY STATE ARCHIVIST

DATE 25 May 07

SIGNATURE *Edward C. Papenfuss Jr*

RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency City of Salisbury	Division/Unit Police Department - Training
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ITEM NO.	DESCRIPTION	RETENTION
1.	Training Records - Full-time Employees. -Correspondence, training test scores, certifications, application for courses, field training evaluation program, instructor certification application.	Retain until individual is deceased, then destroy.

APPROVED BY DEPARTMENT REPRESENTATIVE

DATE 8/22/06

SIGNATURE Allan J. Webster

TYPE NAME Allan J. Webster

TITLE Chief

SCHEDULE AUTHORIZED BY STATE ARCHIVIST

DATE 11 Dec 06

SIGNATURE Edward C. Pappas Jr

Agency City of Salisbury		Division/Unit Police Department - Human Resources & Records
ITEM NO.	DESCRIPTION	RETENTION
1.	<p>Personnel Records/Background - Full-time.                      -Application, oath of office, personnel action forms, certificates, diplomas, training reports, personnel orders, disciplinary action, commendation, correspondence, rating reports.</p> <p>-Background files contain pre-employment data, personal history questionnaire, credit report, polygraph, fingerprints.</p>	Retain until individual is deceased, then destroy.
2.	<p>Complaint Reports.                      -Vehicle impound and inventory record, supplement report, District Court appearance report, fingerprints, pictures, log records, date/time of final disposition, custody and property report.</p> <p>-Property/evidence, drug certifications, District Court records and application for statement of charges, arrest warrant, motor vehicle accident reports, etc.</p>	Retain until individual is deceased or until order of expungement, then destroy.
3.	<p>Maryland Safety Equipment Repair Order/Warning.                      -Copy of ticket issued by officer.</p>	Retain 2 years, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>6/20/07</u> SIGNATURE <u><i>Allan J. Webster</i></u> TYPE NAME <u>Allan J. Webster</u> TITLE <u>Chief</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>11/9/07</u> SIGNATURE <u><i>Edward C. [unclear]</i></u>

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency	Division/Unit	
City of Salisbury	Police Department - Human Resources & Records	
ITEM NO.	DESCRIPTION	RETENTION
4.	Correspondence. –Correspondence sent by the department. Relates to: Maryland State Police, Animal Bites, FBI, State’s Attorney, citizens, Liquor Board, Juvenile Justice, Accidents (Departmental).	Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the Maryland State Archives. Retain all other material 2 years, then destroy if outdated.
5.	Paid Traffic Tickets. –Copy of ticket, adding machine tape, copy of summons and invoice.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
6.	Notice of Intent to Stand Trial. –Citations to the District Court, Citations not payable, party must stand trial, civil citations, etc.	Retain 5 years, then destroy.
7.	Parking Violations. –Parking tickets, summons and meter checks, void tickets, correspondence to the States Attorney’s Officer regarding voided tickets, etc.	Retain 3 years, then destroy.
8.	Uniform Municipal Infractions/Civil Citations. –Copy of ticket, receipt of tape of fines received.	Retain 3 years, then destroy.
9.	Custody Arrest Reports. –Name, address, arrest time, arresting officer.	Retain until individual is deceased or until order of expungement, then destroy.
10.	Towing Summons. –Summons, vehicle impoundment record receipt for payment.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency		Division/Unit
City of Salisbury		Police Department - Human Resources & Records
ITEM NO.	DESCRIPTION	RETENTION
11.	Departmental Policies. -Chief, patrol, administrative memorandums, personnel and Special Orders.	Screen annually. Retain permanently any material having historical value that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the Maryland State Archives. Destroy non-permanent material having no further legal, administrative, fiscal or operational value.
12.	Warrants. -Records unit document services, District Court criminal summons on charging document and subpoena.	Retain until served plus 3 years, then destroy.
13.	Officer Drivers Record Required. -Correspondence, request for driving records from MVA and various states certified.	Screen annually as non-permanent. Destroy material having no further legal, administrative, fiscal or operational value.
14.	Expungement Orders. -Petition to Expunge, final disposition report, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
15.	UCR. -Maryland State Police Reports. List crime statistics by type of crime.	Screen annually as non-permanent. Destroy material having no further legal, administrative, fiscal or operational value.
16.	BCI-Prior to Current Complaint Report. -Incident report, name, address, place of arrest, date of arrest, arresting officers, reasons for arrest, photos, arrest report, FBI report, etc.	Retain until individual is deceased or until order of expungement, then destroy.
17.	Maryland Flagging Records. -Forms used to obtain registration plates, and/or stickers from MVA for failure to pay parking tickets. Shows amount paid and how paid (check, cash, etc.).	Retain 3 years, then destroy.

## RECORDS RETENTION AND DISPOSAL SCHEDULE

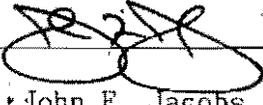
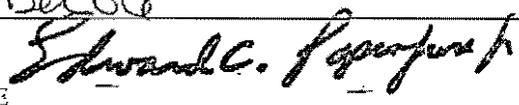
Agency	Division/Unit	
City of Salisbury	Police Department - Human Resources & Records	
ITEM NO.	DESCRIPTION	RETENTION
18.	BCI-Prior to Current Complaint Report. -Incident report, name, address, place of arrest, date of arrest, arresting officers, reasons for arrest, photos, arrest report, FBI report, etc.	Retain until individual is deceased or until order of expungement, then destroy.
19.	Maryland Flagging Records. -Forms used to obtain registration plates, and/or stickers from MVA for failure to pay parking tickets. Shows amount paid and how paid (check, cash, etc.).	Retain 3 years, then destroy.

Agency City of Salisbury		Division/Unit Public Works - Technical Support
ITEM NO.	DESCRIPTION	RETENTION
1.	Subject Records. -Sidewalk maintenance, bids, concrete recycling, manuals, State Highway Administration contracts. -Drawings, underground storage tanks.	Retain 1 year, then destroy.  Retain permanently. Transfer periodically to the Maryland State Archives.
2.	Division Accounts. -Bulkheads, leases, storm drains, snow, water, street light retro-fit, etc.	Retain for life of lease plus 3 years, then destroy.
3.	Projects. -Various street improvements, engineering projects, site drawings.	Retain permanently. Transfer periodically to the Maryland State Archives.
4.	Budget Records. -Annual reports.  -Change forms, budget worksheet, correspondence, equipment purchases/large and small.	Retain permanently. Transfer periodically to the Maryland State Archives. Retain for 5 years, then destroy
5.	Personnel Records. -Various personnel forms, personnel files for each employee, includes: leave report, performance appraisal, change/action requests, disciplinary action report.  (Originals to Human Resources).	Retain 1 year, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>1/30/08</u> SIGNATURE <u>James Caldwell</u> TYPE NAME <u>James Caldwell</u> TITLE <u>Director</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>4 June 08</u> SIGNATURE <u>[Signature]</u>

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency	Division/Unit	
City of Salisbury	Public Works - Technical Support	
ITEM NO.	DESCRIPTION	RETENTION
6.	<p>Engineering Drawings.            –Drawings of various city construction projects, sediment/erosion control, sequence drawings, plan view, details, utility plans, water main profile, etc.</p>	<p>Retain permanently. Transfer periodically to the Maryland State Archives.</p>
7.	<p>Storm Drain Records.            –Site drawings, correspondence, agreements, maintenance reports, sediment control plan, etc.</p>	<p>Retain permanently. Transfer periodically to the Maryland State Archives.</p>
8.	<p>Water Projects.            –Information for various water construction projects, purchase orders, correspondence, contracts, utility permits, water meter pricing, etc.</p>	<p>Retain for life of contract plus 3 years, then destroy.</p>
9.	<p>Sidewalk Condemnation.            –Customer master file inquiry, bills for repairs, invoices, condemnation notices, UPS certified mail receipts, etc.</p>	<p>Retain 3 years and until all audit requirements have been fulfilled, then destroy.</p>
10.	<p>Storms.            –Snow removal policy, damages, hurricanes, hurricane plans, etc.</p>	<p>Retain until superseded or updated, then destroy.</p>
11.	<p>Miscellaneous Subject Records.            –Equipment files, field change orders, insurance certificates, silt fence information, correspondence, brochures, storm drain vendor information, employee forms, purchase order copies, training information, employment applications, etc.</p>	<p>Screen annually.            Destroy material having no further legal, administrative, fiscal or operational value.            Retain permanently any material that serves to document the origin, development and accomplishments of the department.            Transfer periodically to the Maryland State Archives.</p>

Agency	Division/Unit	
City of Salisbury	Public Works - Technical Support	
ITEM NO.	DESCRIPTION	RETENTION
12.	Vendor Records. -Packing slips, bills of lading, purchase orders, etc.	Retain 3 years, then destroy.
13.	Maryland Department of Transportation. -Driver vehicle condition daily reports.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.

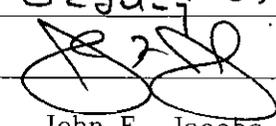
Agency City of Salisbury		Division/Unit Public Works - Resource Management
ITEM NO.	DESCRIPTION	RETENTION
1.	Vendor Records. -Purchase orders, invoices, correspondence, hand-written notes.  (Originals to Parking & Procurement)	Retain 1 year, then destroy.
2.	Miscellaneous Subject Records. -Bid forms, safety meetings, miscellaneous correspondence, payroll records, sign sales, accident reports, City departments, landfill tickets, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
3.	General Correspondence. -Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the agency.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>01 Aug 06</u> SIGNATURE  TYPE NAME <u>John F. Jacobs</u> TITLE <u>Director</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>11 Dec 06</u> SIGNATURE 

Agency City of Salisbury	Division/Unit Public Works - Engineering/Project Management
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ITEM NO.	DESCRIPTION	RETENTION
1.	Projects. -City Buildings, Streets, Sidewalks, Storm Drains, Sediment Control, Correspondence, Inspection reports, Permits, Construction contracts, Purchase orders, Draft reports, Proposals, Specifications, Drawings, Construction reports, Progress meeting minutes, etc.	Retain 5 years after completion of project, then destroy.
2.	City Building Records. -Contracts, Specifications, Correspondence, Certifications, Affidavits, Daily Construction Reports of City Building Projects.	Retain 5 years after completion of project, then destroy.
3.	City Park(s) -Cost Estimates, Site Plans, Contracts, Specifications, Correspondence of City Projects.	Retain 5 years after completion of project, then destroy.
4.	Bulkhead Projects. -Contracts, Specifications, Agreements, Cost Estimates and Site plans.	Retain 5 years after completion of project, then destroy.
5.	Subdivision Records. -Correspondence, Specifications, Agreements, Subdivision Plats, Zoning Requirements.	(Originals to Circuit Court) Retain 5 years, then destroy.

APPROVED BY DEPARTMENT REPRESENTATIVE

DATE 02 July 07

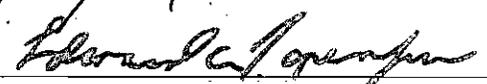
SIGNATURE 

TYPE NAME John F. Jacobs

TITLE Director

SCHEDULE AUTHORIZED BY STATE ARCHIVIST

DATE 11/9/07

SIGNATURE 

## RECORDS RETENTION AND DISPOSAL SCHEDULE

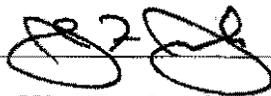
Agency	Division/Unit	
City of Salisbury	Public Works - Engineering/Project Management	
ITEM NO.	DESCRIPTION	RETENTION
6.	<p>Water Records.            –Contracts, Specifications, Correspondence, Affidavits, Construction Drawings of Water Lines, Water Facilities.</p>	<p>Retain 5 years after completion of project, then destroy.</p>
7.	<p>Agreement, Deeds and Easements Records.            –Easements, Deeds to City Property, City Streets, Alley Closings and Agreements made by the City Council.            (Originals to City Clerk)</p>	<p>(Originals to Circuit Court) Retain 1 year, then destroy.</p>
8.	<p>Correspondence Records.            –Reports pertaining to ongoing Projects, Proposals, Employee, Council Meetings, Complaints, etc.</p>	<p>Retain 5 years, then destroy files having no legal, fiscal, administrative, or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.</p>
9.	<p>Contracts.            –Contract documents, Record of Bid, Site plans, Correspondence, etc.</p>	<p>Retain for life of project plus 3 years, then destroy.</p>
10.	<p>Bid Books.            -Bid specifications for various Public Works Projects, Bid spreadsheet, correspondence, bidder's list, bid information, bid brochures, etc.</p>	<p>Retain 1 year, then destroy.</p>
11.	<p>Engineering Drawings.            –As-Builts, Storm Drains, Water Lines, Water Facilities, City Buildings, Parking Layouts, City Maps, Surveys, Subdivision Plats, Resubdivision Plats.</p>	<p>Retain permanently - City Maps, As-builts, Water, Storm Drains, Surveys, Subdivision Plats. Transfer periodically to the Maryland State Archives.            Retain project drawings for life of project plus 3 years.</p>

Agency City of Salisbury	Division/Unit Public Works - Engineering/Traffic Systems Management
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ITEM NO.	DESCRIPTION	RETENTION
1.	Vendor Records. -Purchase orders, invoices, correspondence, hand-written notes.  (Originals to Parking & Procurement)	Retain 1 year, then destroy.
2.	Miscellaneous Subject Records. -Bid forms, safety meetings, miscellaneous correspondence, payroll records, sign sales, accident reports, City departments, landfill tickets, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
3.	Traffic & Safety Advisory Council Minutes. -Meeting minutes transcribed and approved by the governing body.	Retain permanently. Transfer periodically to the Maryland State Archives.
4.	General Correspondence. -Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the agency.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.

APPROVED BY DEPARTMENT REPRESENTATIVE

DATE 01 AUG 06

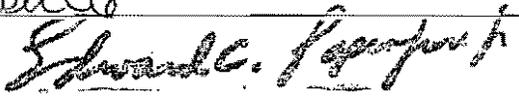
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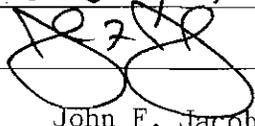
TYPE NAME John F. Jacobs

TITLE Director

SCHEDULE AUTHORIZED BY STATE ARCHIVIST

DATE 11 DEC 06

SIGNATURE 

Agency City of Salisbury	Division/Unit Public Works - Wastewater Treatment	
ITEM NO.	DESCRIPTION	RETENTION
1.	Construction Records. -Plans, vendors, builders, correspondence, instruction manuals, invoices, etc.	Retain until equipment is no longer in service, then destroy.
2.	Completed projects. -Invoices, correspondence, purchase orders, stock requisitions, applications for the alteration of any flood plan, U.S. Corps of Engineer's drawings, wetlands license, bid spread sheets, nonhazardous waste manifest, tank removal abandonment final report, report of investigations.	Screen annually. Destroy material having no further administrative, fiscal, legal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
3.	Maryland State Board of Plumbing Licenses. -Copies of plumbing licenses issued by the State of Maryland.	Retain until updated or superseded, then destroy.
4.	Computer Reports. -Equipment master list, warehouse items list, inventory cross-reference, commodity code list, full inventory list, facility standard task list elements, wastewater billing register.	Retain until equipment is no longer in service, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>02 July 07</u> SIGNATURE  TYPE NAME <u>John F. Jacobs</u> TITLE <u>Director</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>29 Nov 07</u> SIGNATURE 

RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency City of Salisbury		Division/Unit Public Works - Wastewater Treatment
ITEM NO.	DESCRIPTION	RETENTION
5.	Master Plans/As-built Drawings. -Drawings, subdivisions, postal maps, construction drawings, primary plant drawings, shop.	Permanent. Transfer periodically to the Maryland State Archives.
6.	Computerized NPDES Permit Reports	Retain for 5 years. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.
7.	Wastewater - Plumbing Inspection Reports.	Retain for the duration of the facility discharge permit, then destroy.
8.	Inspection Reports - Property. -Site plans, wastewater plumbing inspection report, plumbing permit application, certification, building permit application, correspondence. (Originals to Building, Permits & Inspections)	Retain for 1 year, then destroy.
9.	Plumbing Permits. (Originals to Building, Permits & Inspections)	Retain for 1 year, then destroy.
10.	Flow Reports. -Service area flow reports, wastewater plumbing inspection report by service area, plumbing permit.	Retain for 5 years. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.
11.	Maryland State Motor Fuel Tax Reports. -Copy of checks, correspondence, special fuel users/sellers tax return, diesel users worksheet, fuel report information sheet, etc. (Originals to Finance.)	Retain 1 year, then destroy.

Agency	Division/Unit	
City of Salisbury	Public Works - Wastewater Treatment	
ITEM NO.	DESCRIPTION	RETENTION
12.	Budget information. -Budgets for plant(s) and department operating budget.	Retain for 5 years. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.
13.	Safety Programs. -Forklift operators, drivers,, fire protection, hazardous materials, disaster relief, etc.	Retain until updated or superseded, then destroy.
14.	Master Sewer Plan. -Plant information, map of wastewater sewer plans, release of easement, wastewater overflow reports, policies, projects, invoices, purchasing, sludge lagoon, sludge farms, lab reports, correspondence, capital improvement, payroll, Human Resources, Risk Management Forms, Finance, etc.	Screen annually. Destroy material having no further administrative, fiscal, legal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
15.	Employee Time Sheets.  (Originals to Finance).	Retain 1 year, then destroy.
16.	Chemical Information List. -Contact person, title, phone no., common name (chemical), chemical name, work area, date. Chemical use inventory, Material Safety Data Sheets (MSDS).	Retain 40 years, then destroy.
17.	Equipment plans, primary expansion. -Drawings, materials list, technical data, piping system specifications-pumps, feed system, technical manuals, etc.	Screen annually. Destroy material having no further administrative, fiscal, legal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.

## RECORDS RETENTION AND DISPOSAL SCHEDULE

PAGE 4 OF 5

Agency	Division/Unit	
City of Salisbury	Public Works - Wastewater Treatment	
ITEM NO.	DESCRIPTION	RETENTION
18.	Plant Sludge Lagoon(s)/Earth Data. -Sewer calls, invoices sent, attendance summary, utilization sludge permit, site drawings, correspondence.	Retain for 5 years. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.
19.	Lab. - Specifications, site drawings  - Brochures, equipment list, furniture delivery tickets, purchase request quotations, work orders, bill of lading, etc.	Retain for 5 years, then destroy.  Retain for 1 year, then destroy.
20.	Lab Reports/Water Plant. -State performance reports, H <sub>2</sub> O reports, correspondence, inorganic/organic monitoring reports, operator logs, chlorides, various city/state/county reports, lab quality control, master records, worksheets, etc.	Retain for 5 years. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.
21.	Reports/Wastewater. -Test BODs, self-monitoring reports, suspended solids test, lab reports, correspondence, reports from various water treatment plants (if applicable), worksheets.	Retain for 5 years. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.
22.	Equipment Records. -Parts catalogs, service reports, inventory, instruction manuals, correspondence, etc.	Retain until equipment is no longer in service, then destroy.
23.	Permits. -National Discharge Elimination System (NPDES) Federal program, State Discharge Permits issued by Maryland Office of the Environment, sludge disposal permits, etc.	Screen annually. Maintain as required by NPDES discharge and biosolids permits. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.

Agency		Division/Unit
City of Salisbury		Public Works - Wastewater Treatment
ITEM NO.	DESCRIPTION	RETENTION
24.	Ledger Books/Log Books (Journals). -Shows where various wastewater/water/biosolids samples were collected, date and time and by whom (Handwritten), Log books showing nitrate test and results by date, drinking water tests log books, etc.	Retain for 5 years, then destroy. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.
25.	Atomic Absorb.-Lab Equipment. -Quality control, raw data from tests performed, various metals-handwritten test results, equipment provides printout of test results.	Retain for 5 years. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.
26.	State of Maryland MDE-Water Supply Program. -Bacteriological monitoring report, field record-drinking water report, inorganic self-monitoring report. Test and reports are completed for various water plants, businesses, county and towns (if applicable).	Retain for 5 years. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.
27.	Treatment Plant - BOD Tests (Wastewater). -Worksheets, inorganic self-monitoring report, order for supplies or service, drinking water report.	Retain for 5 years. Retain for 5 years. If litigation/enforcement has been taken in which records would be essential, extend retention until resolved, then destroy.

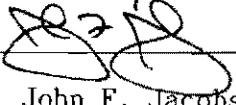
RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency City of Salisbury	Division/Unit Public Works - Water Treatment
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ITEM NO.	DESCRIPTION	RETENTION
1.	Purchase Orders. -Purchase orders, requisitions, invoices, hand-written notes. (Originals to Parking & Procurement)	Retain 1 year, then destroy.
2.	Meter Readings/Installations. -Service orders (rereads, property transfers). -Billing instructions, inventory item re-order list by vendor, test invoice, issue ticket, daily work report, related correspondence.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
3.	Meter Installations/New Meters. -Service orders to install new meters, employee installation report-daily, etc.	Retain 50 years, then destroy.
4.	Time Sheets. -Employee time sheets, work assignments, daily work report. (Originals to Finance)	Retain 1 year, then destroy.
5.	Meter Permits/Pumping Reports. -Temporary water permits, monthly reports/State DHMH, special events, pumpage reports, water permit log.	Screen annually as non-permanent. Destroy material having no further legal, administrative, fiscal or operational value.
6.	Water Contracts. -Contracts, correspondence, specifications, proposals.	Retain for life of contract plus 3-years, then destroy.

APPROVED BY DEPARTMENT REPRESENTATIVE

DATE 02-July-07

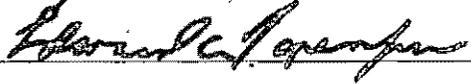
SIGNATURE 

TYPE NAME John F. Jacobs

TITLE Director

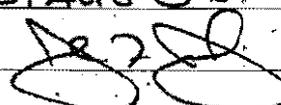
SCHEDULE AUTHORIZED BY STATE ARCHIVIST

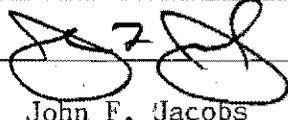
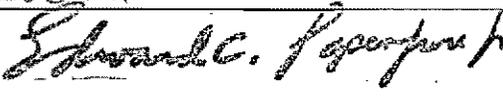
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## RECORDS RETENTION AND DISPOSAL SCHEDULE

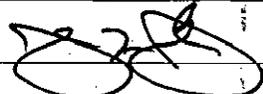
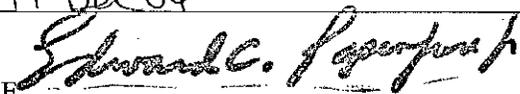
Agency	Division/Unit	
City of Salisbury	Public Works - Water Treatment	
ITEM NO.	DESCRIPTION	RETENTION
7.	Subject Records. -Accident reports, maps, Maryland State Depts. Information, correspondence, sanitary reports, bids, contracts, council meeting notes, insurance claims, water main breaks, Lead, Copper & Silver Sampling Reports, paint process water tanks, budget, certificates, loss control programs, certifications, etc.	Screen annually. Retain permanently any historical material that serves to document the origin, development, functions and accomplishments of the Agency and transfer periodically to the Maryland State Archives. Destroy non-permanent material having no further legal, administrative, fiscal or operational value.
8.	Records of bacteriological analysis.	Retain 5 years, then destroy.
9.	Records of chemical analysis.	Retain 10 years, then destroy.
10.	Records of action to correct violations. Public notices for violations, variances or exemptions issued and certifications.	Retain 3 years from date of last violation, then destroy.
11.	Sanitary surveys	Retain 10 years (include any written reports, summaries or communications relating to survey), then destroy.
12.	Any variance or exemption from Maryland Department of the Environment.	Retain 5 years after expiration, then destroy.
13.	Personnel Records. -Sick leave & vacation files, City property, termination checklist, application, personnel action/payroll form, performance appraisal, email, correspondence, job description, health history. (Originals to Human Resource)	Retain 1 year, then destroy.

Agency City of Salisbury	Division/Unit Public Works - Marina	
ITEM NO.	DESCRIPTION	RETENTION
1.	Marina Commission Meeting Minutes. -Marina Commission Meeting Minutes transcribed and approved by the body.	Permanent. Transfer periodically to the Maryland State Archives.
2.	General Correspondence. -Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the office.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>01 AUG 06</u> SIGNATURE  TYPE NAME <u>John F. Jacobs</u> TITLE <u>Director</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>11 Dec 06</u> SIGNATURE 

Agency City of Salisbury	Division/Unit Public Works - Operations	
ITEM NO.	DESCRIPTION	RETENTION
1.	Time sheets/Employees/Janitorial -Daily time sheets, work orders.	Retain 1 year, then destroy.
2.	Stock requisitions/Issue tickets -Purchase orders (copies), issue tickets, supplies/materials.	Retain 3 years, then destroy.
3.	Master/Subject Records. -Accident reports, budget, cable locations, correspondence, driving records, journal entries, handicap parking, employee addresses, general ledger, parking meters, policy & procedure, etc.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
4.	Vendor Records. -Purchase orders, purchase requisitions, invoices, pending invoices, job invoices.  (Originals to Parking & Procurement)	Retain 1 year, then destroy.
5.	Equipment. -Auctioned, work orders, radios, vehicle repair order request, drivers vehicle condition report, stock requisition, equipment manual, etc.	Retain for life of vehicle plus 3 years, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE		SCHEDULE AUTHORIZED BY
DATE <u>01 Aug 06</u>		STATE ARCHIVIST
SIGNATURE 		DATE <u>11 Dec 06</u>
TYPE NAME <u>John F. Jacobs</u>		SIGNATURE 
TITLE <u>Director</u>		

Agency City of Salisbury		Division/Unit Public Works - Operations
ITEM NO.	DESCRIPTION	RETENTION
6.	Special Events. -Banners, Salisbury Festival, e-mail, calendars, correspondence, handwritten notes, permit applications, special event applications, permit review, drawings/maps, etc.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
7.	Department Records. -Disaster Relief Team, Police, Recreation & Parks, Solid Waste (Trash), employee forms, budget book, annual report, correspondence, purchase orders, budget change, request forms, etc.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
8.	Bulk Pick-up. -Correspondence, statement of account, invoice, bulk pick-up schedule/price list.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
9.	Work Requests. -Handwritten notes, work requests.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
10.	Forms. -Alcohol & drug testing, applications, special reports, direct deposit, illness report, leave request, terminations checklist, etc.	Retain until superseded or updated, then destroy.

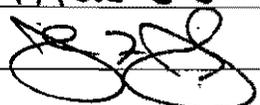
Agency City of Salisbury		Division/Unit Public Works - Operations
ITEM NO.	DESCRIPTION	RETENTION
11.	<p>Personnel Records.                      -Sick leave &amp; vacation record, city property, termination checklist, application, personnel action/payroll form, performance appraisal, e-mail, correspondence, job description, health history.</p> <p>(Originals to Human Resources)</p>	Retain 1 year, then destroy.
12.	<p>Trash Containers (if applicable).                      -Containers in use summary report, location of containers, etc.</p>	Retain 3 years, then destroy.
13.	<p>Recycling.                      -Reports, schedules, work orders, etc.</p>	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
14.	<p>Trash Pick-Up.                      -Correspondence, trash pick-up schedules, statement of accounts, handwritten notes, etc.</p>	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
15.	<p>Recycling Task Force.                      -Meeting minutes transcribed and approved by the body.</p>	Permanent. Transfer periodically to the Maryland State Archives.

Agency City of Salisbury		Division/Unit Public Works - City Zoo
ITEM NO.	DESCRIPTION	RETENTION
1.	General Correspondence. -Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the office.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
2.	Zoo Commission. -Meeting minutes transcribed and approved by the body.	Permanent. Transfer periodically to the Maryland State Archives.
3.	Personnel Records. -Sick leave & vacation files, City property, termination checklist, application, personnel action/payroll form, performance appraisal, email, correspondence, job description, health history.  (Originals to Human Resources)	Retain 1 year, then destroy.
4.	Grants. ---Open space, block, summary of costs, correspondence, copies of invoices, financial status reports, request for funds, final request for reimbursement, etc.  (Originals to Grants/Special Projects)	Retain 1 year, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>01 AUG 06</u> SIGNATURE <u></u> TYPE NAME <u>John F. Jacobs</u> TITLE <u>Director</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>11 Dec 06</u> SIGNATURE <u></u>

Agency City of Salisbury		Division/Unit Public Works - Utilities
ITEM NO.	DESCRIPTION	RETENTION
1.	General Correspondence. —Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the office.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
2.	Pump Stations. —Correspondence file on pump stations for the City i.e. maintenance, contracts, flow records.	Retain for two years, then destroy.
3.	SCADA Computer System. Record of twenty-four pump stations in the City. (Flows, pump operations, general operations of each station.)	Retain for five years, then destroy.
4.	Daily Water and Sewer Records Daily reports - details, calls/crew	Retain for two years, then destroy.

APPROVED BY DEPARTMENT REPRESENTATIVE

DATE 01 AUG 06

SIGNATURE 

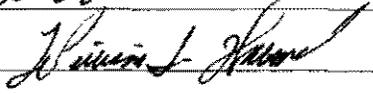
TYPE NAME John F. Jacobs

TITLE Director

SCHEDULE AUTHORIZED BY  
STATE ARCHIVIST

DATE 11 Dec 06

SIGNATURE 

Agency		Division/Unit
City of Salisbury		Building, Permitting & Inspections
ITEM NO.	DESCRIPTION	RETENTION
1.	Building Permits. -Conditional approval, site plans, correspondence, building inspectors, office inspection report, building permit application, drawings, material list report, calculations report, bond estimate sheet, plumbing permit, notice of additions/corrections, etc.	Permanent. Transfer periodically to the Maryland State Archives.
2.	Alteration Permit. -Same as Building Permits. -Pending permits (contains same as above).	Permanent. Transfer periodically to the Maryland State Archives.
3.	Building Plans/Engineering Drawings. -Renovation/additions - site plans, correspondence.	Permanent. Transfer periodically to the Maryland State Archives.
4.	Sign Permits. -Conditional approval, site plans, correspondence, building inspectors, office inspection report, building permit application, drawings, material list report, calculations report, bond estimate sheet, plumbing permit, notice of additions/corrections, etc.	Permanent. Transfer periodically to the Maryland State Archives.
APPROVED BY DEPARTMENT REPRESENTATIVE		SCHEDULE AUTHORIZED BY
DATE <u>1-30-08</u>		STATE ARCHIVIST
SIGNATURE 		DATE <u>JUL 02 2008</u>
TYPE NAME <u>William T. Holland</u>		SIGNATURE 
TITLE <u>Director</u>		

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency	Division/Unit	
City of Salisbury	Building, Permitting & Inspections	
ITEM NO.	DESCRIPTION	RETENTION
5.	<p>Project Files.</p> <ul style="list-style-type: none"> <li>-Site plans</li> <li>-File report, zoning analysis, application for site plan and property resubdivision review, application for Planning and Zoning approval.</li> </ul>	<p>Permanent. Transfer periodically to Archives. Retain 1 year, then destroy.</p>
6.	<p>Board of Zoning Appeals.</p> <ul style="list-style-type: none"> <li>-Appeal Board minutes, photos, Correspondence, resolutions, notice of public hearings, agenda, master site plans, addition plans.</li> </ul>	<p>Permanent. Transfer periodically to the Maryland State Archives.</p>
7.	<p>Board of Adjustments and Appeals.</p> <ul style="list-style-type: none"> <li>-Board minutes.</li> <li>-Correspondence, hearing schedule notice, notice to appear - adjustments and appeals, building permit application, treasurer's receipt.</li> </ul>	<p>Permanent. Transfer periodically to the Maryland State Archives.</p> <p>Retain for 1 year, then destroy.</p>
8.	<p>Public Hearings - Conditional Uses/Re-zoning.</p> <ul style="list-style-type: none"> <li>-Agreements, minutes, temporary conditional use permits, site drawings.</li> <li>-Treasurer's receipt, notice of public hearing, conditional use applications.</li> </ul>	<p>Permanent. Transfer periodically to the Maryland State Archives.</p> <p>Retain 1 year, then destroy.</p>
9.	<p>Subject Records.</p> <ul style="list-style-type: none"> <li>-Correspondence, log sheets, building reports, Repetitive loss properties, accident reports, council meeting notes, insurance claims, budget, certification, etc.</li> </ul>	<p>Screen annually.</p> <p>Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development and accomplishments of the department.</p> <p>Transfer periodically to the Maryland State Archives.</p>

Agency	Division/Unit	
City of Salisbury	Building, Permitting & Inspections	
10.	Audio Tapes (If applicable). –Board of Zoning Appeals, Board of Adjustment and Appeals.	Retain 2 years after approval of minutes by the governing body, then destroy. (Exempt from destruction request requirements)
11.	Inspections. –Inspection schedules, follow-up reports, unsafe properties, correction notices, zoning violations, scheduled re-inspections.	Retain 3 years, then destroy.
12.	General Correspondence. –Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the agency.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development, and accomplishments of the office. Transfer periodically to the Maryland State Archives.
13.	Forms/Letters. –Various forms/letters used by the office for complaints, warnings, inspections, etc.	Retain until superseded or obsolete, then destroy.
14.	Personnel Records. –Sick leave, vacation, city property, termination checklist, application for employment, personnel action/payroll form, performance appraisal, email, correspondence, job description, health history. (Originals to Human Resources)	Retain 1 year, then destroy.
15.	Maryland Department of Transportation. –Driver vehicle condition daily reports, fuel reports, etc.	Retain 3 years and until all audit requirements have been fulfilled, then destroy.
16.	Budget Records. –Annual reports  –Change forms, budget worksheets, correspondence, equipment purchases/large & small.	Permanent. Transfer periodically to the Maryland State Archives.  Retain 5 years, then destroy.

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency City of Salisbury		Division/Unit Department of Neighborhood Services & Code Compliance
ITEM NO.	DESCRIPTION	RETENTION
1.	Housing Code Violations. -handwritten notes, correspondence, right of appeal notice, photos, certified mail receipt, housing report, subpoena, staff contact report, etc.	Retain for 5 years, then destroy.
2.	Housing Board. -Correspondence, hearing schedule notice, site plans, permit application, treasurer's receipt. -Audio tapes of meetings. -Minutes.	Retain 1 year, then destroy.  Retain 2 years, then destroy. Permanent. Transfer periodically to the Maryland State Archives.
3.	Subject Records. -Correspondence, log sheets, building reports, Repetitive loss properties, accident reports, City council meeting notes, insurance claims, departmental budget records (Originals to Finance Department), professional certifications, etc.	Retain 1 year, then destroy.
4.	Inspections/Complaints/Subjects. -Inspection schedules, complaints, follow-up reports, unsafe properties, correction notices, housing code forms, zoning violations, scheduled re-inspections, press meetings, etc.	Retain 5 years, then destroy.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>1/30/08</u> SIGNATURE  TYPE NAME <u>M. Thomas Stevenson, Jr.</u> TITLE <u>Director</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>4 Jun 08</u> SIGNATURE 

## RECORDS RETENTION AND DISPOSAL SCHEDULE

PAGE 2 OF 2

ITEM NO.	DESCRIPTION	RETENTION
Agency City of Salisbury	Division/Unit Department of Neighborhood Services & Code Compliance	
5.	General Correspondence. -Original incoming letters, copies of outgoing letters, memoranda, studies, reports, directives, policies, and other materials related to the administration of the agency.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serves to document the origin, development, and accomplishments of the office. Transfer periodically to the Maryland State Archives.
6.	Historic District Commission. -Minutes including case photos, building and renovation plans -Correspondence.	Retain permanently. Transfer periodically to the Maryland State Archives.  Retain 1 year, then destroy.
7.	Forms/Letters. -Various forms/letters used by the office for complaints, warnings, inspections, etc.	Retain until superseded or obsolete, then destroy.
8.	Landlord Licenses/Renewals. -Annual rental licenses, renewals, fines, late fees, administrative search warrants.	Retain permanently. Transfer periodically to the Maryland State Archives.
9.	Personnel Records. -Sick leave, vacation, city property, termination checklist, application for employment, personnel action/payroll form, performance appraisal, email, correspondence, job description, health history. (Originals to Human Resources)	Retain 1 year, then destroy.
10.	Maryland Department of Transportation. -Driver vehicle condition daily reports, fuel reports, etc.	Retain 5 years, then destroy.
11.	Budget Records. -Annual reports.  -Change forms, budget worksheets, correspondence, equipment purchases/large & small.	Retain permanently. Transfer periodically to the Maryland State Archives. Retain 5 years, then destroy.

Agency City of Salisbury		Division/Unit Human Resources
ITEM NO.	DESCRIPTION	RETENTION
1.	Active Personnel Records. -Withholding forms, insurance data, employment documents, demographic information, status log, action forms, letters of acknowledgment, certificates, commendations, performance reviews, disciplinary actions, miscellaneous notices to employee, policy acknowledgments, miscellaneous requests, medical notices, deferred comp. (H/R acquired City files approximately 2001)	Retain 3 years after termination, then destroy.
2.	City Department Records. -Information/general correspondence relating to City departments.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serve to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
3.	General Subject Records. -Budget, cola, correspondence, IRS Health Match report, employee service awards, new hire reports, surveys, city policies, EEOC annual reports, IRS reports, inventory list, family leave act, new hire report, blood bank, pay scales, etc.	Screen annually. Destroy material having no further legal, administrative, fiscal or operational value. Retain permanently any material that serve to document the origin, development and accomplishments of the department. Transfer periodically to the Maryland State Archives.
APPROVED BY DEPARTMENT REPRESENTATIVE DATE <u>August 29, 2006</u> SIGNATURE <u><i>Steven Michael Thompson</i></u> TYPE NAME <u>Steven Michael Thompson</u> TITLE <u>Human Resources Director</u>		SCHEDULE AUTHORIZED BY STATE ARCHIVIST DATE <u>25 May 07</u> SIGNATURE <u><i>Edward C. Popenjancic</i></u>

## RECORDS RETENTION AND DISPOSAL SCHEDULE

Agency	Division/Unit	
City of Salisbury	Human Resources	
ITEM NO.	DESCRIPTION	RETENTION
4.	Advertised Positions Applications. -EEOC Applicant Flow data, applications, list of interviews, general correspondence related, etc.	Retain 3 years, then destroy.
5.	Alcohol/Drug Testing. -Contracts, test policies, testing procedures/forms, full-time & temporary results for pre-employment, random, reasonable suspicion, post accident, computer reports.	Retain 3 years after termination, then destroy.
6.	Job Classifications. -All full-time descriptions. Some inactive/temporary.	Retain until revised, then destroy.
7.	Temporary Employee Payroll Records. -Mass new hires/termination forms, rate changes, demographic changes, payroll forms, payroll action forms.	Retain 3 years after termination, then destroy.
8.	Insurance Records. -Contracts, forms, paid claims reports, policy information, changes.	Screen annually, destroy material having no further legal, administrative, fiscal or operational value. Non-Permanent
9.	Cobra Records. -Detail of participants.	Retain any active file for length of benefit. After termination retain 5 years. Non-Permanent Destroy material having no further legal, administrative, fiscal or operational value.

Agency		Division/Unit
City of Salisbury		Human Resources
ITEM NO.	DESCRIPTION	RETENTION
10.	Employee Grievance Records. -Hearing information.	Screen annually, destroy material having no further legal, administrative, fiscal or operational value. Non-Permanent
11.	Affirmative Action Plans.	Retain until updated or superseded, then destroy.
12.	Worker's Compensation Claims. -Incident reports, requests for checks, correspondence, medical reports, invoices and/or medical authorization reports.	Retain notice of claim until no further action, plus 5 years, then destroy. Notice of claim with lawsuit filed should be retained for 7 years after settled, then destroyed.
13.	Worker's Compensation Reports.	Retain 6 years, then destroy.
14.	Benefits Studies and Surveys.	Retain until superseded or obsolete, then destroy.
15.	Unemployment Insurance. -Claims by terminated employees.	Retain 6 years, then destroy.
16.	Sick/Vacation Leave Sharing Authorization.	Retain 6 years, then destroy.
17.	Sick/Vacation Leave Buy-back Election Form.	Retain 6 years, then destroy.
18.	Immigration I - 9s	Currently, upon termination, record is pulled and added to personnel file that is retained for 3 years, then destroyed; I - 9s should be maintained separately; retain for 3 years after date of hire or 1 year after the date of employee termination whichever is later, then destroy.

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INTER

OFFICE

# MEMO

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*OFFICE OF THE MAYOR*

**To:** City Council  
Mayor  
**From:** Tom Stevenson  
**Subject:** Foreclosure Task Force  
**Date:** December 11, 2013

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Attached please find a resolution that will have the effect of creating a Foreclosure Task Force. The group will evaluate and review the City's response to foreclosures and then recommend policies and/or legislation that will address the impact that foreclosures may have on the City. An emphasis will be placed on foreclosure prevention, maintenance of foreclosed properties and administrative policies and procedures.

RESOLUTION NO. \_\_\_\_\_

1 A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND ESTABLISHING A  
2 FORECLOSURE TASK FORCE TO ESTABLISH, EVALUATE AND REVIEW THE CITY'S  
3 RESPONSE TO FORECLOSURES AND TO RECOMMEND APPROPRIATE POLICIES  
4 AND/OR LEGISLATION TO ADDRESS THE IMPACT OF FORECLOSURES IN THE  
5 CITY.

6  
7 WHEREAS, the City of Salisbury is well aware of the economic, community and quality of  
8 life impacts that foreclosures are having in the City of Salisbury, Wicomico County and the  
9 region and has undertaken several legislative, policy and funding initiatives to support efforts to  
10 encourage retention of homes and new homeownership opportunities; and

11  
12 WHEREAS, according to the Maryland Department of Housing and Community  
13 Development Office of Policy, Planning and Research, Property Foreclosure Events in  
14 Wicomico County for 2013 Q3 have increased 463.7% over 2012 Q3; Notices of Mortgage Loan  
15 Default Issued in Wicomico County for 2013 Q3 have increased 382.7% over 2012 Q3; Notices  
16 of Foreclosure Sales Issued in Wicomico County for 2013 Q3 have increased 6290.0% over  
17 2012 Q3; Lender Purchases of Foreclosed Properties in Wicomico County for 2013 Q3 have  
18 increased 79.1% over 2012 Q3; and Salisbury's 21801 and 21804 Zip Codes have been  
19 identified as "High Hot Spots" for Foreclosure Activity within the State of Maryland;

20  
21 WHEREAS, the City of Salisbury desires to further examine the opportunities for  
22 addressing issues related to residential property foreclosures, including through education,  
23 counseling, homeowner and buyer financial assistance, and to consider appropriate  
24 recommendations for implementation related thereto; and

25  
26 NOW, THEREFORE, BE IT RESOLVED that the City of Salisbury Foreclosure Task  
27 Force is hereby established to review and evaluate the City's response to foreclosures and to  
28 recommend appropriate policies and/or legislation to address the impact of foreclosures in the  
29 City, including an emphasis on foreclosure prevention, maintenance of foreclosed properties and

30 Court and City administrative policies and procedures in the foreclosure setting.

31  
32 BE IT FURTHER RESOLVED that the Foreclosure Task Force shall be composed of  
33 ~~thirteen (13)~~ nine (9) members as follows:

- 34
- 35 1. The Administrative Judge of the Circuit Court of Wicomico County or their designee;
  - 36 2. Three (3) representatives of a bank or mortgage company operating within Salisbury  
37 with experience in residential lending;
  - 38 3. One (1) representative of a not-for-profit housing organization providing foreclosure  
39 related services within Salisbury;
  - 40 4. One (1) representative of the Salisbury realtor community; and
  - 41 5. One (1) resident of the City;
  - 42 6. The President of the City Council or the President's representative (ex-officio);
  - 43 7. The Deputy Director of the Salisbury-Wicomico Department of Planning & Zoning (ex  
44 officio).

45  
46 BE IT FURTHER RESOLVED that the Mayor shall appoint the Chair of the Task Force  
47 from amongst the nine appointed members.

48  
49 BE IT FURTHER RESOLVED that the Foreclosure Task Force shall present its evaluation  
50 and recommendations to the Mayor and City Council on or before September 1, 2014 and shall  
51 dissolve upon the issuance of their report.

52  
53 BE IT FURTHER RESOLVED that copies of this Resolution shall be sent by the City  
54 Clerk, the City Council, the Mayor, the Secretary of the State Department of Housing and  
55 Community Development, the Administrative Judge of the Circuit Court of Wicomico County  
56 and the Chairs of the Eastern Shore House and Senate Delegations.

57  
58 THIS RESOLUTION was introduced and duly passed at a meeting of the Council of the  
59 City of Salisbury, Maryland held on \_\_\_\_\_, 2014 and is to become effective immediately  
60 upon adoption.

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ATTEST:

\_\_\_\_\_  
Kimberly R. Nichols  
CITY CLERK

\_\_\_\_\_  
Jacob R. Day  
PRESIDENT, City Council

APPROVED by me this \_\_\_\_\_ day of \_\_\_\_\_, 2014

\_\_\_\_\_  
James Ireton, Jr.  
MAYOR, City of Salisbury

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INTER

OFFICE

MEMO

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*OFFICE OF THE MAYOR*

**To:** City Council  
Mayor  
**From:** Tom Stevenson  
**Subject:** Salary Recommendations for Elected Officials  
**Date:** November 25, 2013

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During the October 7, 2013 Council work session, the administration was asked to determine whether or not Council members are considered “employees”.

The Human Resources Department investigated this question and determined that Council members are **not** considered employees. They are described in a separate category called “Elected Officials”. Elected Officials are paid a stipend. This stipend is not based on hours, rather an annual compensation that is spread out over a 12 (twelve) month period.

Elected Officials are offered an opportunity to enroll in the City’s health care plan at the full group premium, which is deducted pre-tax from the monthly stipend.

The City is required to offer health insurance to those individuals with the status of Regular Full Time or Regular Part-Time employees. These employees work at least a minimum of 30 hours per week.

At your request, I have also attached another copy of the November 19, 2012 letter from the Salary Review Committee.

Please let me know if you require any additional information.

# City of Salisbury



MARYLAND

## SALISBURY CITY COUNCIL WORK SESSION AGENDA

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DECEMBER 17, 2012  
CONFERENCE ROOM 306  
GOVERNMENT OFFICE BUILDING

- 1:30 p.m. Salary Review Committee Report – John Pick
- 2:00 p.m. CIP Review – John Pick
- 3:00 p.m. Break
- 3:15 p.m. Draft - Business Disclosure for Entities with Relationships with City – Mark Tilghman
- 4:00 p.m. General Discussion/Upcoming agenda items
- Mountain Bike MOU
  - Follow up questions & answers – FY12 Audit
  - Other
- 4:30 p.m. Adjournment

*Times shown are approximate. Council reserves the right to adjust the agenda as circumstances warrant.  
The Council reserves the right to convene in Closed Session as permitted under the Annotated Code of Maryland 10-508(a).*

Posted: 12/12/12

**City of Salisbury**  
**Salary Review Committee**  
**Recommendation to Mayor and City Council**  
**November 19, 2012**

The Salary Review Committee, having been duly appointed by the Mayor of Salisbury and under the direction and guidelines of the City Charter of Salisbury, Maryland, does hereby present these recommendations made herein to the Mayor and City Council.

This committee met on Thursday, November 1<sup>st</sup>, and Monday, November 19<sup>th</sup>, 2012. Committee members are Lauren R. Hill, Shirley Doane, Bill Press, Richard E. Widdowson, and Maarten Pereboom. The group was assisted by Linda Airey and Jeanne Loyd from the Human Resources Department, and received general guidance from City Administrator John Pick.

The committee took several factors into consideration when reviewing the current salaries of the Mayor and Council. These included, but were not limited to:

- A comparison of salaries for mayoral, council, and city employees of cities of similar size;
- The most recent increase in salaries recommended by the last Committee;
- The current state of the economy.

After review, the Committee determined that salaries for the Mayor of Salisbury and Council Members do correspond with their counterparts in cities of similar size from across Maryland as well as Dover, DE. Specific comparisons were made with Cumberland; Hagerstown; Laurel; MD; Dover, DE; Ocean City; and Cambridge. These numbers can be seen on the attached document.

However, the Committee recognizes that salaries have not risen since 2007, and the 2007 increase happened after a ten year stasis. The Committee also recognizes that an increase recommended and approved now will not take effect in 2015, reflecting another eight year stasis. The cost of living has increased by 11.6% since 2007, as calculated by the Consumer Price Index from the Bureau of Labor and Statistics (BLS). Living costs will continue to increase between now and 2015.

Additionally, and most urgently, the Committee recognizes that in order to continue to attract highly qualified candidates to the mayoral and council positions, and to reward the hard work and time dedication required of said positions, increases must be considered. As the roles, expectations, and regulations of these positions continue to expand, employees must be properly compensated for their time and energy.

Based on the above factors, the Committee recommends a 12% salary increase for each member: Mayor, City Council President, and City Council Members, totaling \$9,240.00 to the city budget. This number is based on BLS Consumer Price Index calculations reflecting an 11.6% increase in cost of living since 2007 and a very modest prediction of the BLS in 2015 (which could be a 17 or 18% difference in cost of living from 2007). 12% is appropriate, considering the eight year lag

that will have occurred. We would also like to very strongly recommend that the city consider a cost of living adjusted salary schedule to avoid large spikes in salaries in the future.

Finally, and of utmost importance, the Committee stresses concern and hope for city employees' salaries. City employees last received a salary increase in 2009 of 2%, but we would very strongly encourage City Council to consider and suggest further increases for city workers to reflect cost of living adjustments. Considering the BLS and the Consumer Price Index, city workers are being dramatically underpaid. We stress the importance of increasing all city workers' salaries to better reflect the demands of the changing economy.

As the representative and chairperson of the Salary Review Committee, I do hereby make these recommendations to the Mayor and Council of the City of Salisbury for their review and approval.



Lauren R. Hill

Chairperson, Salary Review Committee

Date: 12/13/2012

**Survey of Like Sized Cities**

Cities	Cumberland	Hagerstown	Laurel	Dover	Ocean City	Cambridge	Salisbury
City Population	21,518	39,662	21,000	34,900	10,000	12,326	30,434
Form MC or CM	M/C	M/C	M/C	C/M	C/M	M/C	M/C
Mayor	\$ 7,200.00	\$ 28,000.00	\$ 20,000.00	\$ 45,000.00 -1998	\$ 30,000.00	\$ 12,000.00	\$ 25,000.00
City Council President	n/a	na	\$ 7,500.00	\$ 8,652.00	\$ 11,000.00	\$ 10,000.00	\$ 12,000.00
City Council Member	\$ 4,800.00	\$ 8,000.00	\$ 7,500.00	\$ 4,716.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Last Increase for M/C	FY82	1996	2006	7/1/2002	Unavailable	7/1/2000	7/1/2007
Last Increase for Ees	FY10	2009	FY13 (steps)	7/1/2010	2009	7/1/2009	7/1/2009
Same as Ees	No	No	No	No non-bargaining unit Unions other	No	No	No
Full time Part Time	PT	PT	PT	Mayor FT Council PT	PT	PT	PT
Benefits	None	Health, Dental Vision Same Rate as ee Flex Spending	HealthIns SameRate as ee Flu Shots CU Member	Council None Mayor All Benefits No sick/vac/or pension Expense Alltmnt	Health Ins - Same cost as employee - Life Insurance Pd up to 200% of Salary Blood Bank 457 Deferred	MSRP HealthIns,Life Same cost as ee	MSRP Health Ins Full Cost Flu Shots