

**Burkittsville Maryland  
Citizen's Review Committee  
Issues and Recommendations**

The Citizen's Review Committee was formed by the Mayor and Council for the purpose of reviewing the way town business is conducted and then making recommendations for developing and implementing internal controls.

Committee members were chosen from Burkittsville citizenry through a process approved by the mayor and council members. The four individuals who expressed interest make up the committee and include Paul Gilligan, Chuck Rounds, Mark Carroll and Jim Hauver.

The committee met on 19 December 2024 and identified the following mayor and council member areas of concern which need addressed to ensure compliance with federal, state and local laws and regulations. A second meeting was held on 6 January 2025 to review the recommendations contained in this document.

1. Lack of awareness and training on Municipality Operations.
2. Lack of awareness and use of the Town's Charter.
3. Lack of understanding of Maryland's State Ethics and appearances.
4. Lack of open, clear, effective and timely written and oral communication.
5. Operational deficiencies regarding the 2024-2025 budget.
6. Operational deficiencies regarding purchasing, contracting.
7. Operational deficiencies regarding grant funding management.
8. Operational deficiencies regarding all manner of documentation and filing.
9. Unconventional hiring practices.
10. Operational deficiencies regarding federal (and state) tax law.
11. References and training resources.
12. Recommended items for an annual calendar
13. Draft annual calendar.
14. Interim Recommendations for immediate actions by the Mayor and Council.

More detailed information and specific committee recommendations are provided in the following pages.

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1. Regarding the lack of awareness and training on Municipality Operations by the Mayor and Council the committee recommends the following training:
  - a. The Academy for Excellence in Local Governance is a certificate training program specifically designed to educate Maryland officials on the fundamentals of local governance. A partnership between the Maryland Municipal League, the Maryland Association of Counties, the University of Maryland School of Public Policy, and the Local Government Insurance Trust, the Academy program offers nine core subject matter classes and a revolving curriculum of topics relevant to municipal government officials.
  - b. The Maryland Open Meeting Act
  - c. The clerk/treasurer become familiar with the Maryland Municipal Clerks Association Handbook and take relevant courses offered by the International Institute of Maryland Clerks.
  - d. Ethics Law - The Maryland State Ethics Commission provides training on all areas of Public Ethics Law with a focus on conflicts of interest and standards of conduct.
  - e. Other pertinent courses which are available online, through Maryland State sites, and the Maryland Municipal League.
  - f. Training resources are provided on page 8 of this document.
2. Regarding the lack of awareness and use of the Town's Charter. The town charter is a legal document that was written and adopted by Burkittsville to define the powers, responsibilities, and organization of its local government. It is the basis for the legal and operational functionality of the town.
  - a. The committee recommends the following:
    - i. All current and future mayor and council members should read the Charter and sign a signature page indicating they have read and understand the charter and will abide by the Articles.
    - ii. The clerk/treasurer should file the signature pages in a location approved by the mayor.
3. Regarding the lack of understanding of Maryland's State Ethics Commission Local Government Ethics Law Regulations at COMAR 19A.04. This statute requires local governments to enact ethics laws for their districts. In the case of elected local officials, local governments' laws must be equivalent to or exceed the requirements of state law with respect to conflict-of-interest provisions and financial disclosure provisions.
  - a. The committee recommends the following:
    - i. The Town enacts an ethics law that is equivalent to state law and addresses the current conflict of interest that is occurring with a Councilman being part of financial decisions that benefit him.
    - ii. The Council reviews and makes public the Town attorney's opinion on what discussions and decisions any Councilmember may be a part of and when he is to recuse himself.
    - iii. The Mayor and Council should begin abiding by the legal opinion immediately.

4. Regarding the lack of open, clear, effective and timely written and oral communication.
- a. Written communication Issues. The town has a variety of operations that are dependent on written communications. Seldom are meeting agendas and minutes, treasurer's reports, email and various reports provided in a timely manner for council members to review prior to meetings.
  - b. Email Communications Issues:
    - i. The mayor and council rarely acknowledge receipt. Normal business etiquette dictates that receivers acknowledge receipt within a given timeline.
    - ii. The present email provider does have a "read receipt," but no council member volunteers to use the town email system because it is cumbersome.
    - iii. If the website was accessed from cell phones, the site might get more use.
      - 1. The committee recommends the following:
        - a. Acknowledge receipt of emails (indicating receipt only) within 24 hours of receipt.
        - b. Provide an answer to the email content within 48 hours of original email receipt.
        - c. Decide which email system will be used to conduct town business.

- c. Website Posting Issues: Posting of issues and updates online is inconsistent.
- i. Some posting is being done, but there is no consistent location or timely postings of town “business” communication. The town is looking for someone to maintain and post on the town website.
  - ii. The town site has various locations that have been used by the mayor and council to post town business. Many of the postings are outdated, although new postings appear occasionally. The first and front page of the website has an area at the bottom for “Town News.” Here the postings include various town announcements such as scheduled or planned meetings, job announcements, committee news and cancelled or rescheduled town meetings, including planning and zoning. On the Government section of the website, front page, a statement asks to check the bulletin board across from the Post Office or visit the town’s Facebook page. On the Facebook page, one will see various announcements. If one goes to the Government website, under Town Council meetings, you will see the last meeting was March 2024. Only trash pickup and recycling are updated regularly.
    1. The committee recommends the following:
      - a. The mayor should assign the Clerk/Treasurer to maintain and post information on the town website.
      - b. The mayor assures meeting agendas, minutes, and treasurers’ reports are provided to council members 5 days prior to scheduled meetings and workshops.
      - c. The mayor assures that agendas, minutes, and treasurers’ reports are posted to the town website within 5 days of all meetings. At a minimum, these should include discussion points, decisions made, and council voting results.
      - d. Post the last 6 months of meeting minutes and reports on the town website.
      - e. The mayor, council members and clerk treasurer develop an annual calendar/timeline to be completed by May 30 of each year. The calendar should cover the period of July 1 through June 30 of each year. This best practice of developing and working in accordance with a town calendar allows for more precise and effective planning and execution. A “starter” calendar can be found on page XXX
- d. Oral Communication Issues:
- i. The mayor and council members cannot be heard during meetings. When speakers are asked to increase their volume, that speaker obliges, but only for the next comment or two, and then s/he returns to an inaudible level.
  - ii. Due to the inability to hear and track discussions, citizens present at meetings cannot fully engage in or understand the discussion.
    1. The committee recommends the following:

- a. The town purchases an appropriately sized microphone and electronic speakers so that speakers can be heard and discussions followed.
  - b. Workshop meetings are also public meetings; however, it is recommended that no public comments or discussion should take place until the Mayor and Council complete their workshop agenda and discussions. The mayor may need to make this a formal announcement at each workshop.
- 5. Regarding operational deficiencies of the 2024-2025 budget.
  - a. As of this writing, the town does not have an approved 2024-2025 fiscal year budget.
  - b. Charter, Article VII, Finance, Sections 701 – 707 were not followed properly for the preparation, public notice, or adoption of the 2024-2025 budget.
    - i. The committee recommends the mayor and town council:
      - 1. Review and discuss the most recently revised proposed budget, make their edits, and adopt a budget for the remainder of the fiscal year.
      - 2. Draft the budget during the first week of May each year.
      - 3. Immediately review the Town Charter, Article VII, Sections 701-707 to identify requirements for the 2025-2026 budget.
      - 4. Schedule public notices and meetings, review/include/deny recommendations; then adopt an operating budget.
- 6. Regarding operational deficiencies in purchasing and contracting.
  - a. There is a lack of adherence to the Charter, Section 721 (a) (b) (c) (purchasing and contracting.)
  - b. The Clerk/Treasurer undergo state procurement and contracting training on an annual basis to understand procurement laws and regulations.
  - c. The following recommendations should improve operations in this area.
  - d. If needed, the Charter allows the council to create an ordinance for purchasing and contracting.
    - i. The committee recommends:
      - 1. The clerk/treasurer shall email purchase requests to the council for approval.
      - 2. Request emails should contain:
        - a. Justification why the item or service is needed.
        - b. Description of item, service to be purchased.
        - c. Account to be charged.
        - d. Vendor, supplier, contractor or service and their name, address, phone, email, and contact person.
        - e. Cost of an item, and if more than one, each item to be listed and priced separately for a total.
        - f. Date of purchase if it has already been purchased.

- g. Hardcopies of the email of the purchase and receipt of the item or service shall be stapled and filed properly.
- h. The documentation may be scanned into "Shore Scan;" however, a hard copy must be kept in the file with the current fiscal year, title and/or section of the filing cabinet.

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7. Regarding operational deficiencies of grant funding management and processes.
- a. Since 2016, the Town of Burkittsville has received and spent more than \$695,550 in Federal, State, and County grants for infrastructure improvements. This includes:

Purpose	Dollar Amount
Renovation of the Red Barn as a visitor Center. (and still no bathrooms)	148,092.00
From FEMA flood funds for road repairs.	36,411.91
Guyton Scenic View Park improvements (does not include the land purchase)	92,000.00
For the Memorial Park playground equipment replacement and upgrades.	304,047.00
Street Repair	115,000.00
<b>Total</b>	695,550.91

- b. Credit is due to the Town Council and the Maryland Rural Development Corporation for securing the grants. However, current and future grants are at risk due to ineffective grant management. There is a lack of accountability and documentation and the appearance of misappropriations.
- c. The Committee recommends:
- i. The development and implementation of internal controls, especially as they relate to the post-award management of grants, covering the general areas of fiscal management, project execution, monitoring and inspection; compliance and reporting; audits and evaluations and project closeout.
  - ii. The internal controls should address specific deficiencies from the past.
  - iii. Engage the public, request input, share current information, meet often.
  - iv. Develop and follow a recordkeeping process to maintain notes, town meeting minutes, and all documents associated with the project/grant. Document all events, save hard copies of all information related to the Grant. Suggest initiating duplicate documentation set in an electronic format, if the grant has its own separate folder. Include pictures with date and time stamps.
  - v. Engage licensed and qualified personnel to develop a statement of work (SOW), specifications, drawing, timeline, and cost estimates. These personnel should be experienced in the type of work, systems, infrastructure repairs/modifications that are needed.
  - vi. Review county and state requirements for permits.
  - vii. Post advertising for the Request for Bids in areas where it is likely to get responses, do not limit it to the town's website.
  - viii. Review qualified bids properly and impartially. A review panel is excellent.
  - ix. Manage and monitor the work to be done (this must be a qualified and experienced person working on the town's behalf.)
  - x. Establish a separate fund tracking account to document funds received and expended.
  - xi. Confer with the grant authority on the reporting requirements, due dates, and timeline.

- xii. Follow guidelines for payments to contractors, vendors, and suppliers as defined below.
8. Regarding documentation and filing deficiencies related to:
- a. Agendas, minutes, treasurer reports and cancelled checks (current and historical)
    - i. The mayor is improving the filing of records and documentation. He is also scanning many of the files, including bank statements, meeting minutes, agendas and other town related documents into a digital document retrieval system called "Shore Scan." Purchased years ago, little had been scanned into the system and the program had not been utilized until very recently.
      - 1. The committee recommends:
        - a. The mayor continues to scan documents until completed.
  - b. Contractor documents
    - i. Committee recommendations for Contractor Invoice Documentation:
      - 1. All vendors should get pre-approved by the Council by reviewing their credentials, licenses, ratings, and vetted, unless previously approved by Frederick County.
      - 2. All contractor invoices must be clear and legible, and include company name, address, phone number, email address, date of purchase or service, itemized list of items or dates of service, and total cost.
      - 3. Invoices should be delivered to or emailed to the Town Office within 5 days of completed service or purchase. If a monthly service, invoice shall include list of itemized dates service was provided and submitted within 5 days of the last day of the preceding month. Multiple months should not be accepted on the same invoice and only after the work has been satisfactorily completed.
      - 4. All town contracts should be signed by town representatives to include the mayor and council members.
      - 5. All contracts change order requests must be presented to the town council in writing.
      - 6. Any additional costs must be approved before additional work can be performed.
      - 7. Recommend council members use email to approve or deny these types of requests so as not to delay progress or scheduling.
9. Regarding unconventional hiring practices and adherence to standard hiring practices:
- a. Hiring practices should be adopted to ensure Maryland's labor and employment laws are being observed.
  - b. Councilmen should be granted the opportunity to review all potential hires resume's and comment on, prior to the official hiring of all employees and/or representatives of the town.

10. Regarding operational deficiencies as it relates to federal and state tax law.

- a. Currently, there are no documented or filed IRS Forms 1099 for the mayor, council members, clerk treasurer, or paid contractors. This is in direct conflict to IRS Publication 5717, IRS Portal Guide.
  - i. The committee recommends:
    1. Moving forward, the mayor follows IRS guidance.
    2. Research the need to reconstruct 1099s from the retention period.
    3. Consult an attorney or CPA concerning the 1099s and the need for the town to file with the IRS.

11. References and training resources:

- a. IRS Portal Guide: <https://www.irs.gov/pub/irs-pdf/p5717.pdf>
- b. The code of ethics for Maryland municipalities: <https://ethics.maryland.gov>.
- c. Municode: <https://library.municode.com/>
- d. Burkittsville website link: <https://burkittsville-md.gov/>
- e. Maryland Manual On-Line: <https://msa.maryland.gov/>
- f. The Maryland Municipal League: [www.mdmunicipal.org](http://www.mdmunicipal.org), of which Burkittsville is a member. There are numerous training opportunities online as well as the E-newsletter, "The Local Dispatch."
- g. Local Government Insurance Trust: [www.lgit.org](http://www.lgit.org) of which Burkittsville is also a member. Member can take advantage of loss control training programs, certificate courses and on-line training.

12. Suggested events for a recommended annual calendar:

- a. Town Meeting and workshops.
- b. The calendar should cover the period of July 1 through June 30 of each year.
- c. NLT October 1 - Frederick county snow removal agreement needs to be signed. Verify this date.
- d. October 1 - Announce when Halloween will be celebrated.
- e. NLT May 31 - A proposed budget for the new fiscal year must be delivered to the town council.
- f. The mayor, council members and clerk treasurer develop an annual calendar/timeline to be completed by May 30 of each year. The calendar should cover the period of July 1 through June 30 of each year.

13. Draft annual calendar (starter only):

Dates to include on Burkittsville Annual Calendar			
Order	Month	Day	Event
1.0	Jul	12	Town council meeting
2.0	Aug	11	Workshop
3.0	Sep	10	Town council meeting
4.0	Oct	1	Announce when Trick or Treat will be conducted in Burkittsville
4.0	Oct	1	NLT than this date. Frederick county snow removal agreement needs to be signed. <b>Verify this date is accurate.</b>
4.0	Oct	11	Workshop
5.0	Nov	12	Town council meeting
6.0	Dec	11	Workshop
7.0	Jan	13	Town council meeting
8.0	Feb	12	Workshop
9.0	Mar	11	Town council meeting
10.0	Apr	10	Workshop
11.0	May	12	Town council meeting
11.0	May	30	Complete annual calendar
11.0	May	31	On or before this date, deliver proposed budget to the town council
12.0	Jun	11	Workshop

14. Interim recommendations for immediate action by the Mayor and Council.

- a. Mayor and Council Initiate a legitimate financial audit performed first that would identify gaps in internal controls and high risk areas.
- b. Once high risk areas are identified, utilize a different auditing firm to come in and test further the high risk areas.
- c. Mayor and Council review the recommendations and list and approve action items that can be put into place immediately.