

ARTICLE VI

FINANCE

Section 601. Treasurer

The Treasurer shall be the chief financial officer of the City. The financial powers of the City, except as otherwise provided by this Charter, shall be exercised by the Treasurer under the direct supervision of the Commission.

Section 602. Powers and Duties of Treasurer

Under the supervision of the Commission, the Treasurer shall have authority and shall:

- (a) Prepare an annual budget to be submitted to the Commission.
- (b) Supervise and be responsible for the disbursement of all monies and have control over all expenditures to assure that budget appropriations are not exceeded.
- (c) Maintain a general accounting system for the City in such form as the Commission may require.
- (d) Submit at the end of each fiscal year, and at such other times as the Commission may require, a complete financial report to the Commission.
- (e) Ascertain that all taxable property within the City is assessed for taxation.
- (f) Arrange for collection of all taxes, special assessments, license fees, liens, and any other revenues (including utility revenues) of the City, and any other revenues for whose collection the City is responsible.
- (g) Have custody of all public monies, belonging to or under the control of the City, except as to funds in the control of any set of Trustees, and have custody of all bonds and notes of the City.
- (h) Maintain a general ledger.
- (i) Maintain all City checkbooks.
- (j) Prepare and present to the Commission a monthly Treasurer's report.

(k) Coordinate the annual City audit by an independent auditor.

(l) Invest excess funds in a manner authorized by Maryland law and approved by the Mayor.

(m) Do such other things in relation to the fiscal or financial affairs of the City as the Commission may require or as may be required elsewhere in this Charter.

Section 603. Bond of Treasurer

The Treasurer shall be bonded with a corporate surety in such amount as the Commission may require by ordinance.

Section 604. Fiscal Year

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

Section 605. Budget

The Treasurer, on such date as the Commission shall determine, but at least thirty-two (32) days before the beginning of any fiscal year, shall submit a proposed budget to the Commission. The budget shall provide a complete financial plan for the budget year and shall contain estimates of anticipated revenues and proposed expenditures for the coming year. The total of the anticipated revenues shall equal or exceed the total of the proposed expenditures. The proposed budget is a public record and is open to public inspection during normal business hours in the Office of the Treasurer.

Section 606. Budget Adoption

Before adopting the proposed budget the Commission shall hold a public hearing. Public notice of the hearing shall be published not fewer than two times on weekly intervals in a newspaper of general circulation within the City's corporate limits. At any time after the public hearing, the Commission may adopt the budget with or without amendment. The Commission is not required to provide public notice or conduct additional public hearings in the event that the proposed budget is amended after the public hearing. In amending the budget, the Commission may insert new items or may increase or decrease the items of the budget. Where the Commission shall increase the total proposed expenditures it

or in part by the issuance of bonds, nor the making of contracts of lease or for services for a period exceeding the budget year in which such contract is made, when such contract is permitted by law.

Section 610. Appropriations Lapse After One Year

All appropriations shall lapse at the end of the budget year to the extent that they shall not have been expended or lawfully encumbered. Any unexpended and unencumbered funds shall be considered a surplus at the end of the budget year and shall be included among the anticipated revenues for the succeeding budget year.

Section 611. Checks

All checks issued in payment of salaries or other municipal obligations shall be issued and signed by the Treasurer and shall be counter-signed by the Mayor or, in the Mayor's absence, by the Vice Mayor.

Section 612. Taxable Property

All real property and all tangible personal property within the corporate limits of the City, shall be subject to taxation for municipal purposes. The assessment used shall be the same as that for State and County taxes. No authority is given by this section to impose taxes on any property which is exempt from taxation by State law.

Section 613. Tax Levy

(a) Rate. The Commission annually may levy such taxes upon assessable real and personal property within the corporate limits as it deems necessary and shall set the tax rates by resolution prior to adoption of the annual budget.

(b) Notice. Immediately after the levy is made by the Commission in each year, the Treasurer shall give notice of the making of the levy by posting a notice thereof in some public place or places in the City.

Section 614. Taxes Constitute Lien

All taxes levied under Section 613 of this Charter shall be a lien on any and all property of the person, corporation, or entity against whom they are levied.

Section 615. When Taxes are Overdue

The taxes provided for in Section 613 of this Charter shall be due and payable as provided in the Tax-Property Article of the Annotated Code of Maryland and shall be overdue and in arrears as provided in that article. Taxes shall bear interest while in arrears and shall be subject to additional penalties as authorized by State Law. Any interest rates or penalties to be imposed by the City of District Heights shall be established by the Commission by ordinance. All taxes not paid in arrears one year after the date on which they are due and payable shall be collected as provided in Section 616.

Section 616. Sale of Tax Delinquent Property

A list of all property on which the City taxes have not been paid and which are in arrears as provided by Section 615 of this Charter shall be turned over to Prince George's County as provided for by State law. All property listed thereon shall if necessary be sold for taxes in the manner prescribed by State law.

Section 617. Fees

All fees received by an officer or employee of the City government in his or her official capacity shall belong to the City government and be accounted for to the City.

Section 618. Audit

The financial books and accounts of the City shall be audited annually.

Section 619. Tax Anticipation Borrowing

During the first six months of any fiscal year, the City shall have the power to borrow in anticipation of the collection of the property taxes levied for that fiscal year, and to issue tax anticipation notes or other evidences of indebtedness as evidence of such borrowing. Such tax anticipation notes or other evidences of indebtedness shall be a first lien upon the proceeds of such tax and shall mature and be paid not later than eighteen (18) months after they are issued. No tax anticipation notes or other evidences of indebtedness shall be issued which will cause the total tax anticipation indebtedness of the City to exceed fifty percent (50%) of the property tax levy for the fiscal year in which such notes or other evidences of indebtedness are issued. All tax anticipation notes or other evidences of indebtedness shall be authorized by ordinance before being issued. The Commission shall have the power to regulate all matters concerning

the issuance and sale of tax anticipation notes.

Section 620. Authority to Borrow Money

(a) General Obligation Bonds. The City shall have the power to borrow money for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds. The power and obligation of the City to pay any and all general obligation bonds, notes, or other evidences of indebtedness issued by it under this authority shall be unlimited and the City shall levy ad valorem taxes upon all the taxable property of the City for the payment of such bonds, notes, or other evidences of indebtedness and interests thereon, without limitation of amount. Except as otherwise provided, the faith and credit of the City is hereby pledged for the payment of the principal of and the interest on all general obligation bonds, notes, or other evidences of indebtedness, hereafter issued under the authority of this Charter, whether or not such pledge be stated in the general obligation bonds, notes, or other evidences of indebtedness, or in the ordinance authorizing their issuance.

(b) Revenue Bonds. The City shall have the power to issue revenue bonds for one or more revenue-producing projects that serve a proper public purpose. Prior to issuance of revenue bonds, the Commission shall enact an ordinance stating the public purpose for which the proceeds of the revenue bonds are to be expended. Revenue bonds shall be made payable, as to both principal and interest, solely from the income, proceeds, revenues, and funds derived from the project or projects for which they were issued. The faith and credit of the City shall not be pledged for the payment of revenue bonds.

Section 621. Previous Issues

All bonds, notes, or other evidences of indebtedness validly issued by the City prior to adoption of this charter and all ordinances passed concerning them are hereby declared to be valid, legal, and binding and of full force and effect as if herein fully set forth.

Section 622. Purchasing and Contracts

The Commission shall provide by ordinance for rules and regulations regarding the use of competitive bidding for City purchases and contracts including the level of expenditures below which competitive bids are not required.