

Charter Amendment No. 15-1

Resolution No.: 10-01-15

Adopted: _____

Effective Date: _____

BOARD OF MANAGERS

FOR

CHEVY CHASE VILLAGE, MD

A RESOLUTION TO REPEAL THE CHEVY CHASE VILLAGE CHARTER IN ITS ENTIRETY AND ADOPT A NEW CHARTER

This Resolution of the Board of Managers of Chevy Chase Village (the “Board of Managers”) is adopted pursuant to Article XI-E of the Constitution of Maryland, and §4-301 *et seq.* of the Annotated Code of Maryland to repeal the Chevy Chase Village Charter in its entirety and to enact a new Charter.

For the purpose of repealing the Charter of Chevy Chase Village and adopting a new Charter for the municipal corporation known as Chevy Chase Village to stand in the place of the Charter so repealed; for the purpose of reestablishing a form of government for the municipal corporation known as Chevy Chase Village; providing for the continuation of existing boundaries of the municipal corporation, subject to future alterations; providing for the election and appointment of officials and employees of the municipal corporation, subject to future alterations; specifying the powers of the municipal corporation; providing for the administration of personnel and retirement matters for the municipal corporation, including the administration of a merit system; providing for the borrowing of funds and the creation of debts and other obligations by and on behalf of the municipal corporation for various purposes, and dealing with other taxation and financial matters of the municipal corporation; providing for the continuation of ordinances and resolutions enacted by the Board of Managers of Chevy Chase Village prior to the adoption of this Charter except under certain circumstances; providing that the adoption of this Charter is not intended to alter ownership, title or control of property in which the municipal corporation had an interest prior to its adoption; providing that the adoption of this Charter does not affect any liabilities, debts or other obligations entered into or incurred by or on behalf of the municipal corporation prior to its adoption and that such liabilities, debts and other obligations shall continue to be fulfilled and satisfied by the municipal corporation; providing that the terms of office and incumbency of existing Village Officials and the continuity of units of the Village government are not affected by the adoption of this Charter; and all such and other

matters generally relating to the continued existence and operation of the municipal corporation known as Chevy Chase Village.

SECTION 1: BE IT RESOLVED BY THE BOARD OF MANAGERS OF CHEVY CHASE VILLAGE, that the Charter of Chevy Chase Village as it now exists, be and the same is hereby repealed, and a new Charter for the municipal corporation known as Chevy Chase Village, attached hereto and incorporated herein by reference, is hereby adopted to stand in the place of the Charter so repealed.

SECTION 2: AND BE IT FURTHER RESOLVED that all ordinances and resolutions enacted by the Board of Managers of Chevy Chase Village prior to the date upon which the Charter adopted by this Resolution takes effect shall thereafter continue in full force and effect, except to the extent that the authority, either express or implied, for such ordinance or resolution is not granted to Chevy Chase Village by the Charter adopted by this Resolution or by other law, and further except to the extent that any such ordinance or resolution may irreconcilably conflict with any provision of the Charter adopted by this Resolution.

SECTION 3: AND BE IT FURTHER RESOLVED that this Resolution repealing the Charter of Chevy Chase Village and adopting a new Charter for the municipal corporation known as Chevy Chase Village shall not alter ownership, title or control of any property in which the municipal corporation had an interest prior to the effective date of the Charter adopted by this Resolution; nor shall the adoption of this Resolution adopting a new Charter for the municipal corporation affect any liabilities, debts or other obligations entered into or incurred by or on behalf of the municipal corporation known as Chevy Chase Village prior to the effective date of the Charter and all such liabilities, debts and other obligations shall continue to be fulfilled and satisfied by the municipal corporation; nor shall the adoption of this Resolution adopting a new Charter for Chevy Chase Village affect the term of office or incumbency of any Board member, or any appointed or elected member of any department, office, board, commission, committee, agency or other unit of Chevy Chase Village, and the continuity of every department, office, board, commission, committee, agency, or other unit of the municipal government is retained, it being the intent of the Board of Managers in the adoption of this Resolution that the affairs of the municipal corporation be continued without interruption and without substantial changes in the form or manner of government under the Charter adopted by this Resolution.

SECTION 4: AND BE IT FURTHER RESOLVED that if any provision of this Resolution or the Charter adopted by this Resolution, or the application thereof to any person or circumstance is held invalid for any reason, such invalidity shall not affect the other provisions or any other application of this Resolution or of the Charter which can be given effect without the invalid provisions or application, and to this end, all the provisions of this Resolution and of the Charter are hereby declared to be severable.

SECTION 5: AND BE IT FURTHER RESOLVED, that the date of adoption of this Resolution is _____, 2015 and that the repeal and reenactment of the Village Charter hereby proposed by this enactment shall be and become effective on _____, 2015 unless a proper petition for a referendum thereon shall be filed as permitted by law on or before _____ 2015.

SECTION 6. AND BE IT FURTHER RESOLVED, that a complete and exact copy of this Resolution shall be posted at Village Hall, 5906 Connecticut Avenue, Chevy Chase, Maryland 20815 for at least forty (40) days following adoption and a fair summary of this Resolution shall be published in a newspaper of general circulation in Chevy Chase Village not less than four (4) times, at weekly intervals, within a period of at least forty (40) days starting immediately after the date of adoption.

SECTION 7: AND BE IT FURTHER RESOLVED, that as soon as the Charter Amendment hereby enacted shall become effective, either as herein provided or following a referendum, the Chair of the Board of Managers shall send, by mail, bearing a postmark from the United States Postal Service, to the Department of Legislative Services, the following information concerning the Charter Amendment: (i) the complete text of this Amendment to the Village Charter as hereby enacted; (ii) the date of the referendum election, if any, held with respect thereto; (iii) the number of votes cast for and against the question concerning the Charter Amendment, whether by the Board of Managers or in a referendum; and (iv) the effective date of the Charter Amendment.

SECTION 8: AND BE IT FURTHER RESOLVED, that the said Chair be and is hereby specifically instructed to carry out the provisions of Sections 6 and 7. As evidence of compliance herewith, the said Chair shall cause to be placed in the Village files the following information concerning the Charter Amendment: (i) appropriate certificates of publication of the newspaper in which a fair summary of the Resolution shall have been published; and (ii) the Municipal Charter or Annexation Resolution Registration Form.

Michael L. Denger, Chair

Elissa Leonard, Vice Chair

Gary Crockett

Robert C. Goodwin, Jr.

Minh Le

Richard Ruda

David L. Winstead

ATTEST:

Richard Ruda, Secretary

CHEVY CHASE VILLAGE
CHARTER

Article I. General Provisions

Section 101. Area Incorporated

Section 102. Boundaries Prescribed.

Section 103. Definitions.

Article II. Board of Managers

Section 201. Number, Election, Term of Office.

Section 202. Qualifications of Board Members.

Section 203. Meetings.

Section 204. Powers of the Board of Managers.

Section 205. Exercise of Powers.

Section 206. Adoption of Ordinances.

Section 207. Enforcement of Ordinances.

Article III. Registration, Nomination and Elections

Section 301. Registration, Nominations and Elections.

Section 302. Referendum Elections.

Article IV. Finance and Taxes

Section 401. Fiscal Year.

Section 402. Proposed Budget.

Section 403. Adoption of Budget.

Section 404. Appropriations.

Section 405. Transfer of Funds.

Section 406. Over-expenditure Forbidden.

Section 407. Appropriations Lapse After One Year.

Section 408. Taxable Property.

Section 409. Checks.

Section 410. Bond Required.

Section 411. Fees.

Section 412. Annual Audit of Village Accounts.

Section 413. General Borrowing Power.

Section 414. Emergency Borrowing.

Article V. Personnel

Section 501. Village Manager.

Section 502. Legal Services.

Section 503. Chief of Police

Section 504. Police Department.

Section 505. Retirement and Pension Systems.

Article VI. Public Ways and Sidewalks.

Section 601. Control of Public Ways.

Article VII. Special Assessments.

Section 701. Special Assessments for Specific Projects.

Article VIII. Miscellaneous Provisions.

Section 801. Saving Clause.

Section 802. Succession Clause.

ARTICLE I. GENERAL PROVISIONS

Section 101. Area Incorporated.

The inhabitants of sections 1, 2, part of 1(a), 6, and 7 of the Village of Chevy Chase, Montgomery County, Maryland, are hereby constituted and continued as a body corporate and specifically a municipal corporation as that term is used in the laws of the State of Maryland, by the name of "Chevy Chase Village," with all the powers and privileges of a body politic and corporate authorized under Article XI-E of the Constitution of Maryland, and by that name may have perpetual succession, sue and be sued, plead and be impleaded in any court of law or equity, have the use of a common seal, enact and adopt ordinances, resolutions, or bylaws necessary to exercise the authority of the Village, and hold real, personal and mixed property when the best interests of the Village so demand.

Section 102. Boundaries Prescribed.

The corporate area and limits of the Village shall be as they existed immediately prior to the effective date of this section, subject to all rights, reservations, limitations and conditions as may be set forth in all prior resolutions of annexation and in the Charter of the Village in effect immediately prior to the effective date of this section, and as they may be hereafter amended as provided by law. The courses and distances showing the exact corporate limits of the Village shall be filed at all times in the office of the Village Manager, to be reasonably available for public inspection during normal business hours.

Section 103. Definitions.

For the purpose of this Charter, the following terms, wherever they appear in the Charter shall have the meanings stipulated in this section:

- (a) *Board*. The Board of Managers of Chevy Chase Village, the governing body created to exercise authority and to carry out the duties as set forth in this Charter.
- (b) *Chevy Chase Village or Village*. The municipal corporation Chevy Chase Village herein created.
- (c) *Corporate area*. The boundaries of the municipal corporation Chevy Chase Village herein created.
- (d) *County*. Montgomery County, Maryland.
- (e) *County Council*. The County Council of Montgomery County, Maryland, or any officer succeeding to the functions and duties of said office.
- (f) *Public Ways*. All streets, avenues, roads, highways, public thoroughfares, lanes, sidewalks and alleys of which the Village has control, ownership or which have been dedicated to the public use and accepted by the Village

ARTICLE II. BOARD OF MANAGERS.

Section 201. Number, Election, Term of Office.

(a) **Number, term of office.** All legislative powers of the Village shall be vested in a Board of Managers. The Board of Managers shall consist of seven (7) members. The Board Members shall be elected as provided in this Charter on a staggered basis, with three (3) seats elected in even numbered years and four (4) seats elected in odd numbered years, and shall hold office for a term of two (2) years or until Board members elected to succeed them take office, whichever is later. Newly elected Board Members shall take office at the beginning of the Board Meeting in June of the election year. The Board Members holding office at the time this Charter becomes effective shall continue to hold office for the term for which they were elected and until the succeeding Board of Managers takes office under the provisions of this Charter.

(b) **Officers.** The Board of Managers shall elect from among its members the following officers:

- (1) A Chair, who shall preside at the meetings of the Board of Managers and at the annual and special meetings of the Village, and shall call special meetings of the Board.
- (2) A Vice-Chair, who shall act in the place of the Chair during the Chair's absence or incapacity.

- (3) Acting Chair. In the event of the incapacity or absence of the Chair and Vice-Chair, the Board of Managers shall appoint an Acting Chair to act in the place of the Chair.
- (4) A Secretary, who shall be a custodian of all records, correspondence and other documents of the Village, shall certify the minutes of all meetings of the Board of Managers and otherwise perform the duties of a Secretary.
- (5) A Treasurer, who shall be the custodian of all funds which are received to the credit of the Village and who shall deposit all such funds in such investments as are authorized for municipalities by State law and which are permitted by an investment policy to be adopted by the Board of Managers and who shall pay out such funds only in accordance with this Charter as instructed by the Board of Managers. The Treasurer or designee shall keep such accounts and books as directed by the Board of Managers and shall make all necessary reports required by the Board of Managers under this Charter and by the laws of the State of Maryland. The Treasurer may designate Village staff to fulfill one or more of the duties of this office, with the exception of signing checks.
- (6) An Assistant Treasurer, who shall act in the place of the Treasurer during the Treasurer's absence or incapacity.

(c) **Additional officers.** The Board may designate and elect additional officers from time to time.

Section 202. Qualifications of Board Members.

Board Members shall have been domiciled in the Village for at least one (1) year immediately preceding the first Saturday in May and shall be registered to vote in the Village. Board Members shall maintain permanent residence in the Village during their term of office.

Section 203. Meetings.

(a) **General meeting.** The Board of Managers shall meet each year in the month of June, after which the Board shall meet regularly at times and places as it may determine, but not less frequently than once each month, to transact such business as may properly come before it, except that the Board need not meet in August. Special meetings for a particular purpose may be called by the Chair and shall be called by the Chair upon the request of a majority of the members of the Board. Except as provided otherwise in the Charter, all meetings of the Board shall be open to the public. Four (4) members of the Board shall constitute a quorum for the transaction of business. All actions involving the election of members to the Board to fill a vacancy occurring between annual elections, the certifying of tax rates, expenditures of Village funds, except for the payment of current bills, or the levying of special assessments on property for assessable improvements and as required by Charter and ordinance shall require the affirmative vote of at least four (4) members of the Board of Managers. Meetings not held in due time may be held as soon thereafter as practicable.

(b) **Annual meeting.** There shall be an annual meeting of the residents of Chevy Chase Village on the third Monday of April or such other date in April that the Board of Managers designates to report the activities of the Board. The Board of Managers shall give notice of the time and place of such meeting a reasonable time prior thereto.

(c) **Meeting to adopt tax rate and budget.** A meeting of the Board shall be held at the time of the annual meeting to adopt the tax rate and budget, which must be adopted in any event by May 15 of that year.

(d) **Closed sessions.** The Board of Managers may meet in closed session or adjourn an open session to a closed session only to:

- (1) discuss:
 - (i) the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of an appointee, employee, or official over whom it has jurisdiction; or
 - (ii) any other personnel matter that affects one or more specific individuals;
- (2) protect the privacy or reputation of an individual with respect to a matter that is not related to public business;
- (3) consider the acquisition of real property for a public purpose and matters directly related to the acquisition;
- (4) consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State;
- (5) consider the investment of public funds;
- (6) consider the marketing of public securities;
- (7) consult with counsel to obtain legal advice;
- (8) consult with staff, consultants, or other individuals about pending or potential litigation;
- (9) conduct collective bargaining negotiations or consider matters that relate to the negotiations;
- (10) discuss public security, if the Board determines that public discussion would constitute a risk to the public or to public security, including:
 - (i) the deployment of fire and police services and staff; and
 - (ii) the development and implementation of emergency plans;
- (11) prepare, administer, or grade a scholastic, licensing, or qualifying examination;

- (12) conduct or discuss an investigative proceeding on actual or possible criminal conduct;
- (13) comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter; or
- (14) discuss, before a contract is awarded or bids are opened, a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the Board to participate in the competitive bidding or proposal process.

Section 204. Powers of the Board of Managers.

General and Express Powers. In addition to, but not in substitution of, the powers that have been or may be granted to the Village, the Board may exercise the express powers provided by State law, including without limitation the express powers provided in §5-201 *et seq.* of the Local Government Article, Annotated Code of Maryland, as amended, by adopting ordinances. The Board shall have the power to pass all such ordinances or take other actions not contrary to the Constitution of the United States and the Constitution and laws of the State of Maryland or this Charter as it may deem necessary to:

- (a) assure the good government of the Village;
- (b) protect and preserve the Village's rights, property, and privileges;
- (c) preserve peace and good order and suppress and abate nuisances;
- (d) secure persons and property from danger and destruction; and
- (e) protect the health, comfort, and convenience of the residents of the Village.

Section 205. Exercise of Powers.

For the purpose of carrying out the powers granted in this subtitle or elsewhere in this Charter, the Board may pass all necessary ordinances or take such other actions as appropriate. All the powers of the Board shall be exercised in the manner prescribed by this Charter, or, if the manner be not prescribed then in such manner as may be prescribed by ordinance.

Section 206. Adoption of Ordinances.

At any regular Board meeting, or special Board meeting called for the purpose, an ordinance presented in written or printed form may be adopted, adopted as amended, rejected, or its consideration deferred to some specific future date, by the Board. All ordinances shall be posted at the Village office at 5906 Connecticut Avenue for at least fourteen (14) days after adoption. The effective date of an ordinance is fourteen (14) days after adoption, or a later date if so determined by the Board. The Board may by a vote of five (5) or more members authorize an emergency ordinance to take effect prior to fourteen (14) days after adoption. Once adopted, an

ordinance shall be in full force and effect until repealed or amended by said Board of Managers, shall be permanently filed in the Village office, and shall be available for public inspection at any reasonable time.

Section 207. Enforcement of Ordinances.

To ensure compliance with the ordinances of the Village, the Board shall have the power to provide that violation of an ordinance shall be a misdemeanor or a municipal infraction, unless the violation is declared to be a felony or misdemeanor by State law. Any violation not specifically designated as a misdemeanor shall be deemed a municipal infraction. The Board shall have the power to adopt penalties for the violation of an ordinance. The penalty for a misdemeanor shall not exceed a fine of five hundred dollars (\$500) per infraction and/or imprisonment for ninety (90) days. A penalty for a municipal infraction shall not exceed one thousand dollars (\$1,000) per infraction. Each day that a violation continues shall constitute a separate offense. The Board of Managers may, in addition, enforce such ordinances by means of a decree, order, judgment, injunction or other appropriate remedy from a court of competent jurisdiction.

ARTICLE III. REGISTRATION, NOMINATION AND ELECTIONS.

Section 301. Registration, Nominations and Elections.

(a) **Voter registration.** Any person who is domiciled in the Village for at least thirty (30) days prior to an election, will be eighteen (18) at the time of the election, and is registered to vote in the Village, shall be qualified to vote in any general or special Village election. Any person domiciled within the Village may register to vote in Village elections by registering to vote in Montgomery County Elections, subject to the requirements of this section. Voter registration shall close thirty (30) days prior to the Village election.

(b) **Annual election.** An election shall be held annually on the first Saturday in May, at which Board members shall be elected at large for two (2) years to succeed those whose terms are then expiring, and at which time Board members shall be elected to fill any existing vacancies. The Board members so elected to fill existing vacancies shall serve only for the remainder of the unexpired term to which they shall have been elected. All elections shall be held after at least ten (10) days prior notice of the time and place of such election to all registered, qualified voters within the corporate limits of Chevy Chase Village.

(c) **Election Supervisors.** There shall be a Board of Election Supervisors. Elections shall be presided over and conducted by the Elections Supervisors, who shall be appointed by the Board of Managers. The Election Supervisors shall decide any dispute as to whether a Village resident is entitled to vote. The Election Supervisors may accept a provisional ballot from a disputed voter. Any person aggrieved by reason of the decision of the Election Supervisors may appeal within thirty (30) days to the Circuit Court for Montgomery County. The Board of Managers may adopt by ordinance other rules and regulations relating to the conduct of elections.

(d) **Qualification to be a candidate.** Only persons who are registered to vote in Village elections and who have been domiciled within the corporate limits of the Village for at least one (1) year immediately preceding the first Saturday in May shall be eligible to be elected to the Board of Managers. Only qualified candidates may be elected to the Board of Managers. Write-in candidacy is prohibited. Any votes cast in an election for persons who are not qualified as candidates shall be void and not be counted. To qualify as a candidate for election to the Board of Managers, an individual must file a certificate of candidacy with the Election Supervisors, to include contact information and verification of registration to vote in the Village, at least thirty (30) days and no more than ninety (90) days prior to the election. In addition, to be a qualified candidate, an individual, including sitting Board members, within the same period must file a completed financial disclosure form as required by Sec. 2-6 of the Public Ethics Code. The form shall be reviewed by the Ethics Commission.

(e) **Extension of filing deadline.** In the event that, thirty (30) days prior to the election, the number of qualified candidates is less than the Board of Managers seats to be filled, then the deadline to qualify as a candidate and for receipt of certificates of candidacy and financial disclosure statements is extended to twenty (20) days prior to the election.

(f) **Voting and absentee ballots.** Voting shall be by secret ballot either by voting machine or paper ballots as the Board of Managers shall designate, and the polls shall remain open from 10:00 a.m. to 3:00 p.m. Any qualified voter, in person, by mail or electronic communication, or through a designee, may request an absentee ballot from the Village Manager and all such absentee ballots, in order to be valid, must be returned to the Village Manager prior to the time of the closing of the polls. All other rules and regulations relating to voting shall be fixed by the Election Supervisors and posted at the Village Office at least one (1) week before the day of election.

(g) **Declaration of election.** The candidate receiving pluralities of the total number of votes cast shall be declared elected. To resolve a tie vote when there is no plurality that decides the election, a special election shall be held as soon as practicable after ten (10) days' notice, pursuant to the foregoing provisions in regard to elections. In the event that, thirty (30) days prior to the election, or twenty (20) days prior to the election in the event of an extension of the filing deadline, the number of qualified candidates is equal to the number of Board seats to be filled, then no election will be held and the qualified candidates shall be declared elected by the Election Supervisors at the annual meeting.

(h) **Oath of office.** Each newly elected Board member shall qualify by taking an oath to support the Constitution of Maryland and the Constitution of the United States and to faithfully and diligently perform the duties of said office without favor, partiality or prejudice. Said oath shall be filed among the records of Chevy Chase Village. The oath is to be administered to the members of the Board of Managers by any officer in Montgomery County authorized by law to administer oaths. Newly elected Board members shall take office at the beginning of the Board Meeting in June of the election year.

(i) **Vacancy in office.** If any newly elected Board member fails to so qualify by taking the oath, or if any Board member shall cease to reside within the corporate limits of Chevy Chase Village, or resigns, dies, or if a vacancy occurs for any other reason, such office shall be deemed to have become vacant. Vacancies in the Board of Managers which occur before the annual election may be filled by appointment, by a favorable vote of at least four (4) of the remaining Board of Managers, of a person registered to vote in the Village who has been domiciled in Chevy Chase Village for one (1) year prior to appointment, to serve upon qualification as a Board member until the next regular election, at which time the appointed Board position shall be filled by election for the unexpired term.

Section 302. Referendum Elections.

(a) **Charter referendum.** In all instances where a petition is filed by qualified voters to initiate an amendment to the Village Charter, or for a referendum in cases where an amendment to the Village Charter has been initiated by the Board, the procedures set out in §4-301 *et seq.* of the Local Government Article, Annotated Code of Maryland, as amended, shall be followed.

(b) **Borrowing referendum.** For a referendum required pursuant to Section 413 of this Charter, the qualified voters shall be given notice of the referendum at least ten (10) days prior thereto. The notice of the referendum shall:

- (1) state the reasons for the proposed borrowing,
- (2) contain the full text of the ordinance or resolution authorizing the proposed borrowing or give a summary thereof and state where a full copy may be examined, and
- (3) state the time, date and place of the referendum at which the proposed borrowing is to be voted upon.

The borrowing shall be approved only if a majority of the qualified voters voting on the issue in the referendum shall vote in favor of the proposal. Except to the extent otherwise provided herein, the referendum shall be conducted in all respects in accordance with the law governing referenda in Chevy Chase Village at the time of the referendum. The ballots used in any such referendum shall contain the words “For borrowing for” and “Against borrowing for” In the above blank spaces there shall be indicated the purposes of the borrowing to be voted on and a space shall be left after each line for voters to indicate their respective preferences.

(c) **Board authorized referendum.** The Board may elect, in its discretion, to place items, other than Charter amendment or Borrowing referenda, to automatic and binding referendum by a majority vote of said Board.

(d) **Referenda elections.** Except as otherwise stated in Section 302 (a), all referenda shall be conducted in all respects in accordance with the law governing elections held in Chevy Chase Village at the time of the referendum except that the Board of Managers by majority vote shall

determine the date the referendum is to be conducted, which need not, but may be, the next regular election.

ARTICLE IV. FINANCE AND TAXES.

Section 401. Fiscal Year.

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

Section 402. Proposed Budget.

On or before April 1 of each year, the Board of Managers shall prepare a budget for the ensuing fiscal year. The budget shall provide a proposed real and personal property tax rate and a comprehensive financial plan, to include estimates of anticipated revenues and proposed expenditures. A Treasurer's Report, containing a statement showing the receipts and expenditures for the past fiscal year, shall also be provided. The total of the anticipated revenues and unassigned fund balance shall equal or exceed the total of proposed expenditures. The budget shall be a public record in the Village office and open to public inspection by anyone at reasonable times during normal business hours.

Section 403. Adoption of Budget.

(a) **Notice, public hearing.** Prior to adopting the budget, including the real and personal property tax rate, the Board of Managers shall hold a public hearing. The Board of Managers shall give reasonable notice of the time and place of holding said hearing.

(b) **Adoption, amendment.** After the public hearing, the Board may adopt the proposed budget with or without amendment in the form of an ordinance, without the need of further advertising. From the effective date of the budget, the amount stated therein as the amount to be raised by the property tax shall constitute a determination of the amount of the tax levy in the corresponding tax year. The Board may insert new items and may increase or decrease items in the budget submitted. If the Board increases total proposed expenditures in the budget, it shall also increase the total anticipated revenues in an amount at least equal to total proposed expenditures. The budget shall be prepared and adopted in the form of an ordinance.

(c) **Default adoption of tax rate and budget.** In the event the Village fails to adopt a tax rate by May 15, the Treasurer is authorized to notify Montgomery County that the tax rate for the new fiscal year shall be the same rate as the prior year or the constant yield rate, whichever is less. In the event the Board fails to adopt a budget by June 15, it shall be deemed to have adopted and appropriated expenditures equal to the prior year's budget for personnel and operating expenses and shall continue to honor its contractual commitments and its financial obligation to its employees and officials in the new fiscal year.

(d) **Certification to County, collection.** The tax so levied shall be certified to the County Council by the Board of Managers. The County Council is hereby authorized, empowered, and directed to cause to be collected from the owners of real property in Chevy Chase Village at the time of the collection of the county levy, and in the same manner as county taxes, the tax so certified to the County Council by the Board of Managers.

(e) **County road tax.** All funds which shall be received by Chevy Chase Village as its share of the county road tax shall be used by the Board of Managers exclusively for the maintenance and repair of existing roads within the boundaries of Chevy Chase Village.

(f) **Public purpose, construction of roads.** All other funds received by Chevy Chase Village accruing from the levy aforesaid, or from any other source, may be used by the Board of Managers for any public purpose authorized under this Charter and the laws of the State, with the exception that construction of roads shall be at the discretion of the Board and may be funded by special assessment.

Section 404. Appropriations.

No public money may be expended without having been appropriated by the Board. From the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several objects and purposes named therein.

Section 405. Transfer of Funds.

Any transfer of funds between major appropriations for different purposes must be approved by the Board by a two-thirds majority before becoming effective.

Section 406. Over-expenditure Forbidden.

No officer or employee shall during any fiscal year expend or contract to expend any money or incur any liability or enter into any contract which by its terms involves the expenditures of money for any purpose in excess of the amounts appropriated for or transferred to that general classification of expenditure pursuant to this Charter. Any contract, verbal or written, made in violation of this Charter shall be null and void. Nothing in this section contained, however, shall prevent the making of contracts or the spending of money for capital improvements to be financed through the capital projects expenditures budget, or in whole or in part by the issuance of bonds, nor the making of contracts of lease or for services for a period exceeding the fiscal year in which such contract is made, when such contract is permitted by law.

Section 407. Appropriations Lapse After One Year.

All appropriations except appropriations for capital project expenditures, which shall continue in force until expended, revised or repealed, shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered. Any unexpended and unencumbered funds, except appropriations for capital project expenditures, shall be considered

an unassigned fund balance at the end of the fiscal year and shall be included among the anticipated revenues for the succeeding fiscal year.

Section 408. Taxable Property.

All real property and all tangible personal property within the corporate limits of the Village, or personal property which may have a situs there by reason of the residence of the owner therein, shall be subject to taxation for municipal purposes, and the assessment used shall be the same as that for state and county taxes. No authority is given by this section to impose taxes on any property which is exempt from taxation by any Act of the General Assembly.

Section 409. Checks.

All checks shall be signed by any two (2) of the following officers: Chair, Vice-Chair, Treasurer and Assistant Treasurer. All electronic transfers or expenditures of Village funds shall require the authorization of two (2) of the said officers. The Board may authorize by resolution the use of facsimile signatures or mechanically produced signatures on such checks or may establish an alternate system whereby electronic payment(s) of authorized purchases may be accomplished through banking institutions, provided written documentation is maintained.

Section 410. Bond Required.

The Chevy Chase Village Treasurer, Assistant Treasurer, Board Chair, Board Vice Chair, and any other official or Village employee authorized to sign checks or transfer funds, shall give bond, with corporate surety, or shall be otherwise insured under a policy of insurance, to be approved by the Board of Managers, in such amount as the Board of Managers shall determine, to indemnify Chevy Chase Village from loss. The premium on the bond or insurance shall be paid by Chevy Chase Village.

Section 411. Fees.

All fees received by officials or employees of the Village government in their official capacities shall belong to the Village government and be accounted for to the Village.

Section 412. Annual Audit of Village Accounts.

The financial books and accounts of the Village shall be audited annually in a manner consistent with State law by an independent certified public accountant selected by the Board.

Section 413. General Borrowing Power.

(a) **Borrowing Power.** The Board of Managers of Chevy Chase Village is hereby authorized and empowered to borrow such sums of money as may be necessary from time to time for any proper municipal purpose, to evidence such borrowing by the issuance and sale of its general obligation bonds (the term bonds as used herein shall include bonds, notes, certificates of indebtedness, or other obligation for the payment of money), and, notwithstanding any other

statutory limitations, to provide for the levy and collection of all taxes necessary and sufficient for the payment of the principal and interest on said bonds, as the same respectively mature and are payable or necessary for the payment of such interest and to create a sinking fund for the payment of said bonds upon maturity.

(b) **Referendum.** Except as provided in Section 414, no funds may be borrowed hereunder unless the borrowing is authorized by the Board of Managers and submitted to and approved in a referendum of the qualified voters of Chevy Chase Village, as the same are described in Section 302. The borrowing shall be initiated by the Board of Managers adopting a resolution authorizing the borrowing of the proposed sum or a lesser sum, and stating the purposes for which such funds are to be spent. The resolution authorizing the proposed borrowing shall then be submitted to a referendum of the qualified voters.

(c) **Bond issuance.** In the ordinance or resolution authorizing the borrowing, the Board of Managers shall fix and determine the denominations of the bonds, the rate or rates of interest payable thereon, or the method of determining the same, the date of the issuance of said bonds, the date or dates of maturity of said bonds, and the form and tenor of said bonds in advance of the maturity. Said bonds shall be sealed with the corporate seal of Chevy Chase Village and signed by the Chair and countersigned by the Treasurer of the Board of Managers, or by some other member of the Board of Managers designated in one of said resolutions. Said bonds shall be offered for sale by solicitation of competitive bids at public sale, except that any such general obligation bonds may be sold by private (negotiated) sale without solicitation of competitive bids if the ordinance or resolution authorizing such borrowing so provides. In connection with any sale of general obligation bonds by the solicitation of competitive bids at public sale, any such competitive bids may be delivered by electronic and/or facsimile means and/or by any other then-commercially reasonable manner for the sale of municipal obligations at competitive bid; and any notice of sale may be published solely in summary form in a newspaper of general circulation in the Village and/or in a generally recognized financial journal, or may be disseminated solely in electronic form and/or by any other then-commercially reasonable manner for the sale of municipal obligations, as determined by the Board by ordinance or resolution. As determined or provided for by the authorizing ordinance or resolution of the Board, general obligation bonds of the Village may be sold for a price or prices that may be at, above or below the par value of such bonds and for cash or other valuable consideration, and may bear interest at a rate or rates of interest that may be fixed or variable or as may be determined by a method approved or provided for by the Board. Village bonds or notes may be issued for either cash or other valuable consideration. The money arising from the sale of said bonds shall be used only for the purpose specified in one of the above-mentioned ordinances or resolutions.

(d) **Tax anticipation notes.** During the first six (6) months of any fiscal year, the Village shall have the power to borrow in anticipation of the collection of the property tax levied for that fiscal year, and to issue tax anticipation notes or other evidences of indebtedness as evidences 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 six (6) months after the beginning of the fiscal year in which 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 Village to exceed fifty per centum (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. Tax anticipation notes may be sold by private negotiations. The Board shall have the power to regulate all matters concerning the issuance and sale of tax anticipation notes.

(e) **Equipment leases, financing.** Nothing herein shall be construed as preventing the Board from entering into contracts or engaging in equipment lease or other types of financing arrangements.

Section 414. Emergency Borrowing.

The Board of Managers shall have the authority to borrow emergency funds in the name of Chevy Chase Village for a period not to exceed twenty-four months and to issue notes or other evidences of indebtedness for such borrowing. The total outstanding emergency debt shall not exceed five hundred thousand dollars (\$500,000). This money may be expended for any municipal purpose. The notes or other evidences of indebtedness shall be sold as provided by the Board of Managers. All notes or other evidences of indebtedness issued under the provisions of this section shall be paid from the taxes levied for the general purpose of Chevy Chase Village. Levying or collecting any special tax for the payment of these notes or other evidences of indebtedness is expressly prohibited. The notes or other evidences of indebtedness issued under the provisions of this section need not be submitted to a vote of the qualified voters of Chevy Chase Village.

ARTICLE V. PERSONNEL.

Section 501. Village Manager.

(a) **Creation and appointment.** The position of Village Manager is created. The Village Manager shall be appointed by the Board of Managers.

(b) **Removal.** The Village Manager shall serve at the pleasure of the Board, and may be removed by a vote of the majority of the Board.

(c) **Powers and duties.** The Village Manager shall be the Chief Administrative Officer of the Village. The Village Manager shall:

- (1) Appoint and remove all subordinate officers and employees, except the Chief of Police, in accordance with the Charter, the Village Code and the Employee Manual.
- (2) Direct and supervise the administration of all departments, offices and agencies of the Village, except as otherwise provided by this Charter or by law, and develop administrative policies, regulations and procedures for approval by the Board.
- (3) Attend all meetings of the Board, unless excused therefrom, and attend in person or by designee, when directed, all meetings of the Committees and Commissions of the Board.

- (4) Ensure that all laws and ordinances are duly enforced.
- (5) In cooperation with the Treasurer, prepare the budget annually and timely submit it to the Board for approval and be responsible for the administration of the budget after its approval and adoption.
- (6) Recommend to the Board a pay plan for Village employees.
- (7) Make recommendations to the Board concerning the affairs of the Village.
- (8) Provide staff support services to the Board and, as directed, to the Committees and Commissions of the Board.
- (9) Execute contracts on behalf of the Village after any required Board approval and administer and manage all Village contracts.
- (10) Make investigations into the affairs of the Village or any Department thereof. Investigate all complaints in relation to all matters concerning the administration of the government of the Village and ensure that franchises, permits, and privileges granted by the Village are faithfully observed.
- (11) Maintain communication with the residents and the public.
- (12) Not participate in the nomination or election of any public official in the Village and not engage in any political activity whatsoever with regard to Village Elections, other than election administrative support,
- (13) Maintain the permanent record of Charter Amendments and ordinances adopted by the Board, and, in conjunction with the Village's attorney, prepare ordinances and resolutions for the Board,
- (14) Prepare the monthly Board Agenda and present oral and written reports in support of proposed actions.
- (15) Attest and act as a custodian of records for the Village.
- (16) Perform such duties as may be required by the Board not inconsistent with any laws, this Charter, or Village ordinances.

Section 502. Legal Services.

The Board may retain as it deems necessary from time to time one (1) or more attorneys, who must be members of the bar of the Court of Appeals of Maryland, to provide legal services and consultation to the Village and to perform such duties in this connection as may be required by the Board.

Section 503. Chief of Police.

The Board of Managers may appoint a Chief of Police, who shall serve at the pleasure of the Board. The Chief of Police shall act under the immediate direction of the Village Manager and be subject to the supervision of the Chair of the Board. The Chief of Police shall perform such duties, in addition to those herein prescribed, as the Board of Managers may direct.

Section 504. Police Department.

A Village Police Department is established. Police officers shall be hired by the Village Manager on recommendation of the Chief of Police, who shall supervise the Department pursuant to applicable law and the General Order Manual. The Chief of Police and all other police officers of the Village shall preserve the peace, prevent disorderly or irregular meetings, and shall enforce and cause to be enforced all ordinances and regulations of the Village and all state and county laws within the corporate limits of the Village and in such other jurisdictions as authorized through cooperative agreement, and shall make and cause to be made all lawful arrests for and prosecute any and all violations of the ordinances and regulations of the said Village and any and all violations of any law of the State of Maryland or Montgomery County, committed within the corporate limits of said Village and in such other jurisdictions as authorized through cooperative agreement, and shall swear out all necessary warrants therefore. The Chief of Police and all such other police officers shall serve notices and processes required by this Charter or by any ordinance passed by virtue thereof, as directed.

Section 505. Retirement and Pension Systems.

The Village shall have the power to do all things necessary to include all or any of its officers and employees within any retirement system or pension system under the terms of which they are admissible, and to pay the employer's share of the cost of any such retirement or pension system out of the general funds of the Village.

ARTICLE VI. PUBLIC WAYS AND SIDEWALKS.

Section 601. Control of Public Ways.

The Village shall have control of all public ways in the Village except such as may be under the jurisdiction of the Maryland State Highway Administration or Montgomery County. Subject to the laws of the State of Maryland and this Charter, the Village generally may do whatever it deems necessary to establish, operate, control, reconstruct, repair, maintain or close the public ways of the Village.

ARTICLE. VII SPECIAL ASSESSMENTS.

Section 701. Special Assessments for Specific Projects.

(a) **Power to levy special assessments.** Chevy Chase Village, whenever in the judgment of the Board of Managers the public health, safety or welfare requires, shall have the power to levy taxes in the form of special assessments upon property in a limited and determinable area for special benefits conferred upon such property by the construction or reconstruction of water mains, sewer mains, storm water sewers, sidewalks, curbs, gutters, streets, roads, lanes and alleys, and to provide for the payment of all or any part of the above projects out of the proceeds of such special assessment.

(b) **Procedure.** The procedure for levying special assessments shall be as follows:

- (1) The cost of the work and incidental expenses incurred, or to be incurred in providing the special benefits to be charged for shall be apportioned among the various properties affected according to the front foot rule.
- (2) The amount assessed against any property for any project or improvement shall not exceed the value of the benefits accruing in the property therefrom.
- (3) When desirable, the affected property may be divided into different classes to be charged different rates, but, except for this, any rate shall be uniform.
- (4) Before entering upon the construction or reconstruction of any work or improvement specified herein, or before any charge is levied, the Board of Managers shall by ordinance designate the location, extent and kind of work and improvement proposed to be done or made, the kind of materials to be used, the estimated cost of such improvement or work and the real property which will be specially benefited thereby and which it is proposed to assess to pay all or any part of the cost thereof, and shall fix a time and place when and where the owner or owners of the property, or their agents, or attorneys, may appear before the Board of Managers and be heard concerning the proposed special assessment. Such notice shall be given by sending a copy thereof by mail to the owner of record of each parcel of property assessed and to the person in whose name the property is assessed for taxation and by publication of a copy of the notice at least once in a newspaper of general circulation in Chevy Chase Village. A certificate of publication and mailing copies of the notice shall be deemed compliance with the provisions of this subsection. Failure of any owner to receive the mailed copy shall not invalidate the proceedings. The date of hearing shall be set at least ten (10) days and not more than thirty (30) days after the completion of publication and service of notice as herein provided. If after the hearing, the Board of Managers shall be of the opinion that the public health, safety or welfare requires the work or improvements proposed to be done or made, said Board of Managers shall provide by ordinance, ratification of same and may charge the expenses, therefore, or any part of such expenses against the property which said Board of

Managers shall find to be specially benefited thereby according to the lineal frontage of said property.

- (5) Any person or persons desiring the construction of any public work authorized under the provisions of this section, may petition the Board of Managers in writing therefore; and if all the abutting property affected is represented in said petition and the petitioners agree therein to a waiver of legal requirements hereunder, the Board of Managers may direct the construction of said work without compliance with said legal requirements and may assess the costs thereof in accordance herewith as though all legal requirements have been complied with, and said construction or reconstruction and assessments are hereby declared to be legal and valid as in this section provided.
- (6) Whenever a petition in writing duly signed by the owners of at least thirty percent (30%) of the front footage of all property abutting upon any such proposed public improvement shall be filed with the Board of Managers praying for the construction or reconstruction of any public improvement herein mentioned, the Board of Managers shall, after having given the notice prescribed in this section, hold a public hearing upon the matter of such petition, and shall as soon thereafter as may be convenient, render its decision thereon granting or denying the said application as in its judgment the public health, safety or welfare may require; provided, however, that in case the Board of Managers shall grant such petition, it shall thereupon proceed in all respects in the manner and in the form provided in this section.
- (7) Any interested person feeling aggrieved by the ratification of any special assessment under the provisions of this section shall have the right to appeal to the Circuit Court of Montgomery County within ten (10) days after the final notice of ratification of any assessment by the Board of Managers.
- (8) A Special Assessment may be made payable in annual or more frequent installments over such a period of time, not to exceed ten (10) years, as the Board of Managers may decide. Interest on installments shall be added in accordance with the plan in effect for Montgomery County.
- (9) All special assessments levied by the Board of Managers shall be certified by the Board of Managers to the County Council of Montgomery County for collection. The County Council is hereby authorized, empowered, and directed to have these special assessments so certified collected in the same manner as are county taxes. Each installment shall become a lien against the abutting property and any such installment not paid within six (6) months following its becoming due shall be subject to the same interest and penalties and shall be collected in the same manner as provided for the collection of unpaid county taxes in Montgomery County. All such special assessments collected shall be paid over by the County to the Treasurer of Chevy Chase Village who shall devote such funds to the

exclusive purpose of paying for the improvements herein provided for or any indebtedness which may be incurred therefore.

- (10) To carry out the provisions of this section the said Board of Managers is hereby given power and authority to borrow such sums from time to time as may be needed to make such improvements, including the proportionate share thereof, if any, to be assessed against Chevy Chase Village in accordance with this section, and to issue certificates of indebtedness as evidence thereof. All sums so borrowed shall be kept in a separate account to be known as the “Special Improvement Fund” and shall be borrowed for no longer period than shall be sufficient to collect the special assessments provided for; said certificates of indebtedness shall be full and complete general obligations of Chevy Chase Village and shall be payable first from the special assessments, levied under the provisions of this section; and in the event of any deficiency occurring in the amount received from said special assessment, the Board of Managers shall make up such deficiency from the proceeds of ad valorem taxes which the Board of Managers is hereby authorized and empowered to levy upon all property within the present or future corporate limits of Chevy Chase Village subject to assessment for full municipal taxation, which taxes said Chevy Chase Village is authorized and empowered to levy in an amount sufficient to meet such deficiency, but without any limitation as to such rate or amount notwithstanding any other statutory limitation upon the power of said Chevy Chase Village to levy taxes. Certificates of indebtedness herein authorized may be issued at the discretion of the Board of Managers and without being submitted to a vote of the taxpayers or qualified voters. Such certificates of indebtedness are hereby specifically exempted from the provisions §19-301 *et seq.* of the Local Government Article, Annotated Code of Maryland and may be sold at public or private sale as the Board of Managers may determine from time to time, may be issued on a maturity schedule which shall conform to the period of time provided for the payment of said special improvements in accordance with the laying of said special assessments as above provided, may bear interest at such rate or rates as the Board of Managers shall determine, not exceeding, however, six per centum (6%) per annum, and said certificates of indebtedness and the interest payable thereon in the hands of the owner or owners thereof from time to time shall be exempt from state, county and municipal taxation of any kind or nature whatsoever in the State of Maryland as allowed by law.

ARTICLE VIII. MISCELLANEOUS PROVISIONS.

Section 801. Saving Clause.

If any clause, sentence paragraph, or part of this Charter shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such adjustment shall not affect, impair or invalidate the remainder of this Charter, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

Section 802. Succession Clause.

Chevy Chase Village is hereby declared to be the legal successor of Chevy Chase Village, the Chevy Chase Village Board of Managers and the Chevy Chase Citizens Committee, Sections 1, 2, part of 1-a, 6 and 7 and shall be entitled to, and is hereby invested with, all the property and rights thereunder whatsoever belonging to those said bodies. All proceedings now being in the name of those said bodies shall be continued and shall remain unaffected by the passage of the Charter. The members of the Board of Managers holding office at the date of the Charter adoption shall hold their office as the members of the Board of Managers of Chevy Chase Village until their successors are elected, or appointed, and qualified as hereinbefore provided. All ordinances, regulations and resolutions in force and not inconsistent with the provisions of this Charter shall remain in force until altered or replaced. No provision of this Charter shall affect any right, lien or liability subsisting at the date of its passage.