

**CHARTER REVIEW COMMISSION**

September 10, 2025 – 8:00 a.m.  
Council Office Building, 4<sup>th</sup> Floor  
100 Maryland Avenue  
Rockville, MD 20850

**Minutes**

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| <p><b>Commission Members Present:</b><br/>Jim Michaels, Chair<br/>Marvin Lynch<br/>Michael Persh (Virtual)<br/>Jeffrey Naftal (Virtual)<br/>Sherry Brett-Major<br/>David Nachtsheim (Virtual)<br/>Howard Denis (Virtual)</p> <p><b>Absent</b><br/>Dylan Presman (Virtual)</p> | <p><b>Staff Present:</b><br/>Stephen Mathany, Office of the County Council<br/>Dale Tibbits, Office of the County Executive</p> |
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**Commission Chair Jim Michaels called the meeting to order with a quorum at 8:01 a.m.**

**I. Administrative Matters**

- September 2025 agenda adopted by unanimous consent. (Commissioner Lynch moved, seconded by Commissioner Persh)
- Minutes from the July 9, 2025 meeting were approved without changes. (Commissioner Persh moved, seconded by Commissioner Denis)

**II. Chair’s Report**

- Chair Michaels shared that invitations were sent to all Councilmembers and the County Executive requesting their input on the proposed ballot initiative to amend Charter Section 305. They were invited to provide feedback in writing, in person, or at a future public listening session.
- The Chair proposed public listening sessions in late November or early December to allow more time for preparation. The Commission agreed that November 19, 2025, would be the preferred date for the in-person session, with a virtual evening session to follow. A third session Upcounty may be added depending on public interest.
- No new public comments have been received since May. The Commission will renew outreach when the listening sessions are announced.
- No response has been received from the Silver Spring or East County Citizens Advisory Boards. The Chair will notify all five boards when the listening sessions are scheduled.

**III. Budget Reserves Workgroup Discussion**

Led by Commissioners Mike Persh, David Nachtsheim, and Jeff Naftal

- The Commission reviewed the current reserve structure:

- Unrestricted General Fund Balance: Governed by Charter Section 310 with a 5% cap.
- Revenue Stabilization Fund (RSF): Created by County Code, with a combined reserve policy target of 10%.
- A recent report by financial advisor Davenport recommended the Council create two additional reserve funds: a Risk Mitigation Reserve (2%) and a Capital Reserve (1%).
- The workgroup raised several key questions:
  - Should the Charter be updated to reflect the RSF and any future reserve funds?
  - Should the Charter include clearer criteria for reserve contributions and withdrawals?
  - Should the Charter mandate periodic reserve studies, particularly for capital assets?
- Commissioner Nachtsheim proposed requiring a reserve study every 5–10 years to assess long-term capital needs.
- Chair Michaels emphasized the need for strong justification before recommending Charter amendments, given the complexity of the issue and the challenge of voter comprehension.
- The workgroup agreed to gather more information, including:
  - Meeting with Gene Smith (Council staff) and potentially other executive staff.
  - Reviewing how other counties (e.g., Howard and Prince George’s) structure their reserve policies in their charters.
  - Exploring simplified Charter language or policy recommendations that could lead to future amendments.

#### **IV. Finance Workgroup Update**

- Commissioner Persh reported that the Council’s Infrastructure Funding Workgroup is currently evaluating funding mechanisms for long-term infrastructure needs.
- The Commission has no active role at this time but will revisit the issue once the workgroup releases its findings.

#### **V. Staff Updates**

- Staff confirmed that the Council’s main hearing room is tentatively reserved for the in-person listening session on Wednesday, November 19, 2025, from 1:00–3:00 p.m.

#### **VI. Next Steps**

- The Budget Reserves Workgroup will:
  - Coordinate with staff to schedule meetings with Gene Smith and other relevant officials.
  - Draft one or more proposals for discussion at the October meeting.
  - Consider simplified Charter language or policy recommendations.
- The Commission will finalize the content and notice for the public listening sessions at the October 9, 2025 meeting.

**The meeting was adjourned at approximately 8:57 a.m.**