



Town of Berwyn Heights

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Minutes Budget Workshop March 25, 2017

The meeting was called to order at 9:12 a.m. Present were Mayor Cheryl Jewitt, Mayor Pro-Tem (MPT) Jodie Kulpa-Eddy and Councilmembers (CMs) Patricia Dennison, Christopher Rasmussen, and Gerald Shields. Also present were Town Administrator (TA) Jessica Cowles, Police Chief Kenneth Antolik, Code Compliance Supervisor Freddie Glass, Public Works Director Stevie Cox and citizens.

Announcements

This all-day budget workshop replaces the bi-weekly budget meetings of previous years and follows a new format. All agenda items will be discussed within a set time period. Citizen comments will be taken at the end. The meeting will be the first to be streamed live on the Town's website, and the first to utilize a new VOIP telephone system to take citizen comments over the phone.

1. Budget

a. Police Presentation, including Public Safety Taxing District (PSTD)

Chief Antolik gave an overview of the Berwyn Heights Police Department's (BHPD) mission, organization and services, and highlighted last year's accomplishments and next year's goals. The BHPD workforce consists of 9 full-time and 1 part-time officer, including 1 detective with US Marshall status, 1 civilian administrative assistant, 2 public safety aide volunteers and 1 community volunteer. The Department provides 24/7 police protection, as well as all-hands-on-deck for designated events. It maintains a speed camera monitoring program around the local schools and has a close partnership with the community. The police fleet currently comprises 9 marked vehicles, 5 unmarked vehicles and 1 covert vehicle. One vehicle was lost in an accident and will be replaced in FY 2017.

The Police Department's FY 2018 proposed operational budget is \$729,000, which represents a 5.1% (+\$35,400) increase over FY 2017. This is due largely to the implementation of salary increases following a Town-wide pay scale and position classification review. The budget request includes funding for 1 new police vehicle, 2 MDT tablets, 1 portable radio, 1 hand-held radar, and incentives for exceptional work.

FY 2018 Police budget items Q & A:

- *Copier maintenance* appropriation is increased by 39% (+\$700). In FY 2017, there were cost overruns due to excess of color copying.
- *Telephone* appropriation is decreased by 17.6% (-\$300) due to switch to VOIP telephone system.
- *Capital outlay >500* covers the purchase of 2 new tablets and 1 hand held radar unit.

- *Ammunition* is level funded despite cost overruns in FY 2017. It is proposed to continue fire arms training at a State-run shooting range which uses traditional lead bullets. The department stopped using and stock-piling “green” ammunition because it is more expensive and does not perform as well. MPT Kulpa-Eddy asked for a memo to justify the use of lead bullets, as the Town plans to adopt a green purchasing policy.
- 1 new police vehicle is proposed to be funded from the Public Safety Reserve.
- *Salaries & Wages* line has a proposed 1% COLA and 2% merit increase. Previously *merit increases* were funded through a salary pool in the *Employee Benefits* budget and were implemented mid-year. Performance reviews have been rescheduled so that merit increases can be considered as part of the budget process.
- *Uniforms* appropriation is increased by 17.4% (+\$2,000). It covers the purchase of dress, patrol and casual uniforms for all officers, plus insignia. BHPD has a “no hand-me-downs” policy.
- *Gas & Oil* appropriation is level funded based on a \$2.50 per gallon cost estimate.
- *Speed camera revenue* is projected at \$30,000, with \$20,000 going to program administration and \$10,000 to a Volunteer Fire Department contribution raised in FY 2015 to make up for a decrease in donations from residents.

Q & A, continued:

BHPD is unique compared to other small municipalities in that it has a detective with US Marshall status. The only police services not provided are emergency dispatch and crime lab. The cost of providing police services is credited back to the Town’s residents in the form of a County tax differential. CM Rasmussen requested to quantify the efficacy of the BHPD by measuring the crime rate per officer and/ or per patrol hour, as well as provide an objective measure of residents’ sense of personal safety to help justify police staffing levels. In the event of a 5% cut to the BHPD budget, Chief Antolik would put capital purchases on hold, i.e. tablets and hand-held radio. Funding for the NW/EP Committee and the BHVFD are proposed at the same levels as last year.

Public Safety Taxing District: TA Cowles gave an overview of the PSTD budget. The district collects a special tax from Town businesses to fund the salary of 1 officer. A decline in revenues of 3% (-\$2,000) is projected in FY 2018 based on a lower assessable base of commercial property. It is proposed to raise the special tax from 63 cents per \$100 of assessed value to 65 cents to balance the budget and be able to continue to fund 1 officer. The 65-cent tax rate is the constant yield rate.

At 10:15 a.m., the Council took a 15-minute break.

b. Code Compliance

Code supervisor Freddie Glass presented the Code Compliance budget. He gave an overview of the Code Department’s mission, organization, accomplishments and goals. The Code Department core functions center on enforcing Town Ordinances relating to property maintenance and rental licensing. The Department also administers the Town’s call-a-bus program. The Department has 1 full time Supervisor, who reports to TA Cowles, 2 part-time officers and 1 part-time administrative assistant. The fleet consists of 2 code vehicles and the call-a-bus. Goals for FY 2018 include a review of *Ordinance 104 – Building & Inspections*, optimizing part-time staffing, reduction in vacant properties, exchange of ideas about code enforcement with other municipal code departments, and continued cooperation with the Police and Public Works Departments, Green Team, Historical Committee and Neighborhood Watch.

Code Supervisor Glass and TA Cowles answered Councilmembers’ questions about the budget. The

Code Compliance operational budget totals \$123,505, which represents a 6.5% (+\$7,550) increase over FY 2017, mainly due to salary increases.

FY 2018 Code budget items Q & A:

- *Salaries* are increased by 7.2% (+\$7,100) to implement Town-wide 1% COLA and 2% merit increases and bringing part-time officers to the minimum of the pay range.
- *Gas & Oil* appropriation for the call-a-bus program is increased by \$2,500 to fund a recreational program with Joe's Movement Emporium. An MOU governing the proposed program has not been executed yet, and potential revenue from the program is not included in the budget.
- *Network/Software Support* (Comcate subscription) increase of 20% (+\$1,000) is in part due to a switch in billing from calendar to fiscal year.
- *Training & Seminars* is increased by 36% (+\$400) to fund additional training Code Supervisor Glass plans to take on rental inspections and codes referenced in amended Ordinance 120.
- *Uniforms* is level-funded despite overages in FY 2017. The additional expense was due to a new code officer being provided uniforms.
- *Rental Licensing* revenue is level funded. Possible increases in revenues resulting from amendment of the Rental Housing Ordinance are not yet known.
- *Building Permit* revenue is increased by 50% (+\$4,000) based on increased revenue received in FY 2016 and FY 2017, which reflects increased construction activity.

Q & A, continued:

Total part-time staff hours do not exceed 35 hours per week and are sufficient to cover off season code activities. More hours are needed in the warm months to monitor properties for clean lot violations. The Code Department helps enforce noise violations but does not have its own decibel reader. It relies on the Police Department to check on noise violations.

Business licensing continues to be an Administration Department function. The compensation for hours spent by a part-time code officer on business licensing are charged to the Administration Department; those spent on code enforcement are charged to the Code Department. The Comcate code software facilitates tracking of code violations but has not led to an anticipated 2 hour per week reduction in staff hours. Staff hours are spent on more thorough field work and developing relationships with property owners.

A revision of *Ordinance 104 - Building & Inspections* is planned for the next fiscal year. The Ordinance has not been updated since 2007 and needs a change in terminology for portable storage units and possibly an adjustment in the sliding fee schedule. The 2014 Ford Escape code vehicle has been added to the vehicle replacement reserve. The 2000 Saturn is due for replacement in FY 2018. The purchase of a hybrid or fully electric vehicle with the help of grants is being explored. In the event of a 5% budget cut, Supervisor Glass would reduce the communication, gasoline, and training appropriations.

At 11:15 a.m., the Council took a 15-minute break.

c. Public Works Presentation

Public Works Director Stevie Cox gave a status report on Public Works Department (DPW) management and staffing changes, highlighted last year's accomplishments and outlined goals for the next year. The Department is about to hire a new administrative assistant and crewman to return to full staffing. The transition from interim Director Kenny Hall went smoothly and new DPW Foreman Cardenas is receptive to training and new ideas. Goals for next year include landscaping around the

Town Center and Town parks, installing new “Welcome to Berwyn Heights” signs, certifying staff for commercial driver’s license (CDL) and herbicide application, increasing the recycling rate, and improving customer service.

The FY 2018 proposed operating budget is \$728,000, which reflects an increase of 4.4% (+\$30,800) largely due to salary increases. Proposed capital purchases include recycling bins, a road repair study, DPW building & grounds improvements, and by 2020 a new trash truck and medium size dump truck.

FY 2018 Public Works budget items Q & A:

- *Training & Seminars, Dues & Conferences* are increased by 60% (+\$1,200) and 100% (+\$1,000), respectively to invest in staff development. This includes CDL and herbicide application licensing as well as potentially training an in-house mechanic to service DPW vehicles.
- *Vehicle Preventative Maintenance* increase of 7.7% (+\$1,000) to keep vehicles on the road. The *Vehicle Repairs* line item had large overages in FY 2017 as a trash truck, leafer and repairs to other vehicles had to be made. A different repair shop will be utilized in the future.
- *Tree Service* is level funded at \$9,000. In the capital budget, an additional \$5,000 is budgeted for a map-based application to manage Town trees, and \$20,000 for tree contractors to prune and remove trees identified in last year’s urban forest study. DPW is planning to train employees in tree maintenance, but will likely continue to rent or borrow equipment needed to perform tree work. TA Cowles and Director Cox also plan to explore partnering with neighboring municipalities to share expertise and pool resources for tree maintenance.
- *Temporary Help* is level-funded despite significant overages in FY 2017. Temp service was used to cover staffing shortages. This year’s additional expenditures should be recovered by savings in the salary line item due to vacancies. There was a high turnover in staff because of changes that occurred in the Department. The use of temp services should be much reduced next year because the Department will be again fully staffed. In normal circumstances, temp service is used only during the leaf and snow removal season.
- *Salaries* appropriation is increased by 12.8% (+\$46,000) to implement a Town-wide 1% COLA and 2% merit increase and bringing all employees to the minimum of the pay range. Included are the anticipated cost of salary increases due to CDL and other certification. TA Cowles and Director Cox will look into requiring a commitment from employees to remain in the employ of the Town for a certain period, if the Town finances their CDL and other training.
- *Recycling Supplies* is decreased 63.6% (-\$3,500) as money was moved to the capital budget to fund the purchase of larger recycling bins.
- *Street Lighting* is level funded at \$39,200 and includes electricity and maintenance. It does not include additional street lights that were recommended as part of a NW/EP survey of dark areas. TA Cowles can research if there is grant funding to move to different types of street lights.
- *Street signs* appropriation is reduced by 41.6% (-\$5,000) to pre -FY 2017 funding levels. DPW purchased and installed new street signs this year to comply with new reflectivity requirements.

At 12:30, the Council took a 30-minute lunch break.

d. Capital Projects and Purchases

TA Cowles said the capital projects budget reflects the Council's priorities set forth in the strategic plan developed last year and includes funding for a street survey, an architectural study of the Town Center complex, new fencing and a gate at the Public Works building, security improvements at Town buildings, and new recycling bins.

Vehicle Replacement Reserve

An \$82,000 contribution is proposed to fully fund the vehicle replacement reserve, in which money is set aside for cash purchases of most Town vehicles, bringing the total to \$1,176,700. A \$30,000 purchase of a hybrid vehicle to replace the 2000 Saturn is proposed to come from this reserve. The cost may be less, if a \$15,000 grant is received. Police vehicles are currently not funded from the reserve, but have been paid from the Police Department's operating budget. In FY 2018, a police vehicle is proposed to be funded from the Public Safety Reserve to the amount of \$40,000. The Public Safety Reserve has declined with declining speed camera revenue.

Other Designated Reserves

It is proposed to increase the Town's 3-months operating reserve (rainy-day fund) from \$442,000 to \$550,000 to more accurately reflect the actual operating costs for 3 months. This will reduce the unrestricted surplus by the same amount. The Infrastructure Improvement Reserve is projected to go up to \$1,100,000 in FY 2018. It consists of the Town's dedicated road tax and Highway User Revenue (HUR) and funds road and sidewalk repairs. A \$230,000 contribution is budgeted for the Greenbelt Station Reserve funded by the builder of that Greenbelt Station development to compensate the Town for impacts from the development. A \$40,000 architectural study and \$30,000 economic development study are proposed to be funded from this reserve. The Neighborhood Watch/ Emergency Preparedness (NW/EP) Reserve sets aside unspent money from the NW/EP annual appropriation for the purchase of a new trailer. It currently contains approximately \$7,000. Another \$50,000 are budgeted from the unrestricted fund balance (surplus) to fund security improvements at the Public Works yard and other Town facilities, as well \$25,000 to fund the purchase of tree mapping software and tree contracting services.

Recycling Bin Purchases

Public Works Director Cox exhibited 2 types of recycling bins under consideration for distribution to residents to encourage more recycling: a 54-gallon can with unattached lid costing \$28 per unit that is currently in use; and a 64-gallon roll-away can with attached lid costing \$40.20 per unit. The Council discussed the pros and cons of the bins. It was decided to have a test run with a limited number of the large cans.

e. Non-Departmental

The Town's health insurance carrier LGIT has quoted a modest premium increase of 6% for the Town's health insurance plan. This allows employee contributions to a family plan to remain at 15%. A surplus of \$30,000 to \$40,000 is expected to be returned to the Town at the end of the fiscal year because of a good claims experience. The Town's unemployment compensation was higher in FY 2017 due to a couple of successful claims by employees who were let go, but is budgeted to decline by 4.1% in FY 2018.

Treasurer Rodriguez briefed the Council on the wellness program the Town's health care provider is offering. This is a second attempt to launch the program, which seeks to incentivize employees to become proactive about their health through fitness training, good nutrition and regular checkups.

f. PRECA

The FY 2018 Parks Recreation, Education and Civic Affairs budget is very similar to last year's, with the exception of a \$4,000 stipend to compensate a community volunteer to assist the Recreation Council with event planning. Recent high turnover on the Recreation Council and other Town organizations has led to a loss of institutional knowledge, which a PRECA intern could help maintain.

The budget will also cover the electricity fees for Sports Park that used to be paid by the Boys & Girls Club.

g. Cable

The cable budget collects franchise fees and customers' Public, Education and Government (PEG) programming fees to finance the Town's public access channel. In FY 2018, it is proposed to charge \$13,800 to this budget for operating the PEG channel as well as live streaming. An additional \$4,500 fee for the video streaming vendor is also charged to this budget. Capital purchases are projected to decline by 37% (-\$4,200).

h. Administration

TA Cowles said that the FY 2018 budget to be published in the April Bulletin will include an explanation of Town services. Overall, the Administration budget remained fairly consistent with the exception of the salary and benefits appropriations. The salaries line item went up by 4.9% due to the Town-wide implementation of 1% COLA and 2% merit increase and bringing all salaries up to the minimum of the pay scale range. The Municipal Building and Town Center budgets remained the same except for increases in the *Telephone* line item. Those increases reflect the installation costs for an internet-based (VOIP) telephone service. The vendor charges a flat fee of \$1,400 per year per building, which will significantly reduce telephone service costs in the future.

FY 2018 Administration budget items Q & A:

- *Law Books* appropriation decrease of 24% (-\$550) due to subscription being replaced with access to the online law books service Lexis Nexus.
- Addition of \$1,600 to the *Elections* line item because of the 2018 Town election.
- *Legal Expenses* increase of 16.7% (+\$1,000) because of greater use of the Town Attorney.
- Water & Sewer were level-funded despite a \$1,000 overage in FY 2017. It is proposed to increase the Town Center rental fee from \$250 to \$300 per four hours to cover increased maintenance costs.

i. Real Property Tax Rates

TA Cowles explained, in accordance with State law, the Town must notify the public of any changes in real property tax receipts that are above the constant yield. Notice must be given at least 30 days prior to adoption of the budget. Notices will be advertised in the April Bulletin. It is proposed to leave the residential real property tax rate unchanged at 53 cents per \$100 of assessed valuation for a projected increase in tax revenues of \$127,000. The increase is due to a 10% incremental rise in the assessed value of real property in Town. The constant yield rate would require reducing the tax rate to 48 cents.

It is further proposed to increase the commercial real property tax rate for the Public Safety Taxing District (PSTD), which affects only Town businesses, from 63 cents to 65 cents per \$100 of assessed valuation, for a total yield of \$50,000. This rate increase offsets a decline in receipts from the PSTD personal property tax and ensures that the expenses for one police officer are fully funded.

Motion: MPT Kulpa-Eddy moved to increase the commercial real property tax rate to 65 cents per \$100 of assessed valuation, which rate consists of a base rate of 53 cents, plus an additional special tax (PSTD) rate of 12 cents per \$100 of assessed valuation. CM Rasmussen seconded. The motion was approved 5 to 0.

Motion: CM Rasmussen moved and CM Dennison seconded to keep the residential real property tax rate at 53 cents per \$100 of assessed valuation, of which 3 cents represent a road tax that is dedicated to the Infrastructure Reserve. The motion was approved 5 to 0.

The Council scheduled a follow-up discussion to the budget workshop at the next worksession, at which budget information requested by the Council will be provided.

At 2:45 p.m., CM Rasmussen left to catch a flight.

2. Approval of Minutes

Motion: CM Shields moved, and MPT Kulpa-Eddy seconded to approve the February 13 worksession minutes. The motion passed 4 to 0.

3. Announcements

County Councilmember Danielle Glaros is hosting a March 30 meeting on the Prince George's County zoning rewrite. Good Neighbor Day is on April 1.

4. Citizen Comments

The Council received comments regarding the vehicular right-of-way at the Pontiac Street/ Edmonston Road/ Kenilworth Avenue intersection, a noise problem on Natasha Drive, a trash problem with the Domino's restaurant dumpster, as well as trash removal at Lake Artemesia.

5. Town Council Schedule

The schedule of upcoming meetings and events was reviewed.

On a motion by CM Dennison, seconded by CM Shields, the meeting was adjourned at 2:52 p.m.

Signed: