



Town of Berwyn Heights

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Worksession Minutes March 7, 2016

The meeting was called to order at 7:00 p.m. Present were Mayor Jodie Kulpa-Eddy, Mayor Pro Tem (MPT) Chris Rasmussen, Councilmembers (CMs) Patricia Dennison, Maria Robles and Lynn White. MPT Rasmussen arrived 5 minutes late. Also present were Town Administrator (TA) Jessica Cowles, Code Supervisor Freddie Glass, and Clerk Kerstin Harper.

1. Mayor

Announcements: CM White thanked Interim Public Works Director Hall for stepping in to run the Department and helping to formulate the next budget.

Calendar: “Budget Introduction” was deleted from the March 9 Town Meeting. The Maryland primaries were added for April 26.

Minutes: On a motion by CM Dennison and second by CM Robles, the February 22 worksession minutes were approved 5 to 0.

Department reports: CM Robles reported that the Call-a-bus was repaired and is back in service. The Call-a-bus Memorandum of Understanding between Prince George’s County and the Town has been signed, making the Town eligible to receive a new bus when available. The demolition of two condemned homes is waiting for County permits to be issued before proceeding. CM Dennison reported that Game Night was well attended. Mayor Kulpa-Eddy reported that six residents are running for Town Council including all sitting council members, plus Ms. Cheryl Jewitt.

Citizen comments: CM White received a comment that WSSC repaired a pot hole on Edmonston Road. Mayor Kulpa-Eddy received an inquiry as to why the Town needed to hire a cleaning contractor and a caterer. She explained that contractors will take the place of Mrs. Erickson who recently retired. Further, she received questions about how to obtain the FY 2015, 2016 and 2017 budgets, which are available at the Town office upon request; about who is running for Town Council; and about legal issues facing the Town.

Eddie Daffron, Seminole Street, said that a street light at Seminole Street and 56th Avenue is not working properly. He also recommended that two decoy police cars with peeling paint should be repainted. Lastly, he commended Interim Public Works Director Hall on running a well organized department.

HUR Resolution: Mayor Kulpa-Eddy explained that the Maryland Municipal League (MML) is asking municipalities to pass a resolution requesting the General Assembly to reinstate

regular funding for Highway User Revenues (HUR). It is important for municipalities to be able to rely on this revenue so that they can budget for street repairs and other infrastructure projects. HUR was cut during the recession and the money diverted to the State's general fund. Some HUR has been restored as one-time grants in recent years, but remains unpredictable. This year Berwyn Heights is set to receive \$29,000 based on the funding formula and another \$80,000 as a grant. The Council agreed to adopt the resolution at the March 9 Town meeting.

Bicycle Infrastructure MOU: Clerk Harper explained that the Anacostia Trails Heritage Area, Inc. (ATHA) has asked member municipalities to adopt the Memorandum of Understanding (MOU) that establishes an Inter-Municipal Bicycle Trails Working Group to coordinate efforts to expand and improve bicycle trails in the area. TA Cowles added that the MOU was reviewed by the Town Attorney who did not find any obvious red flags. The MOU requires each municipality to appoint at least one representative to the Bicycle Trails Working Group, preferably at least one be an elected official. The MOU is effective for 5 years but allows members to withdraw at any time.

Staff was asked to get clarification on several particulars regarding representation on the Working Group before adoption. In a straw poll, the Council voted 5 to 0 to adopt the MOU at the March 9 Town meeting.

At 7:50 p.m., the Council took a 5 minute break.

Nothing was discussed under **2. Public Works.**

3. Administration

Town Administrator proposed FY 2017 budget: TA Cowles explained that this budget is organized by major activity, as in past years, but has been greatly simplified by removing obsolete information. She then gave an overview of the main trends and important changes in the proposed FY 2017 budget.

Taxes: The most important news is an increase of about 9% in real property tax revenues in the first year of the triennial reassessment cycle that began in January 2016. This means that, in combination with continued strong income tax revenues, the entire operating budget can again be financed with regular revenue streams without having to take money from the unrestricted fund balance, or surplus. During the last assessment cycle, the Council authorized taking \$50,000 from the surplus each year to balance the budget. This year's projected \$124,000 increase in real property tax revenue is proposed to be used to fully fund the vehicle replacement reserve and forgo the use of any surplus.

Income tax revenues for FY 2017 are projected at \$430,000 and reflect an ongoing demographic trend for more homes to be occupied by working families with one or more income earners. Personal property tax receipts are stable at \$264,000, as are recycling tax revenues.

Licenses and permits: Overall receipts from license and permit fees are expected to decline by 4.1%, mainly because of a drop in rental homes from around 210 to 190. On the other hand, receipts from business license fees have increased because there is less turnover and fewer vacancies in commercial properties, and because a number of businesses operating without a license have been brought into compliance. The Town also plans to obtain the business license module for the Comcate code tracking system, which is expected to yield additional efficiencies in processing business licenses.

Intergovernmental revenues: Highway User Revenues (HUR) appropriated by funding formula are projected conservatively at \$28,400 in FY 2017, up from a low of \$11,000 in FY 2011. An additional \$81,000 in a one-time grant may also be forthcoming for a total of \$110,000. HUR is restricted to be used on roads and infrastructure projects and any unused HUR are rolled over into the Town's infrastructure reserve fund. Police State Aid is projected to come in the same range as last year at \$51,000. Last year, the Town received a \$25,000 Maryland Smart Energy Communities (MSEC) grant, which will fund an HVAC upgrade in the Town Center. This year, the Town applied for a grant to purchase a hybrid vehicle as part of the MSEC fuel efficiency program, which would replace the Administration Department's 2000 Saturn.

Fines & Forfeitures: The total revenues from fines & forfeitures are projected to decrease by 17%, due to less revenue from the speed cameras. Police fines are expected to increase from \$48,000 this fiscal year to \$50,000 next year. Code fines are expected to be steady at \$19,000.

Miscellaneous: Receipts from interests & dividends, Town Center rentals, recycling, Bulletin advertising and Cable TV grants are expected to increase by 4% to \$299,000. This is mainly due to increases in Town Center rentals and an increase in interest income from consolidating the Town's idle cash into an Old Line Bank account.

Expenditures: Overall expenditures for FY 2017 are down 2.48% or \$76,400 reflecting fewer capital purchases and projects compared with previous fiscal years. The gasoline budget, which cuts across all Town departments, is based on federal guidelines of \$2.50 per gallon, down from \$3.00 per gallon in FY 2016. Telephone expenditures in all departments will see significant savings from switching to Voice Over Internet Phones (VOIP). In addition, IT expenditures comprising IT support, Office 365 with remote access and monthly backups were moved out of individual departments to the non-departmental category in FY 2017.

Administration: A modest overall increase of 1.5% is proposed for the Administration Department, most of it due to salary increases. Expenses for the Town Bulletin were cut by \$8,500 or 26% by renegotiating the contract with the printer. Significant savings of 44% will be seen in the municipal building line item due to the outsourcing of custodial and hospitality services.

Police: The police budget is proposed to increase by 5%, which is to fund two promotions to corporal under the *salaries* line item. The Chief's request for tablets to replace the current laptops used by officers in their vehicles will be funded from the capital budget, while the purchase of a new police vehicle has been postponed. The FY 2017 budget also funds small increases in the dues & conferences and training & seminars line items to increase professional development opportunities for staff, as well as an increase in the uniforms appropriation to purchase new bullet proof vests.

Code Compliance: This budget is proposed to go up by 7% in FY 2017 to accommodate Code Supervisor Glass' request for an increase in part-time hours from 30 to 35 per week. As in the police department, a small increase in training & seminars is proposed for staff to pursue professional development.

Public Works: An overall increase of 1.9% has been budgeted for the Public Works Department, which funds 8 full time staff and 2 part time staff. A notable increase has been budgeted for the traffic control line item to fund the purchase of street signs that comply with federal standards for reflectivity, size and height.

Parks and Recreation: A \$2,500 increase is proposed in the Sports Park line item to accommodate a request by the Boys & Girls Club for the Town to pay the electricity bill.

Proposed funding for a service that allows residents to use UMD shuttle buses for free has been dropped because better public transportation options to Metro stations are available from Metrobus and the County bus.

Non-departmental: This budget has the most significant changes in the overall budget. With the upgrade to a new website, the Town will implement an option for customers to pay Town fees and fines by credit card. This involves a relatively small start up investment for credit card terminals, but it is proposed to pass on processing fees of up to 3% to the consumer.

Another major change is planned for employee health insurance, where the Local Government Insurance Trust (LGIT) offers a competitively priced PPO plan from Cigna with no deductible that would replace the Town's current Care First HMO plan with high deductible. LGIT can offer a better plan for the same price because rates are based on a larger pool of enrollees from many member municipalities. A LGIT representative will make a presentation at the next budget worksession and employees will receive a separate briefing before any switch is made.

TA Cowles is also proposing to arrange a facilitated strategic planning workshop for the Council through UMD's Center for Leadership and Organizational Change. This would ideally take place at the beginning of a Council term and help the Council develop goals and priorities to guide funding decisions for their upcoming term.

Capital projects-Operating: An increase of \$35,000 in transfers to the vehicle replacement reserve is proposed to fully fund it at the level of \$93,400. A transfer of \$190,000 derived from HUR and the Town's road tax to the infrastructure improvement reserve is proposed, raising it to the level of \$913,000 overall. This is probably not sufficient for a major road project. An expenditure of \$19,000 is proposed to replace all desk phones with digital models that would allow employees to transfer calls between departments, forward calls from their desk phones to personal cell phones and utilize desk phone IDs when making calls from personal cell phones. Further, it is proposed to make several security improvements at Town buildings with installation of security cameras and door buzzer systems at a total expense of \$5,000, and to upgrade the HVAC system in the Town Center for a projected \$15,600.

Public Safety Taxing District budget: This budget funds the salary of one police officer through a special tax on businesses located in Berwyn Heights, which is divided into a 10 cents/\$100 assessed value tax on real property and 15 cents/\$100 assessed value tax on personal property. Expenditures are proposed to go up by 9% to fund a promotion of the Detective to Detective Sergeant, and to add holiday pay to the Detective's salary, which was erroneously taken from the general fund in previous years. While the PSTD is sustainable at current funding levels, the tax rate may have to be adjusted in future years, or a different officer's salary substituted.

Urban forest initiative: MPT Rasmussen explained that the Council set aside \$15,000 in the FY 2016 budget for an Urban Forest consultancy. In January 2016, the Town released a request for proposals (RFP) to include an assessment of the Town's tree canopy, an inventory of trees on public property, software to track the tree inventory, and a tree management plan. At this point the Town received 2 proposals from: 1) Davey Resource Group for \$29,400; and 2) Savatree Consultants for \$24,750.

TA Cowles negotiated with the low bidder Savatree to bring the price down to \$20,000 by limiting the tree inventory to public trees and forgoing the purchase of tree inventory software. MPT Rasmussen and TA Cowles propose to fund the difference of \$5,000 from an estimated \$28,000 in FY 2016 unspent money. In response to Mayor Kulpa-Eddy, MPT Rasmussen said that a policy proposal to require permits for cutting down private trees could

still be included as part of the management plan that comes with the package. MPT Rasmussen moved to authorize spending \$20,000 for the Savatree consultancy. CM Dennison seconded. The motion passed 5 to 0.

Election judges' stipend: Clerk Harper explained that each election season the Council reviews the election judges' stipends to decide if a raise is warranted. The chief judge's stipend was last raised in 2014 to \$175. Regular judges' stipends have not been raised since 2006. A regular election day usually starts shortly before 7 am and does not end until 9 pm. TA Cowles added that the budget appropriates \$1,500 for Town elections and can accommodate a small raise. MPT Rasmussen moved and CM Dennison seconded to give all election judges a \$25 raise. The motion passed 5 to 0.

Candidates Night moderator: The following people were proposed as potential moderators: Richard Ahrens, James Wilkinson, Eric Olson, and possibly someone from the UMD political science department. TA Cowles and Clerk Harper were asked to contact the proposed moderators to see if they are available, and the Council to make a decision at the next worksession.

Bulletin Cover: The following items were approved for the April Bulletin: Election theme and headline; announcements for candidates' night, wine tasting, and budget introduction.

Nothing was discussed under **4. Code Compliance, 5. Parks and Recreation, and 6. Public Safety.**

The meeting was adjourned at 9:25 p.m.

Kerstin Harper, Town Clerk