

MEMORANDUM

DATE: March 2, 2018
TO: Mayor and Town Council
FROM: Jessica Cowles, Town Administrator
SUBJECT: Town Administrator's Proposed FY 2019 Budget

Budget Binder Organization

The budget binder is organized by major activity with a divider tab for each major activity listed in the below bulleted list. The Town Administrator's Proposed Fiscal Year (FY) 2019 budget is found in the left pocket of the binder and it contains the proposed budget for both the General Fund and the Public Safety Taxing District. The major activities are listed below:

- General Government
- Public Safety
- Code Compliance
- Public Works
- PRECA
- Cable
- Non-Departmental
- Capital Expenses and Projects
- Public Safety Taxing District
- Public Safety Reserve Fund

The Town Administrator's Proposed FY 2019 Budget table contains the actual, audited data for FY 2015 (Column C), FY 2016 (Column D), and FY 2017 (Column E) for comparison to the FY 2018 adopted budget (Column F). The Town Administrator's Proposed FY 2019 budget (Column H) and the variations in percentage and dollars between the FY 2018 adopted budget and Town Administrator's proposed FY 2019 budget are found in Column I and Column J, respectively.

General Fund Revenues

Overall receipts are projected to increase 4.05% (\$123,379). The increase in projected real property tax revenue in FY 2019 helps offset the decrease in income tax revenue due to the State Comptroller's overpayment error in FY 2010-2014, and the decrease in Code Compliance fines as properties come into compliance without needing to levy fines.

1. Taxes – Overall tax receipts are projected to increase 4.92% (\$114,984) from FY 2018.

- **Real Estate Taxes** —The Maryland State Department of Assessment and Taxation (SDAT) assesses real property on a three-year evaluation cycle. FY 2019 is the Town's third year of this real property assessment cycle. The proposed FY 2019 budget is based on a residential real property assessment at the current rate of \$0.53 per \$100 of assessed valuation, and a commercial and industrial real property assessment at the current rate of \$0.65 per \$100 of assessed valuation. For FY 2019, the residential real property SDAT assessed valuation is \$286,911,900; the commercial and industrial real property SDAT assessed valuation is \$44,173,000.

- **Road Real Estate Tax** – The FY 2012 budget, and each subsequent budget, has authorized a special 3-cent (\$0.03) real estate tax levy on each \$100 of assessed value for residential and commercial property to be placed in the Infrastructure Improvement Reserve for future infrastructure improvements. The Town expects to collect \$99,325 in FY 2019, an increase of 8.27% commensurate with overall real property tax receipts.
 - **Income Taxes** – The State Comptroller's overpayment errors to many local governments from 2010-2014 continues to impact projected revenues for the foreseeable future. As a result, \$375,000 in income tax revenue is projected in FY 2019. By comparison, income tax revenues were in the \$430,000-\$450,000 range during the overpayment years.
 - **Personal Property Tax** – Personal property tax is a tax on inventory for businesses and the revenue varies depending on the types of businesses located in Town from year to year. The FY 2019 budget projects \$235,000 in revenue by analyzing the actuals for the current and prior fiscal years.
 - **Personal Property Road Tax** – Beginning in the FY 2012 adopted budget and each following budget, the Town has authorized a special 7.5-cent (\$0.075) personal property tax levy on each \$100 of assessed value into the Infrastructure Improvement Reserve for future infrastructure improvements. The Town expects to collect \$13,500 in FY 2019.
 - **Refuse and Recycling Collection Fee** – The Town currently charges \$70 annually per residential dwelling, and there are 1,031 residential dwelling structures in Berwyn Heights.
2. **Licenses and Permits** – Overall, Licenses and Permits are projected to generate \$147,400 in revenue, an increase of 5.36% (\$7,500) from FY 2018. No fee increases for licenses and permits are proposed.
- **Business Licenses** – In early 2015, the Town began increased enforcement of Ordinance 105 for those businesses not in compliance with Ordinance 105 by reporting such businesses to the District Court for Prince George's County, the State Comptroller, and to the professional boards for businesses like income tax preparation services. The FY 2019 projected revenue is \$18,000.
 - **Traders Licenses** – The Town receives a portion of the license fee Prince George's County charges retail-type businesses. The Town's share usually amounts to \$2,000 a year.
 - **Building Permits** – The FY 2012 adopted budget authorized charging the same building permit fee as the Prince George's County building permit fee. In FY 2017, the Town collected \$18,171 since building permit activity has been steadily increasing as the housing market recovers leading to a proposed \$15,000 for FY 2019.
 - **Cable TV Fees** – Cable television franchise fees are based on 5% of a resident's monthly cable bill. The Town received \$48,700 in FY 2017 and is projecting \$48,600 in FY 2019.
 - **Rental Licenses** – The number of rentals units varies from year to year depending on the economy and real estate trends. The adoption of changes to Ordinance 120 has resulted in an increase in the number of rentals, currently at 205, to result in \$61,500 in FY 2019.
 - **Dumpster Permits** - Town charges \$25 per dumpster permit for each 15-day period and a \$250 cash deposit if a dumpster is placed on the street to cover any potential street damage. Revenues from dumpster permits have ranged between \$450 and \$1,700 in previous budget cycles. Consistent with the increase in building permits, 1,000 is budgeted in FY 2019.

- **Portable Storage Permits** –\$300 in revenue is projected in FY 2019.
3. **Intergovernmental Revenues** – Intergovernmental revenues are difficult to predict at this point in the State of Maryland’s General Assembly Legislative Session.
- **Police State Aid for Police Protection Grant** –The Maryland Municipal League (MML) is projecting FY 2019 funding will be very similar to FY 2018 funding of \$53,497. Notification of the grant award will be in June 2018.
 - **Highway User Revenue (HUR)** - Each registered vehicle in Town translates to approximately \$10 of HUR funding, with additional funding coming from “one-time” State grants. There is pending legislation before the General Assembly to fully restore highway user revenue and this has been a statewide municipal priority for several years. HUR has increased from a low of \$11,111 in FY 2011. \$110,875 for FY 2019 is currently projected. In accordance with Town Council policy, HUR funding not appropriated in Public Works’ street project line item (340-049) or a capital project is transferred to the Infrastructure Improvement Reserve.
 - **Disposal Fee Rebate** – This is a fixed amount the Town receives annually from Prince George’s County with \$8,232 expected in FY 2019.
4. **Service Charges** – There is no increase projected in Service Charges receipts from the Pedestrian Bridge expenditure reimbursement. The Town shares the maintenance responsibility with the City of College Park to keep the pedestrian bridge walkway clear of snow in the winter and free from debris and trash throughout the year. The Town and College Park also share the monthly electrical cost and any lighting repair expenses. WMATA is responsible for structural pedestrian bridge maintenance.
5. **Fines and Forfeitures** – Projected Fines and Forfeitures are expected to be \$93,000 in FY 2019. This is a 2% decrease due to the expected reduction in revenue from Code fines as more properties come into compliance with Town ordinances without needing to assess fines.
- **Police Department Fines** – Revenue varies depending on the types of citations issued and whether the citations are for a violation of State law or Town ordinance. \$53,000 is projected in FY 2019.
 - **Code Compliance Fines** – Revenue is projected to be \$10,000 in FY 2019 due to Code Compliance’s increasing efforts to work with residents to achieve compliance without assessing fines.
6. **Miscellaneous**
- **Interest & Dividend Income** – The interest generated from the Town’s reserves and fund balance was \$14,593 in FY 2017. The earned interest fluctuates based on the account balances, and the interest rate. Administration will explore savings options for increasing earned interest in FY 2019. Interest earning expectations are currently projected for \$15,000 in FY 2019.
 - **Town Center Rentals** – The Town collected 5,895 in FY 2017, with \$10,000 budgeted in FY 2019 due to the increased user fee of \$300 for four hours of rental time that went to effect in FY 2018.

- **Recycling (DPW Collection)** – The FY 2019 budget anticipates \$300 for appliance pick-ups, and \$1,000 in recycling revenue from metals collection.
- **Bulletin Advertising** – Bulletin advertising revenue has varied by the number of paid advertisements over the last several years and \$4,000 is budgeted in FY 2019.
- **Cable TV Grant** – Verizon and Comcast cable subscribers pay a 3% fee to support the Town's public access channels. The receipts from this grant are restricted in use in accordance with the Comcast and Verizon Cable Television Franchise agreements. The Town expects to receive \$9,400 from Comcast and \$21,000 from Verizon in FY 2019.
- **Greenbelt Station South Core Fee** – The Town's agreement with the developers of Greenbelt Station provides for a fee based on the number of approved building permits. \$230,000 is expected in FY 2019.

7. **Reserves and Fund Balance**

- **Vehicle Replacement Reserve** – \$30,000 is proposed for the Town's contribution towards the 4 Cities Coalition purchase of a new mechanical street sweeper.
- **Infrastructure Improvement Reserve** – \$1,147,490 is proposed to complete Phase I of the Town's Infrastructure Repair program, focusing on repaving of those roads determined to be in poor condition, and reconstruction of curb and gutter as needed, based on the December 2017 Road Repair Survey.
- **Unrestricted Fund Balance** –
 - One of the benefits of joining the Local Government Insurance Trust Health Cooperative is the opportunity to receive a refund of health insurance premiums paid if Town employees utilize benefits appropriately and the Town's actual program expenses are below LGIT's anticipated expenses. For the FY 2017 plan year, LGIT returned \$34,090 to the Town, and those funds were placed in unrestricted fund balance. The proposed FY 2019 budget allocates \$10,000 of those funds received towards enhancing the employee wellness program by joining the HEAL (Healthy Eating, Active Living) campaign, as well as offering lunchtime programming such as fitness classes and brownbag seminars to continue this positive trend.
 - As part of the Strategic Planning Process, several capital projects were identified as action items. Significant detail about these items is found under Capital Projects – Fund Balance and Reserve on Pages 11-12:
 - **Capital Projects and Purchases**
 - **\$25,000** is budgeted for replacement of service bay doors at the Public Works Yard.
 - **\$18,000** is budgeted for replacement of the dump body on the 2004 F-350 in the Public Works vehicle fleet. The overall vehicle condition is good but the dump body is significantly rusted. Replacement of the dump body will enhance salt spreading and snow removal operations without needing to incur the full purchase price of an additional vehicle.

General Fund Expenditures

Overall, the Operating Budget increases 3.47% to reflect the Town's commitment to maintaining a workforce best equipped to meet expectations for high performing services and programs. The Town does not have a "step scale" pay plan like many other government agencies. Instead, the Town has a merit-based system with any pay increases determined solely on the annual performance evaluation process. For FY 2019, a cost of living adjustment (COLA) of 1.5% is proposed, consistent with those COLAs throughout the D.C. region. Merit increases are programmed at 4% for those employees in the highest total evaluation score bracket, 2% for those employees in the middle total evaluation score bracket, and 0% for those employees in the lowest total evaluation score bracket. Additional funds are proposed for professional development in all departments to keep employee certifications current, and enhance the quality of services provided to residents.

1. General Government – General Government encompasses the appropriations for the Mayor and Town Council, Town Administration, Municipal Building, and Town Center.

- **Mayor and Council** – The proposed budget includes \$15,000 for Town Council stipends, \$7,500 for Council conventions and training, as well as \$4,500 in funding towards Council initiatives to advance educational opportunities for Berwyn Heights students.
- **Administration** – A 1.9% increase is proposed for the Administration budget. Administration is responsible for the day-to-day management of the Town, budgeting, finance, benefits administration, risk management, and human resource functions, in addition to serving as the Clerk to the Town Council, and running the Town elections. The budget funds the salaries of the Town Administrator, Town Treasurer, Town Clerk, and Administrative Coordinator. Within the FY 2019 proposed budget, the previous 10 weekly hours for the Administrative Assistant's allocation for business licensing have been transferred to Code Compliance since business licensing is more suited to Code Compliance officers having existing relationships in the business community with knowledge of changes in commercial tenants.
 - **Salaries** – The proposed increase funds the effect of the proposed COLA and merit increases for the employee performance evaluations completed in January 2018. 10 hours of Administrative Assistant time have been transferred to Code Compliance. The Town Clerk position is proposed from 32 hours (part-time) to 40 hours (full-time), with no net impact on Administration's budget since the additional eight hours are funded from the Cable budget for the Town Clerk's role in facilitating BHTV programming.
 - **Bulletin** – The monthly bulletin, the largest line item in the Administration budget outside of salaries, is proposed at \$23,000.
 - **Dues & Conferences and Training & Seminars** – These line items afford professional development opportunities for Administration employees to continue implementing national best practices and delivering efficient services to residents. A total of \$8,000 is proposed in FY 2019.
 - **Public Relations** – \$2,500 is proposed to fund the cost of Town-wide mailers to provide in-depth information on an issue like refuse and recycling reminders, or a listing of upcoming special events.
 - **Audit Services** – The auditor's fee has increased to a \$13,000 flat fee for the FY 2019 audit.

- **Gasoline & Oil** - \$1,000 is budgeted in FY 2019.
 - **Capital Equipment** – In FY 2019, funding is proposed to update equipment, computers, and furniture as needed.
 - **Municipal Building** – The Municipal Building budget is proposed to decrease 5.63% due to electricity savings from the installation of new heating and cooling equipment in FY 2018. This budget funds utilities, maintenance, repair, and upkeep of the municipal building and grounds.
 - **Repair and Maintenance** – This line item is projected at \$5,500 in FY 2019.
 - **Hospitality** – The hospitality budget is proposed at \$1,500 to cover catered events such as hosting the 4 Cities Coalition, and fund occasional smaller meals and snacks for Town Council meetings.
 - **Town Center** – The Town Center budget is proposed to decrease 4.54% to reflect the cost of utilities savings due to significant facility improvements made in the last few years. The budget funds utilities, maintenance, repair and upkeep of the Town Center.
 - **Repairs and Maintenance** – This line item is funded at the FY 2018 amount of \$11,000. The fixed costs are State requirements for operating facilities like the Town Center such as \$3,185 for quarterly elevator inspections, \$500 annually for fire alarm maintenance, \$500 annually for sprinkler system maintenance and fire extinguisher inspections, \$500 annually for the grease recovery system and the stove exhaust system inspections. This line item also covers the cost of cleaning carpets once a year in the Senior Center and stripping and waxing the floors in the Senior Center and the Town Center once a year. The balance is for facility repair and upkeep as needed.
2. **Public Safety** – Public Safety encompasses the Police Department and Miscellaneous - Public Safety. Overall, the Public Safety budget is proposed to increase 1.78%.
- **Police Department** – This appropriation funds police services for the Town including the salaries of eight full-time uniformed police officers and a full-time Administrative Assistant. The Department has a part-time police officer for speed camera monitoring with the salary paid from the Public Safety Reserve Fund. The Detective-Sergeant's salary and expenses are funded through the Public Safety Taxing District.
 - **Salaries** - The proposed increase funds the effect of the proposed COLA and merit increases for the employee performance evaluations completed in January 2018.
 - **Locality pay** – The proposed amount remains at \$1,200 annually as an incentive to live within five miles of the Town's boundaries.
 - **Shift Differential** – The shift differential is \$1.30 for those on-duty shift hours that begin after 5:00 p.m. No increase is proposed in FY 2019 for a budget of \$11,000.
 - **Gasoline & Oil** – The Gasoline & Oil line item is proposed at \$22,000 in FY 2019.
 - **Dues & Conferences and Training & Seminars** – These line items afford professional development opportunities to retain and maintain a Police workforce with the necessary skill sets to carry out the responsibilities of police work in a major metropolitan area. A total of \$10,000 is proposed in FY 2019.

- **Public Relations** – In keeping with the Strategic Plan’s emphasis on community engagement, this line item is proposed to increase to \$5,000 to encourage more community outreach events like the current “Coffee with Cops” programming.
- **Police Station Rent** – The Town leases space for the Department at a projected cost of \$24,000 in FY 2019 to absorb any proposed increases from the property owner by extending the lease until a permanent location can be secured for the Department.
- **Capital Outlay** – In FY 2019, \$10,000 is proposed to purchase nine in-vehicle cameras and one in-vehicle tablet.
- **Uniforms** – Uniform expenses are proposed for \$13,500 and include the uniform cleaning allowance for all officers.
- **Public Safety Miscellaneous** – This appropriation funds the Neighborhood Watch/Emergency Preparedness Committee and a \$10,000 contribution to the Berwyn Heights Volunteer Fire Department.
 - **Neighborhood Watch/Emergency Preparedness** – This line item is funded at \$3,600.
 - **BHVFD** – This line is the same as FY 2018 at \$10,000. The funding comes from current year speed camera revenues and was implemented to offset declining individual contributions to BHVFD from Town residents.

3. **Code Compliance Office** – The Code Compliance Office is responsible for administering the residential rental licensing program, enforcing all non-Police ordinance violations, and the Call-A-Bus program. The FY 2019 proposed budget funds a full-time Code Supervisor position, and 45 part-time hours for assistance with compliance monitoring and administrative duties. A 13% (\$17,765) increase is proposed in FY 2019 in consideration of the following:

- **Salaries** - The proposed increase funds the effect of the proposed COLA and merit increases for the employee performance evaluations completed in January 2018. Within the FY 2019 proposed budget, the previous 10 weekly hours allocated for business licensing in Administration have been transferred to Code Compliance with business licensing since Code Compliance officers have existing relationships in the business community and knowledge of changes in commercial tenants. The Maryland Municipal League also advises to expect a July 1, 2018 implementation date for providing paid sick leave to part-time employees, and this is included in the Salaries line item.
- **Dues & Conferences and Training & Seminars** – These line items afford professional development opportunities to keep Code Compliance employees current on certifications. A total of \$3,500 is proposed in FY 2019.
- **Network and Software Support** – This line item is funded at \$6,200 for annual maintenance fees for the Code tracking software.
- **Capital Items** - \$1,500 is proposed for replacing the two Code Compliance Officer’s tablets used while not in the office to enter violation information and supporting documentation.
- **Call-A-Bus Program** – The Call-A-Bus Program budget funds the maintenance, upkeep, repair, and gasoline for the Call-A-Bus with a budget of \$4,000. Repairs are proposed at \$1,300 and \$2,000 in gas expenses are expected.

4. **Public Works Department** – The Public Works Department budget is proposed for a 6.17% increase from FY 2018. This appropriation funds the salaries of eight full-time public works employees, and a part-time administrative assistant (30 hours/week) and a part-time maintenance worker position (32 hours/week). This budget also funds uniforms, radio communications, gasoline, landfill tipping fees, all grass cutting tasks, winter snow and ice operations, a street sign and traffic control program, and street repairs.
- **Public Works Building** – This budget funds the cost to operate, maintain, and repair the Public Works building and yard. FY 2019 proposes a level-funded budget of \$26,600.
 - **Streets and Sanitation** – Eight full-time staff positions and two part-time positions were funded in FY 2018 and are proposed for continued funding in FY 2019.
 - **Salaries** - The proposed increase funds the effect of the proposed COLA and merit increases for the employee performance evaluations completed in January 2018. The Maryland Municipal League also advises to expect a July 1, 2018 implementation date for providing paid sick leave to part-time employees, and this is included in the Salaries line item.
 - **Temporary Help Service** – The Town budgets \$4,000 for the part-time employee to work 40 hours a week during the November and December leaf collection season, and reporting during collection days when one of the Public Works employees is on leave.
 - **Vehicle Maintenance and Repairs** - The total budget remains at \$48,000; \$34,000 for maintenance and repairs and \$14,000 for preventive maintenance. These two line-item account numbers for the maintenance and repair of all vehicles and equipment in the Department's fleet.
 - **Gasoline & Oil** - The Gasoline & Oil line item has been reduced to \$25,000 to reflect usage and the increased fuel efficiency of the Department's fleet.
 - **Uniforms** – This line item is proposed for \$12,000 to equip employees with safety gear such as appropriate footwear and back braces.
 - **Equipment & Equipment Rental** – This line is budgeted for \$8,000 to provide for the rental of crack sealing equipment for two weeks and other needs as they may arise.
 - **Solid Waste Disposal Fees** – This line item is budgeted at \$79,000 to reflect higher vendor costs of doing business. Of the \$79,000, on average \$6,500 is for yard waste tipping fees at Maryland Environmental Service. Increasing recycling rates in the coming years is key towards reducing the effects of increased tipping fees for refuse disposal.
 - **Street Signs & Traffic Control** – This line item is proposed for a \$7,000 to continue the effort of replacing stop signs and street signs that do not meet mandated size and reflectivity standards.
 - **Tree Service** – This line item is budgeted at \$9,000 and is utilized for pruning or removing trees on Town property or in the Town's right-of-way.
 - **Street Lighting** – This budget funds the electricity costs of streetlights and the Berwyn Heights Elementary School flashing lights. The FY 2019 budget is proposed at \$39,200.

5. **Parks, Recreation, Education, and Civic Affairs** – The Parks, Recreation, Education, and Civic Affairs (PRECA) budget funds Berwyn Heights Day, all Recreation Council Special events, the Historical Committee, Green Team, Pop’s Park, and the Sports Park Concession Stand/Restroom facility. A 26% (\$7,950) increase is proposed in FY 2019 to achieve the Community Engagement goal of *Encourage Local Community Building through improved communication and resident participation* as identified in the Town’s Strategic Plan.
- **Berwyn Heights Historical Committee (BHHC)** –The BHHC is proposed for funding at \$2,000 in FY 2019 to fund a new cabinet in the museum, and printing of the historical walking tour brochure.
 - **Recreation Council** – The Recreation Council budget is proposed at \$13,200 to enhance civic programming such as Berwyn Heights Day, a new concert series, and associated promotional expenses. \$200 is included within the Recreation Council’s budget for the Karate Club’s national dues.
 - **Pontiac Field** - \$3,000 is proposed to fund the cost of grass seed and fertilizing and aeration. The Public Works Department schedules this service.
 - **Sports Park** – In FY 2017, the Berwyn Heights Boys and Girls Club requested the Town pay the electricity costs at Sports Park; therefore, \$2,500 of the proposed \$3,800 is for this line item.
 - **PRECA Assistant** – A \$4,000 annual stipend is proposed to offer assistance to PRECA organizations for successful event planning and coordination.
 - **Green Team** - \$5,250 is budgeted for the Green Team’s activities to include educational outreach activities and supplies, upkeep of the community garden, and yearly events to further the Green Team’s mission.
6. **Cable** – The cable budget is for staffing, maintaining, equipping and repairing the Town’s public access channels (Comcast Channel 71 and Verizon Channel 12), I-Net expenditures, and live video streaming of Town government meetings. Any PEG funds unspent in each fiscal year are transferred into the Cable TV reserve for future cable expenditures.
- **I-Net** – I-Net asks participating I-NET municipalities to contribute one-third of their Public, Education and Government (PEG) resources to fund the operation of the county-wide I-Net, and \$5,400 is budgeted in FY 2019.
 - **Live-Video Streaming of Town Meetings and Works Sessions** - \$4,500 is allocated for expenses related to live streaming of Town government meetings.
 - **Part-Time Wages** - \$16,000 for expenses for part-time wages for the Town Meeting camera operator, and for the wages of the Town Clerk (8 hours a week) incurred due to operating the public access channels and live video streaming.
7. **Non-Departmental** – This appropriation funds the required insurance policies the Town has for protection against law suits, workers’ compensation claims, unemployment compensation claims, public

official bonds, and employee benefits such as medical, dental, vision and life insurance plans, the Town's share to fund the staff to operate the 4 Cities Coalition's street sweeper program, and the Town's contribution to the Maryland State Retirement & Pension system.

- **Insurance** – The insurance budget is currently projected for a 9.8% (\$10,500) increase in FY 2019 due to increased premiums for unemployment compensation from the State's set rates based on current wages and past claims history, and possible rate increases in workers compensation and general liability and property insurance.
- **Network/Software Support** - The \$18,000 proposed covers the monthly IT support cost, email retention system, data back-up fee, as well as the monthly costs for Microsoft Office 365 for all employees and the Town Council.
- **Custodial Services** – The \$12,000 proposed amount covers the cost of once weekly contractual custodial cleaning services at the Municipal Building, Town Center, Police Department, and Public Works Building.
- **Credit Card Acceptance Fees** - The proposed \$750 in FY 2019 enables the Town's acceptance of credit cards for Town payments in-person at the Town Office and Police Department. The cost includes physical payment terminals at the Town Office and Police Department.
- **MD State Pension Plan Annual Contribution** – The Maryland State Pension Plan Annual Contribution rate varies from year to year, usually between 8%-10%. The FY 2019 employer contribution rate remains at 8.6% of payroll for a proposed budget of \$105,000.
- **MD State Pension Plan Administration Fee** – The Maryland Retirement Systems Agency charges an administration fee and the rate for FY 2019 is \$5,000.
- **Four Cities Street Sweeper Program** – The proposed appropriation for operations and maintenance FY 2019 remains at \$19,000.
- **Website Services** – The FY 2019 budget proposes \$1,500 for annual website maintenance and support for the Town website.
- **Health Insurance Offset** – The Town offers a \$2,000 incentive for employees that are not enrolled in the Town's medical insurance plans. Six employees receive this incentive for a cost of \$12,000 in FY 2019.
- **Medical/Prescription Insurance** - The Town joined the Local Government Insurance Trust (LGIT) health insurance cooperative in FY 2017. As a LGIT health cooperative member, the Town may receive a refund at the end of the fiscal year if the Town has not had as many claims as the LGIT actuaries project. The Town received \$34,090 for the benefit year encompassing FY 2017, of which \$10,000 is proposed in FY 2019 for the employee wellness program to include lunchtime programming such as fitness classes and healthy eating seminars to continue this positive trend.

At the time of releasing the Town Administrator's proposed budget, the quote for medical and prescription insurance is not final; however, a rate increase of 6% has been factored into the proposed FY 2019 budget. The final numbers will be available in mid-March.

When the FY 2018 budget was adopted, there were 14 employees receiving medical benefits (7 single coverage and 7 family coverage). The expected census for medical benefits for FY 2019 is

8 single coverage and 7 family coverage. The Town pays 100% of the premium for medical coverage for single employees, and 85% of the premium for medical coverage for employees with family coverage.

- **Dental Insurance** – When the FY 2018 budget was adopted, there were 14 employees receiving dental benefits (7 single coverage and 7 family coverage). The expected census for dental benefits for FY 2019 is 8 single coverage and 7 family coverage. At the time of releasing the Town Administrator’s proposed budget, the quote for dental insurance is uncertain; final numbers will be available in mid-March. The Town pays 100% of the premium for dental coverage for single employees, and 85% of the premium for dental coverage for employees with family coverage.
- **Vision/Life/Accidental Death & Dismemberment (AD&D) Insurance** – When the FY 2018 budget was adopted, there were 14 employees receiving vision benefits (7 single coverage and 7 family coverage). The expected census for vision benefits for FY 2019 is 8 single coverage and 7 family coverage. At the time of releasing the Town Administrator’s proposed budget, the quote for dental insurance is uncertain; final numbers will be available in mid-March. The Town pays 100% of the premium for vision coverage for single employees, and 85% of the premium for vision coverage for employees with family coverage. The Town pays 100% of the premium for life insurance and AD&D coverage for all employees with a final number available in mid-March.

8. Capital Projects: Operating

- **Vehicle Replacement Reserve** - The vehicle replacement reserve is fully funded with an appropriation of \$80,144 needed to cover the FY 2019 contribution for vehicles and equipment in the Town fleet.
- **Dedicated Infrastructure Improvement Reserve** – The FY 2019 budget proposes to transfer \$112,825 to the Infrastructure Improvement Reserve from the Town’s set-aside from real and personal property taxes. Incoming HUR revenues from the State of Maryland are proposed to help fund Phase I of the Town’s Road Improvement Plan in FY 2019.

9. Capital Projects: Fund Balance & Reserve – The Town’s Strategic Plan contains action items to accomplish the programmed goals and objectives. Pursuant to the Town’s Charter, any contracts with vendors over \$10,000 come before the Town Council for review and approval.

- *Strategic Issue – Infrastructure, Goal 1: Create a system to bring roads up to standard, and Objective 1: Conduct a needs assessment of the road system* was completed in FY 2018. The Road Improvement Plan was developed in five Phases beginning with FY 2019. Phase I in FY 2019 is programmed to make improvements to the Town’s road infrastructure rated in poor condition. The estimated cost of Phase I is \$1,238,365 with \$1,147,490 financed through the Town’s Infrastructure Improvement Repair Reserve, and the balance (\$90,875) from FY 2019 Highway User Revenue.
- *Strategic Issue – Infrastructure/Public Safety, Goal 1: Acquire improved facilities for Town Departments, and Objective 3: Conduct comprehensive study of facility security and adequacy* involves contracting with an architecture/engineering firm to assess improvements at the Town Office and Town Center to develop a suitable location for the Police Department and make the best

use of existing, available space. The Town's 2001 study concluded adding a second story to the Town Office was the lowest cost construction option versus private property acquisition and construction costs. The Town budgets about \$23,000 each fiscal year in rent for the Police Department. \$40,000 was budgeted from FY 2018 Greenbelt Station Reserve revenue to seek competitive bids through an RFP for the architectural/engineering analysis and space planning, including the drawing of buildable plans the Town can use to bid any construction work. The study to meet Objective 3 is expected to be complete near the end of FY 2018, meaning it will be Summer 2018 by the time proposed plans and a timetable could be before the Town Council for consideration.

- *Strategic Issue – Infrastructure/Public Safety, Goal 1: Acquire improved facilities for Town Departments, and Objective 2: Implement stopgap measures to improve facility security*
 - Perimeter fencing repair, an electronic gate, and security camera improvements were completed in FY 2018 at the Public Works Yard.
- *Strategic Issue – Town Aesthetics, Goal 1: Improve the Town's physical appearance in the built and natural environments, and Objective 1: Increase the Town's tree canopy and maintain species diversity* involved moving the FY 2016 urban forest inventory data into a map-based management system for Public Works' use, and for contracting with a vendor to prune and remove trees on Town property or in the Town right-of-way as identified in the tree inventory. \$25,000 was budgeted from unrestricted fund balance in FY 2018 to seek competitive bids in response to an RFP for pruning and removal and for acquisition of the map-based software program. Proposals are expected in March 2018, with the balance of any additional funds needed to complete the tree pruning and removal known in advance of introducing the FY 2019 budget in April.
- *Strategic Issue – Economic Development, Goal 1: Enhance economic development opportunities, and Objective 2: Seek expertise of an economic development consultant* involves assessing the landscape of communities that have engaged with an economic development consultant, and developing an RFP to seek competitive bids for an economic development study with actionable recommendations for the Town. \$30,000 was budgeted from FY 2018 Greenbelt Station Reserve for this economic development work; however, the Town had the opportunity to partner with the Cities of College Park and Greenbelt to pursue the expertise of a Technical Assistance Panel (TAP) through an Urban Land Institute program. \$30,000 is proposed in FY 2019 should the Town desire further research and recommendation after completion of the TAP in June 2018.
- **Public Works Vehicles and Equipment**
 - \$30,000 is proposed for the Town's portion of the joint purchase of a new mechanical street sweeper as part of the 4 Cities collaborative street sweeping program.
 - \$18,000 is proposed for replacement of the dump body on the 2004 F-350 in the Public Works vehicle fleet. The overall vehicle condition is good but the dump body is significantly rusted. Replacement of the dump body will enhance salt spreading and snow removal operations without incurring the full purchase price of an additional vehicle.
- **Buildings and Grounds Improvements** - \$25,000 is budgeted for replacement of service bay doors at the Public Works Yard.