

TOWN OF BERWYN HEIGHTS
5700 Berwyn Road
Berwyn Heights, MD 20740-1902
Tel. (301) 474-5000 * Fax. (301) 474-5002
contact@town.berwyn-heights.md.us
www.berwyn-heights.com

FINANCIAL DISCLOSURE STATEMENT INSTRUCTIONS

(Pursuant to the Public Ethics Law, Maryland Code Annotated, State Government Article,
Title 15 "Maryland Public Ethics Law")

These instructions are to be used by candidates for the Town of Berwyn Heights Town Council, incumbent members of Town Council, and the persons holding the position of Town Administrator, Chief of Police, Code Compliance Director, Public Works Director, and Town Treasurer.

A MESSAGE TO THOSE WHO ARE REQUIRED TO FILE DISCLOSURE STATEMENTS

Please read the instructions carefully and be sure to provide all information requested for each interest you disclose on your statement.

If you have any questions about the Financial Disclosure Statement, contact me and I will try to get you an answer. Some schedules on the financial disclosure statement may require knowledge regarding whether an entity does business with the Town. If you have a question about a particular entity or need other assistance in completing the form, do not hesitate to call me.

Financial disclosure statements are public records that may be examined or copied by the public. At the top of the Financial Disclosure Statement form we have provided a place for you to check if you want the Commission to notify you of the names and addresses of any persons who have examined or copied your statement.

Thank you for your cooperation.

GENERAL INSTRUCTIONS

A. Persons Required to File Financial Disclosure Statement Form #1 - Public Ethics Law § 15-803.

1. Candidates for the Office of Councilmember of the Town of Berwyn Heights Town Council must file a financial disclosure statement by the first Tuesday in March in even number years for the municipal Town Council election held on the first Tuesday in May in even numbered years. Incumbent members of the Town Council must file by April 30, and appointed councilmembers to Town Council must file within 30 days of appointment.

2. Other Persons Required to File: The Town of Berwyn Heights Ordinance 110 requires holders of the position of Town Administrator, Chief of Police, Code Compliance Director, Public Works Director, and Town Treasurer must file by April 30 or within 30 days of appointment to one of these positions.

B. When to File – Public Ethics Law § 15-602, 603, 604 and 605.

1. A person holding an office, for which a financial disclosure statement is required, must file **on or before April 30 each year during that person's term in office for the previous calendar year.** § 15-602.

2. A person who does not have a current financial disclosure statement on file and who is appointed to fill a vacancy in a position or office for which a statement must be filed, shall file a statement **within 30 days** after appointment **for the previous calendar year.** § 15-603.

3. If a person in a position requiring financial disclosure statement **leaves the position** after January 1 but prior to filing the regular annual statement due April 30th, he or she must file the **annual statement** (covering the previous calendar year), plus an **additional termination statement covering the part of the current year served** and must file the termination financial disclosure statement **within 60 days of leaving your position.** § 15-604.

4. **This paragraph applies only to candidates for office of councilmember of the Town Council of the Town of Berwyn Heights.** Except for a person who has already filed a statement for the appropriate reporting period, a candidate for election to Town Council must file the financial disclosure statement **for the previous calendar year in which the certificate or petition of candidacy is filed, together with that person's certificate or petition of candidacy on or before the first Tuesday in March in even numbered years for the election held on the first Tuesday in May in even numbered years with the Town Clerk or Town Administrator.**

The Town Clerk, the Town Administrator or any staff person of the Department of Administration, by law, is not permitted to accept a certificate or petition of candidacy unless the candidate's financial disclosure statement has already been filed with the Town Clerk or the financial disclosure statement accompanies the certificate or petition of candidacy.

C. Where to File and Where to Get Financial Disclosure Statement Forms.

1. Both the electronic version and the downloadable version are available at the Berwyn Heights Department of Administration office.

2. The Financial Disclosure Statement must be filed in person with the Office of Town Clerk because, by state law, the financial disclosure statement must be sworn to and the signature notarized.

D. Glossary of Terms – Public Ethics Law § 15-102.

"Business or business entity" means any corporation, general or limited partnership, limited liability partnership, limited liability company, sole proprietorship (including a private consulting operation), joint venture, unincorporated association or firm, institution, trust, foundation or other organization engaged in business whether profit or nonprofit.

"Entity doing business with the Town" means:

(1) a party to any one or any combination of sales, purchases, leases or contracts to, from, or with the Town, or any agency thereof, involving consideration of five thousand dollars (\$5,000) or more on a cumulative basis during the calendar year for which a required statement is filed; including, as of the awarding or execution of a contract or lease, the total then ascertainable consideration committed to be paid, regardless of the period of time over which

such payments are to be made. The Department of Administration maintains a complete list of financial institutions and others that do business with the Town.

NOTE: If a financial disclosure filer is a member or applicant to be a member of the Maryland National Capital Park and Planning Commission, the Washington Suburban Sanitary Commission, or the Washington Suburban Transit Commission references to business with the Town are deemed to refer to the Town, the applicable bi-county commission, Montgomery County or Prince George's County. References to employed by the Town are deemed to refer to employed by the Town, the applicable bi-county commission, Montgomery County or Prince George's County.

"Gift" means the transfer of anything of economic value regardless of the form without adequate and lawful consideration. Gift does not include the solicitation, acceptance, receipt, or regulation of political campaign contributions regulated in accordance with the provisions of Election Law Article of the Annotated Code of Maryland, or any other provision of State law regulating the conduct of elections or the receipt of political campaign contributions.

"Immediate family" means spouse and dependent children.

"Interest" means any legal or equitable economic interest, whether or not subject to an encumbrance or a condition, which was owned or held, in whole or in part, jointly or severally, directly or indirectly.

Interest does not include:

(1) an interest held in the capacity of a personal representative, agent, custodian, fiduciary or trustee, unless the holder has an equitable interest therein;

(2) an interest in a time or demand deposit in a financial institution;

(3) an interest in an insurance or endowment policy or annuity contract under which an insurance company promises to pay a fixed number of dollars either in a lump sum or periodically for life or some other specified period; or

(4) a common trust fund or trust that forms part of a pension or a profit-sharing plan that has more than 25 participants and which is determined by the Internal Revenue Service to be a qualified trust or college savings plan under the Internal Revenue Code.

"Member of household" means a person's spouse, child, ward, financially dependent parent, or other relative who shares the person's legal residence, or a person's spouse, child, ward, parent, or other relative over whose financial affairs the person has legal or actual control.

"Person" includes an individual or business entity.

"Reporting period" means the period covered by the Statement. An annual financial disclosure statement covers the previous calendar year and is due by April 30th each year. A termination statement covers the portion of the current calendar year served by the filer, beginning on January 1st to the last day the position is held.

"Tenants by the Entirety" means an undivided equal ownership interest with survivorship rights in real property with one's spouse.

E. Attributable Interest.

Section 15-608 provides that certain property and business interests not directly held by a person may be attributed to him or her and must be reported on the financial disclosure statement. The circumstances under which attribution occurs are as follows:

1. If you owned a 30% or greater equity interest in any business entity during the reporting period and that business entity holds a property or business interest which, if you owned directly, you would be required to report on Schedule A, B, or C, the interest is attributable to you and you must report it on the appropriate Schedule. This limited attribution does not reduce or affect in any way the requirement for disclosure on Schedule A of real property held by a partnership even if the filer holds less than a 30% interest in the partnership.

2. If your spouse or child holds a property or business interest which you would have to report on Schedule A, B, or C, if you owned it directly, and if you exercised direct or indirect control over that interest at any time during the reporting period, the interest is attributable to you and must be reported on the appropriate Schedule.

3. If at any time during the reporting period you (a) held a reversionary interest in a trust or estate or (b) were the beneficiary of a trust or estate or (c) were the settler of a revocable trust, then any interest held by the trust or estate which you would have to report on Schedule A, B, or C, if you owned it directly, it is attributable to you and must be reported on the appropriate Schedule. For purposes of this attribution provision, you are a beneficiary of a trust if you are a current income beneficiary, either receiving income or currently entitled to receive income, or if you have a current ownership or other interest in the corpus of the trust. Beneficiaries of an estate include immediate beneficiaries of an estate even if it is not settled. A trust, within the meaning of this section, does not include a common trust fund or a trust which forms part of a pension or profit-sharing plan that has more than 25 participants.

F. Unknown Information.

Section 15-607 of the Public Ethics Law requires you to disclose interests and information "if known" for the calendar year for which the required statement is to be filed. If you claim not to know information requested on the form, state "unknown" in response to that question on the statement. Information in the public records or otherwise obtainable is not "unknown," and must be reported.

G. Blind Trust

A filer having an interest relating to a blind trust should contact the Commission about the filing requirements.

FORM INSTRUCTIONS

Identifying Information

If you wish to be notified if anyone requests to see your financial disclosure statement, check the appropriate space at the top of the page 1. Print or type your **complete name, a complete current agency address or mailing address** where you can be sent correspondence. Non-incumbent candidates should enter an address where they may be sent correspondence. Also **fill in the year of the reporting period**. Regular annual reports or reports by new officials will cover from January 1 through the last day of the **previous calendar year**. Termination reports will cover from the first day of the current calendar year until your last day in your position. The last lines of the general information block ("Office for which Certificate of Candidacy...") needs to be completed only during an election year and then only by individuals who are running for an elective office covered by the financial disclosure program. Please include your e-mail address, if you have one.

Signature and Notarization

You **must file the financial disclosure statement under oath**, and willful and false filing is **subject to the penalties of perjury** as provided in § 9-101, Criminal Law Article, Annotated Code of Maryland. All paper forms filed **must therefore be signed, dated and properly**

notarized. If you choose to file a paper form, the Commission will not consider your financial disclosure statement to be filed until the properly notarized statement is resubmitted. Electronic filers are not required to include a signature or statement from a Notary Public. Public Ethics Law § 15-602(e) provides that an electronic filer's submission of the electronic disclosure form is made expressly under the penalties for perjury.

CHECKLIST – Page 2

Complete by checking the "yes" or "no" box as to each statement. **Do not leave any statement unanswered.** Note that each statement corresponds to a Schedule. If you have questions as to the meaning of a statement, review the corresponding Schedule and instructions for a more detailed description of the interests involved.

SCHEDULE A. Real Property – Page 3

Real property held by the filer or by a partnership, limited liability partnership, or limited liability company **in which the filer has an interest** must be disclosed, if it is held at any time during the reporting period. You must report real property whether it is located **in or outside of Maryland.** Partnership property must be disclosed, without regard to the extent of the filer's interest in the partnership. **You must also report any interest you have in leasehold property, for example, property in which you are tenant, including business offices and personal residences. You must report your personal residence if it is owned directly by you, attributable to you or rented by you.** Note also that all appropriate information (e.g., date, seller, etc.) must be reported for land you own whether or not you have constructed improvements on it.

Schedule A deals with real property interests only; do not report here your interests in business entities. If real property held by an entity is attributable to you, or is a partnership, limited liability partnership, or limited liability company property, list the real property on this Schedule. Report your interest in the entity on Schedule B, C, or H (whichever is appropriate) if it falls within the reporting requirements of those Schedules.

Please answer the Questions 1 through 11c as appropriate. The Ethics Law requires for each property to be disclosed that you give the location, the type of property, the nature and extent of your interest, the identity of other persons holding an interest in the property, encumbrances, date and manner of acquisition, the identity of the person from whom you acquired the property, and the nature and amount of consideration. Additionally if you transferred the property during the calendar year, the name of the person to whom you transferred the property, the portion of interest transferred and the amount of consideration received is required to be disclosed.

SCHEDULE B. Interests in Corporations/Partnerships – Page 5

Report **all interests in any corporation, partnership, limited liability partnership or limited liability company** held by you during the reporting period, **whether or not the entity does business with the Town.** Examples of frequently disclosed items on this schedule are corporate stocks, corporate bonds, partnerships, and interests in mutual funds (**not** the individual holdings of the mutual funds). Filers are not required to disclose holdings in an Internal Revenue Service qualified trust or college savings plan. This would include the State of Maryland or Town § 401(a), § 401(k) and § 457 (deferred compensation) plans. This would also include Maryland College Savings Plans, such as 529 investment accounts. Other possible qualified retirement accounts include 403(b) plans. The filer must determine whether the plan in which they participate meets the requirements for exemption from disclosure. (See definition of "interest" in glossary of terms.)

Please answer the Questions 1 through 8C as appropriate. The Ethics Law requires for each interest to be disclosed that you give the name and address of the entity, the nature and extent of your interest, the amount of the interest, other interests held in the entity, and any

encumbrances or conditions. Additionally, if the interest was acquired during the calendar year, the date and manner of acquisition, the identity of the person from whom you acquired the interest, and the nature and amount of consideration will need to be disclosed. **If the acquisition solely consists of an addition to an existing, public traded corporate interest acquired by dividend or dividend reinvestment is less than \$500.00, you need not provide any additional information.**

Finally, if you transferred the interest during the calendar year, the name of the person to whom you transferred the interest (if known), the portion of interest transferred and the amount of consideration received.

SCHEDULE C. Interests in Non-Corporate Business Entities – Page 7

Report all interests in any **non-corporate business entity** not disclosed on Schedule B **that does business with the Town**. A sole proprietorship is the type of entity that is included on this Schedule.

Please answer the Questions 1 through 6C as appropriate. The Ethics Law requires for each interest in any non-corporate business entity doing business with the State that you give the name and address of the entity, the nature and extent of your interest, the amount of the interest, other interests held in the entity, and any encumbrances or conditions. Additionally, if the interest was acquired during the calendar year, the date and manner of acquisition, the identity of the person from whom you acquired the interest, and the nature and amount of consideration will need to be disclosed.

Finally, if you transferred the interest during the calendar year, the name of the person to whom you transferred the interest (if known), the portion of interest transferred and the amount of consideration received.

SCHEDULE D. Gifts – Page 9

You must report **each gift in excess of \$20 in value, or a series of gifts from any one person totaling \$100 or more**, received by you at any time during this reporting period or by any other person at your direction, **from or on behalf of**, directly or indirectly, any **person who does business with the Town or is regulated by the State, or is registered or required to register under the lobbying title of the Public Ethics Law** for each gift, answer Questions 1 through 4. Generally, gifts received by members of your immediate family will be considered as gifts received by you for reporting purposes. You should note if the gift was received by a spouse or dependent child

The **following gifts need not be reported**:

1. Gifts received from your spouse, children and parents.
2. Political campaign contributions regulated in accordance with the provisions of the Elections Article or any other provision of State law regulating the conduct of elections or the receipt of political campaign contributions. Contributions to legal defense funds are generally considered to be gifts under the Ethics Law.
3. If, as a staff member of the General Assembly, you attended a meals and beverages special event to which a qualifying legislator group (all members, either house, a standing committee or a county or regional delegation officially designated for disclosure purposes by the presiding offices) was invited, you need not include it in this financial disclosure form.

SCHEDULE E. Offices, Directorships, Salaried Employment, and Similar Interests – Page 10

List on this schedule the name and address of the principal office of each business entity doing business with the Town in which, at any time during the reporting period, you or a member of your immediate family (spouse and dependent children) held an office, directorship,

salaried employment, or similar interest. Also list any other similar interests (such as being a partner) held by you or a member of your immediate family during the reporting period, and not otherwise disclosed on this Schedule, in any business entity doing business with the Town. For example, the presidency of a corporation or a partnership in a law firm should be reported, as should employment as an engineer in a consulting firm that is a partnership. For each office, directorship, and employment to be disclosed, answer Questions 1 through 6.

SCHEDULE F. Debts - Page 11

Report all **debts you owed** during the reporting period **to any entity doing business with the Town**. The Berwyn Heights Department of Administration a list of financial institutions doing business with the Town. **Exclude retail credit accounts** (which includes store and bank charge accounts). You must, however, include installment loans, mortgages, car loans, or other time-fixed **liabilities owed to an entity doing business with the Town**.

Please answer Questions 1 through 7 for each debt to be disclosed. The Ethics Law requires that you identify the person or entity to whom the debt is owed, the date the debt was incurred, the terms of payment of the debt, the amount of the debt owed as of the last day of the calendar year, the extent to which the principal amount of the debt increased or decreased during the calendar year, and a description of any security given for the debt. Additionally, if this transaction resulted in a debt being owed by your spouse or dependent child, you need to identify your spouse and/or child and describe the transaction.

SCHEDULE G. Family Members Employed by the Town – Page 12

Please answer Questions 1 through 3 as appropriate listing all members of your **immediate family (spouse and dependent children)** who were **employed by the Town in any capacity at any time during the reporting period**. Include the name of the agency where employed.

SCHEDULE H. Employment and Business Ownership – Page 13

Please answer Questions 1 and 2 as appropriate listing the **name and address of any places of employment and of business entities** wholly or partially owned by you, your spouse or a dependent child, and **from which income was earned during the reporting period whether or not the entity did business with the Town**. For example: salaried employment, individual consulting activities, private practices, and business activities involving income-producing real property. **With regard to dependent children, you need report only earned income from employment or an interest in a business entity if that employment or business entity did business in excess of \$10,000 with the Town or was regulated by the Town**. For example, if your dependent child had summer employment as a lifeguard or in a local restaurant, you need not report that child's employment.

SCHEDULE I. Optional – Page 14

You may use this Schedule for any interest or transactions you have not been required to disclose on Schedule A through H but wish to disclose. This Schedule may also be used to further explain any prior entry.