



# Town of Berwyn Heights

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## Minutes Budget Worksession March 24, 2014

The meeting was called to order at 7:05 p.m. Present were Mayor Cheye Calvo, MPT James Wilkinson, CMs Rose Almoguera, Patricia Dennison and Jodie Kulpa-Eddy. Also present were Town Administrator (TA) Edward Murphy, and Clerk Kerstin Harper.

### 1. Mayor

**Announcements:** There were none.

### 2. Budget

Mayor Calvo said tonight he would like the Council to take inventory of the budget items flagged for a possible increase or decrease in funding and make a decision.

Police aid: At the March 10 budget worksession, the Council voted to make the 8th police officer a full-time position at the end of June, so that the Town's share of State police aid would include this officer. Since then, the Town received notice that its share of State police aid will go down from \$51,789 to \$50,384, or \$1,325 less than initially announced. The addition of the 8th police officer will thus net the Town a mere \$175.

Municipal building: At the last worksession, the Council flagged the *maintenance & repair* line item for a \$2,900 decrease to bring it in line with actual expenditures in recent years. A decision to cut the funds still has to be made.

Neighborhood Watch/ Emergency Preparedness: Mayor Calvo said that TA Murphy cut the Town's contribution from \$3,000 to \$2,500 in his proposed budget. He thinks the money should be returned. CM Kulpa-Eddy said that the NW/EP requested \$3,000 but this appropriation was budgeted at the \$2,500 level last year. She believes that \$2,500 is sufficient to cover the committee's expenses, based on the estimates for this year. Mayor Calvo said that the Council will review the committee's request for a trailer under capital expenditures. This may be more important to NW/EP than additional operating funds.

Public Works miscellaneous: TA Murphy informed that most of \$1,500 in this appropriation is used for employee rewards. Mayor Calvo said he would prefer this money be put into separate line item, such as

*employee incentives* or a line item funding employees, such as *temporary help*.

Police miscellaneous: TA Murphy said that this \$3,000 appropriation funds mostly public relations related expenses, such as give aways for National Night Out or for community outreach at BHES. Mayor Calvo said that these expenses should be budgeted in the public relations line item. MPT Wilkinson said that this money should not be cut because it creates good will and improves relations with the community.

Health insurance: TA Murphy informed that there was a minor increase of \$500 in the June 1 health insurance quotes, bringing the total to \$108,200. This expense is covered by the budgeted amount.

Highway User Revenue: TA Murphy informed that the Town received \$28,000 in HUR funds in addition to the \$59,900 it was told to expect. The \$59,900 is a one-time distribution and the \$28,000 is from the traditional annual contribution. Both sums will be set aside in the infrastructure reserve fund, with \$10,000 of it going to the Public Works street repair appropriation.

#### ***Allocation of undesignated funds***

Mayor Calvo stated, so far, the Council has found \$3,075 to add to \$4,117 of un-allocated funds in the FY 2015 budget, for a total of \$7,192. These funds can be used to increase other line items the Council considers important and become part of the FY 2015 introduced budget.

Code Compliance telephone: CM Kulpa-Eddy said that the Code Department will likely require an additional \$250 in the telephone line item, based on this year's estimated expenditures. Mayor Calvo asked why this cost is going up. TA Murphy said that the Code Department is billed a share of the Town's Verizon telephone bill. Part of the cost increase is due to Verizon's rate increases.

Mayor Calvo said that in as much as the increase in expenditures is due to long distance calls that Code Compliance makes with landlords that do not live nearby, it may be better to have the staff use cell phones. Cell phone bills are based on a monthly allotment of minutes, independent of the distance of the calls made, with unused minutes rolling over to the next month. Mayor Calvo further suggested looking into using Voice Over Internet Protocol (VOIP) instead of Verizon land lines. As the Town uses the I-Net for internet access, this may save a lot of money.

MPT Wilkinson cautioned that the technology may not be good enough to get clear call quality. Mayor Calvo said that the telephones themselves used for internet calls may be more expensive. That would be considered capital cost opposed to operating cost. CM Kulpa-Eddy said that the Town should keep land lines for the fax machine and for emergencies.

BHVFD contribution: CM Dennison asked if the Council still wants to raise its annual contribution to the Berwyn Heights Volunteer Fire Department to \$10,000. Mayor Calvo said, while this is an option, he would prefer to do this separately through the public safety reserve.

MPT Wilkinson sought clarification on several Public Works appropriations, including special events, Geraldine Love Room repairs, and Senior Center chairs. TA Murphy explained that \$1,800 was placed into a new Public Works *special events* line item to fund annual replacement of grills and canopies as

well as Trunk or Treat purchases. The repairs to the Love conference room were charged to the Town Center *maintenance & repair* appropriation and the replacement of Senior Center chairs will be funded from the *capital projects* budget.

Pop's Park funds: MPT Wilkinson asked what the *Pop's Park equipment* appropriation is intended to cover and whether it includes funding for a play structure for older children. TA Murphy said that this appropriation was increased by the Council to improve the fall zone for the merry-go-round. CM Almoguera said that she recommends applying for another grant to pay for another play structure. The equipment for older children tends to be more expensive because it requires more safety features. She suggested increasing the *Pop's Park maintenance & repair* line item to pay for regular tilling of the mulch recommended by the vendor. MPT Wilkinson further recommended restoring \$500 to the NW/EP budget and \$1,000 to the *community garden* appropriation. It was cut to increase the *Pop's Park equipment* line item.

Council stipends: Mayor Calvo said that the Council discussed raising *Council stipends* in light of only 3 people running in the upcoming Town Council election. TA Murphy provided a spreadsheet showing the budget impact for raising the stipend in \$25/ month/ Councilmember increments. The yearly cost for a \$25 raise is \$1,500, for a \$50 raise \$3,000, and for a \$100 raise \$6,000. He recommended a \$100/month increase because such raises are only enacted every 15 years or so. Further, Berwyn Heights pays one of the lowest stipends in the County. However, if an increase is adopted the Council must also amend Ordinance 108 - Council Compensation. TA Murphy advised that the Ordinance, if adopted in this fiscal year, could be made effective January 2015 to spread the budget impact out over 2 years.

CM Almoguera said a larger stipend would be an inducement for her to run again, if she were to remain on the Council, as it would cover her babysitting costs. MPT Wilkinson agreed that an increase in the stipend is needed. CM Dennison thought that a \$50 increase per month would be sufficient. CM Kulpa-Eddy said it would not make a difference to her because she regards serving on the Council as giving back to the community. But she was not opposed to a raise if it makes a difference for others.

At 8:08 p.m., the Council took a 10 minute break.

The Council deliberated whether to raise Town Council stipends from \$150 to \$250/ month/ councilmember, and whether to phase in the increase by making it effective January 1, 2015, which would cost \$3,000 in FY 2015. CM Kulpa-Eddy said she would support the increase and prefers to phase it in over two years. MPT Wilkinson, CMs Almoguera and Dennison also supported the stepped increase.

Mayor Calvo summed up that so far the Council allocated \$4,750 of the \$7,192 in un-designated funds: \$3,000 for stipends, \$1,000 for community garden, \$500 for NW/EP, and \$200 for code telephone. MPT Wilkinson moved, and CM Kulpa-Eddy seconded to approve increasing all of the above line items. The motion passed 5 to 0. The *community garden* line item was shifted to the *Mayor & Council* budget.

TA Murphy said that the reduction of \$2,900 in the municipal building line item has not yet been voted on. MPT Wilkinson so moved. CM Dennison seconded. The motion passed 5 to 0.

### ***Capital Budget***

Mayor Calvo said that the FY 2015 proposed budget has \$50,000 in surplus money that can be spent on capital items. He would like the Council to decide which capital items to fund.

Vehicles: TA Murphy said there are two Public Works vehicles scheduled for replacement, truck 3 and truck 4. He and Acting Director Lockley recommend replacing only truck 3, an 11 year old 1-ton crew cab dump truck. There is \$40,000 in the vehicle replacement reserve to pay for it. But it does not include a needed snow plow, which could be paid from surplus. The other 8 year old dump truck is in good enough shape to run for another year.

The Council discussed the spreadsheet for the vehicle replacement reserve. Mayor Calvo noted that it lists annual contributions for two police vehicles at a cost of \$5,000 each. This contradicts Council policy, which calls for funding police vehicles from the operating budget. They should be taken out. Mayor Calvo proposed to buy one police vehicle from the operating budget, as customary, and use some of the freed up reserves to purchase truck 3, outfitted, and with plow. Any remaining funds should be added to the reserve for the replacement of truck 4 next year, including inflation and outfitting.

The Council agreed to purchase truck 3 and the plow. It was also agreed to start setting aside money for replacing truck 3 in the year following the purchase, and to fully fund the replacement of truck 4. Further, yearly contributions to the vehicle reserve in the future should be calculated to include inflation. TA Murphy was asked to provide a better cost estimate for replacing truck 3 and 4, in order to ascertain the amount of money that may need to be taken from surplus, or become available for the operating budget.

Town Center furniture: Mayor Calvo said the Council agreed to purchase new furniture for the Town Center, including more comfortable chairs for the Senior Center, and round tables for the 2nd floor of the Town Center. These would be funded from surplus. Director Lockley obtained quotes of \$1,800 for stacking chairs, and \$2,400 for a set of 12 round event tables, including storage cart and accompanying chairs. Mayor Calvo proposed to budget \$8,000 for new furniture. MPT Wilkinson so moved, CM Almoguera seconded. The motion passed 5 to 0.

Dump truck purchase: Mayor Calvo asked if there is a motion to purchase the 1 ton crew cab dump truck using money set aside in the vehicle replacement reserve, with the balance coming from surplus. MPT Wilkinson so moved. CM Dennison seconded. The motion passed 5 to 0. CM Kulpa-Eddy said that the purchase of dump trucks should be staggered so as to spread out the time between purchases. TA Murphy clarified that the 2012 purchase was of a 5 ton dump truck, whereas this purchase will be a 1 tonner. TA Murphy was asked to provide a revised vehicle replacement reserve.

Speed monitor purchase: MPT Wilkinson proposed to purchase a new speed monitor. TA Murphy said that Chief Antolik specified a fixed monitor, and TA Murphy specified a mobile monitor mounted on a trailer. Both monitors are solar powered, allowing for longer operating periods without recharging, and can collect data on traffic volume. The mobile monitor would cost approximately \$9,500. MPT Wilkinson moved to appropriate \$10,000 from surplus to buy the mobile speed monitor. CM Almoguera seconded. CM Kulpa-Eddy asked to check if the mobile monitor has the solar panel. MPT

Wilkinson said it is an option included in the quoted price. The Council voted 5 to 0 to approve the purchase.

TA Murphy noted that the Town's telephone system will no longer qualify for technical support, starting this May, and needs to be upgraded. The upgrade will cost \$3,500. The Council asked TA Murphy to look into options for upgrading/ replacing the Town's telephone system.

The meeting was adjourned at 9:16 p.m.

Signed: *Kerstin Harper, Town Clerk*