

**Town of Glen Echo  
Town Council Budget Hearing  
And Meeting Minutes  
May 27, 2008**

**ATTENDANCE:** Debbie Beers, Mayor  
Nancy Long, Councilmember  
Eve Arber, Councilmember  
Steve Matney, Councilmember  
Robin Kogelnik, Councilmember  
Cathie Polak, Clerk-Treasurer

**VISITOR:** Reginald Rhein, Echo Reporter

Mayor Beers opened the budget hearing at 7:40. She apologized for errors in the budget and provided the corrected copy.

**BUDGET HEARING**

Income

Mayor Beers first summarized the estimated income for the proposed budget. She then reviewed the recommended tax rate for the proposed FY 2008-2009 budget, explaining that it is based on the 2008 Constant Yield Tax Rate Certification provided annually by the State of Maryland, Department of Assessments and Taxation. Mayor Beers explained how she arrived at the income budget from the constant yield tax rate certification and has proposed that the real property tax rate be increased by \$.01, to \$.13 per \$100.

The Town does not receive a personal property constant yield tax rate. Mayor Beers explained that the corporate, personal property tax, Income line item 02.1, is mainly from PEPCO and from a small number of licensed, Town-based, businesses. Mayor Beers noted that there are some businesses in Town that do not report their income to the State of Maryland. No change is proposed for the personal property tax rate, currently set at \$.80 per \$100.

The Mayor then reviewed the Town's Income categories line by line, noting that income tax is now the Town's main source of income:

- Line item 06.1 Rental Income, Post Office should show \$31,680, up from \$30,240 in 2007-08.
- Line item 09. Trade License income should show \$40; this income is from the GEP co-operators.

Expenses

Mayor Beers then reviewed the projected expenses for FY 2008-09. The following items were highlighted, some resulting in changes in the proposed budget:

- Line item 01. Administration proposed to remain at \$12,000. This line item is a catch all for administrative costs including, but not limited to, hiring Montgomery

- County police to help with the increased traffic on Oxford Road, flyer circulation, equipment, as well as temporary office help as needed;
- Line item 02. Payroll: Mayor Beers proposed a small increase, payroll taxes are the exact figures provided by the auditor;
  - Line item 05.2 Fixed Operating Expenses, Heat is proposed at \$4000, an increase of \$1500, to accommodate the raising fuel oil costs;
  - Line item 08. Streetlights, proposed at \$12,000, was increased to \$15,000;
  - Line item 12.2 Maintenance/Public, Town Hall was increased to \$35,000, to cover the cost of painting the exterior of the building;
  - Line item 13.2 Capital Improvements, Street Paving was increased to \$400,000 after extensive discussion about the Town's reserves and the magnitude of the street repairs needed;
  - Line item 13.7 Capital Improvements, Parking Lot. Mayor Beers is proposing \$2000 to cover patching the lot.
  - Line item 13.9 Capital Improvements, Entrance. Mayor Beers proposed \$10,000 for the Harvard Avenue entry plan, noting that she has not yet given up the idea of marking this entrance to Town.
  - Line item 15. Surveys/Public Space is proposed at \$10,000 to cover further street survey costs.
  - Line item 18. Centennial expenses will now come under line item 07.1 Town Services, Recreation.

Council discussed concern about raising tax rates. Mayor Beers noted that this is why she is reluctant to lower rates; it is always difficult to increase taxes. Councilmember Matney asked Council's views on raising the rates to cover the street repairs. Council then looked at possible income if the real property tax rate was increase more than \$.01.

Councilmember Arber was opposed to increasing the real property tax rate anymore than \$.01. Councilmember Long agreed to an increase within reason, noting that it is difficult to increase the Glen Echo rates because of Montgomery County's increases.

The hearing was adjourned at 8:25.

## **TOWN COUNCIL BUDGET MEETING**

Mayor Beers called the special budget meeting to order at 8:25, noting that there are no visitors to comment. When invited, Rex Rhein has no comments on the proposed budget or changes.

**Motion 2008-12** to increase the Real Property Tax rate to \$.13 per \$100 of assessed value and maintain the Personal Property Tax rate at \$.80 per \$100 of the assessed value for FY2008-2009. Motion passed unanimously.

**Motion 2008-13** to adopt the FY 2008-2009 budget as amended:

- Line item 06.1 Rental Income, Post Office increased to \$31,680;

- Line item 09. Trade License Income increased to \$40;
- Line item 08. Streetlights, increased to \$15,000;
- Line item 12.2 Maintenance/Public, Town Hall was increased to \$35,000;
- Line item 13.2 Capital Improvements, Street Paving was increased to \$400,000.

Motion passed unanimously.

The approved budget is attached.

### **OXFORD ROAD OWNERSHIP**

Mayor Beers asked Council to review and comment on the letter drafted by Norman Knopf to the National Park Service addressing the Oxford Road ownership issue. Mr. Knopf's draft letter states that no response within 30 days is a positive response. Councilmember Matney does not feel the Town can dictate to the Federal Government and suggested removing the 30 day deadline. Most of council feels this issue has been ignored by the NPS for too long; Mayor Beers said the point of letter is to get closure before everyone who has been involved in this discussion is gone from the NPS. After discussion, Council agreed to the following changes:

- Letter should be sent to the Regional Director and general counsel, not to the Acting Superintendent.
- Documents noted by Councilmember Long should be attached to the letter (12/27/74 letter which refers to Town Council minutes. Councilmember Long will provide these documents to be attached to these minutes).
- The reference to "purchase" should be changed to "acquisition."
- Ask Mr. Knopf to modify the deadline.

### **ADDITIONS TO AGENDA**

Mayor Beers asked for more additions to the Agenda.

1. Special Street Survey Meeting: Councilmember Kogelnik asked Council would like to meeting with Bob Harrison from AMT. Council should have time to review the information prior to the meeting. Councilmember Long asked if Mr. Harrison is working with Montgomery County on the MacArthur Boulevard Bikeway Project; the response was yes. June 10, 7:30 set a possible date. Councilmember Kogelnik asked for Council to provide questions for AMT in advance.

2. Chapel Valley proposal for Shirley's Park: Mayor Beers and C/T Polak met with Chapel Valley Landscaping to request a proposal to sod Shirley's park. Mayor Beers said the weeds detract from new landscaping; she thought Shorb Landscaping was going to sod the areas outside the planting beds. Chapel Valley proposes removing the weeds and laying sod. Watering will be an additional. Mayor Beers asked Council to accept this proposal; the sod should be laid ASAP. Councilmember Long supported the Shorb Landscaping project stating that they fulfilled their proposal.

**Motion 2008-14** to accept proposal from Chapel Valley Landscaping for \$3351.17 to remove the weeds and sod the untouched areas of Shirley's Park. Councilmember Long

Budget Hearing and Council Meeting

May 27, 2008

Page 4

abstained. Councilmember Matney abstained because he has not seen the current condition of the park. The motion passed.

Meeting was adjourned at 9:25.