

**Town of Glen Echo
Budget Hearing and
Special Council Meeting Minutes
May 24, 2010**

ATTENDANCE: Debbie Beers, Mayor
Nancy Long, Councilmember
Eve Arber, Councilmember
Steve Matney, Councilmember
Dan Macy, Councilmember
Cathie Polak, Clerk-Treasurer

VISITOR: Reginald Rhein, Echo Reporter
Matt Stiglitz, Resident
Gloria Levin, Resident
George & Holly Atallah, Residents

Mayor Beers opened the budget hearing at 8:00.

BUDGET HEARING

Mayor Beers began the hearing by explaining that the Town needs to rebuild its reserves; the recent street repair project cut the Town's reserves down by half.

Income

Mayor Beers first summarized the estimated income for the proposed budget. She then reviewed the recommended tax rate for the proposed FY 2010-2011 budget, explaining that it is based on the 2010 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 remain the same at \$.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 has been the Town's main source of income. Comments, discussion and changes:

- Line item 03. State Income is projected lower than the previous fiscal year due to the recession. It is assumed there may be some further reduction due to the recession;
- Line item 04. Highway, provided by the State of Maryland, has been reduced to 10% of previous years;
- Line item 05.1 Animal Control. Town Attorney Norman Knopf is working with Montgomery County to clarify that the Town turned over animal control to the County over 10 years ago. The Town does not want the management or potential liability associated with animal control.

- Line item 06.1 Post Office income will remain the same. The current lease with the USPS is valid until 2011. While there are post office closings and service cut backs, Glen Echo Post Office will remain open. A new lease has been received for Council's renegotiation after review.
- Line item 06.3 Parking Lot-Oberlin needs to be corrected to: Parking Lot-Tulane.
- Line item 08. Interest proposed at \$9000, should be reduced to \$5000, due to current low interest rates.
- Line item 10. Revenue Sharing has been reduced to \$10,000. Mayor Beers is anticipating possible cutbacks due to budget cuts at the County and State levels.
- Line item 15.1 Echo Advertising was proposed at \$500; the amount should be lowered from \$500 to \$200.
- Uncategorized Income. Mayor Beers proposed \$2000 to show reimbursement for snow removal and cleanup from the 2010-2011 winter storms. The town has been notified that it will receive about \$850 for the December storm. Mayor Beers wants these funds recorded as income. The amount is lowered from \$2000 to \$1000.
- Total income figure is reduced by \$1300, from \$214,500.77 to \$213,290.77.

Expenses

Mayor Beers then reviewed the projected expenses for FY 2010-11. The following items were highlighted, some resulting in changes in the proposed budget:

- Line item 01. Administration proposed to reduce from \$10,000 to \$5,000. Councilmember Matney inquired about administration expenses; C/T Polak explained that 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. C/T Polak noted that no Montgomery County Police were hired in 2009-10; the hope was that new speed bumps would slow Park visitors on Oxford Road. This amount was increased by \$2000, from \$5000 to \$7000.
- Line item 02. Payroll and its sub line items: Mayor Beers wants the auditor to eliminate the unused line items.
- Line item 03.2. Professional Services, Legal: Mayor Beers explained that this figure was increased from \$15,000 to \$20,000 to cover Ordinance review and Oxford Road ownership.
- Line item 15. Surveys/Public Space is proposed at \$10,000 to cover a survey of town equipment.

The hearing was adjourned at 8:19.

TOWN COUNCIL BUDGET MEETING

Mayor Beers called the council meeting to order at 8:20.

Motion 2010-8 to adopt the proposed FY 2010-2011 budget as amended:

- Line item 15.2 Echo, Advertising. Income reduced from \$500 to \$200;
- Uncategorized Income reduced from \$2000 to \$1000;
- Line item 01 Administration, Expense. Increased from \$5000 to \$7000;

Motion passed unanimously.

The approved budget is attached.

Mayor Beers asked for additions to the Agenda.

ADDITIONS TO AGENDA

1. Building Permit: New Bryn Mawr Avenue residents, George and Holly Atallah said they came to Council to field any questions on their building permit application. C/T Polak added that the Atallah's have provided all the required information for a Town permit. Mayor Beers asked if there were any variances required for the Montgomery County permit and then explained that the Town's permit is a final step: a review of the site plan and County permit process.

Councilmember Long noted that their home is an original Chautauqua house and asked if there will be changes to the exterior architecture. Mr. Atallah confirmed that no changes are planned for the front of the house.

2. Town picnic will be on Sunday, July 11 from 5 to 7 p.m.

3. Right-of-Way Mowing: Several residents have requested that the right-of-way be mowed on a regular basis. Council discussed problems of access because of cars and a fence. Council is concerned about mosquitoes in the area nearest Cornell where the right-of-way is very wet. Montgomery County proposed a rain garden for the area which never materialized because of funding. Some discussion about the expense associated and maintenance of area was held. C/T Polak will contact Chapel Valley Landscapers for a quote to mow the right-of-way.

4. Storm damage: Resident Raya Bodnarchuk presented a letter, with photographs, showing damage to her vehicle caused by a broken tree limb during a recent storm; the limb was from a tree on Town property.

Motion 2010-9 to reimburse Raya Bodnarchuk \$800 to cover the damage cost to her vehicle. Motion unanimously passed.

The meeting was adjourned at 9:00.