

TOWN OF GLEN ECHO
BUDGET HEARING MINUTES
MAY 21, 2012

ATTENDANCE: Debbie Beers, Mayor
Eve Arber, Councilmember
Nancy Long, Councilmember
Steve Matney, Councilmember
Mark McCaffrey, Councilmember
Nicole Fraser, Clerk-Treasurer

VISITORS: Matt Stiglitz, Town Resident
Kate Stiglitz, Town Resident
Tom Burton, Town Resident
Phyllis Fordham, Town Resident
Rex Rhein, The Echo Reporter
Gloria Levin, Town Resident

Mayor Beers called meeting to order at 7:38 p.m.

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 2012-2013 budget, explaining it is based on the 2012 Constant Yield Tax Rate Certification provided annually by the State of Maryland, Department of Assessments and Taxation. Mayor Beers proposed raising the real estate tax rate from \$0.13 to \$0.134 per \$100 and maintaining the existing personal property tax rate of \$0.80 per \$100.

The Mayor then reviewed the Town's Income categories line by line, noting that income tax is still the Town's main source of income. Comments and discussion:

- Line Item 01. Real Estate tax revenue is projected to fall as the real estate tax net assessable base has gone down by \$3 million; Mayor Beers proposed to raise the real estate tax to \$0.134 per \$100 in order to maintain real estate tax revenue close to \$83,000 (\$82,998.00);
- Line item 02. Personal property (corporate) tax revenue is projected to be \$7,700 based on FY 2012 figures;
- Line item 03. State income is projected at \$70,000;
- Line item 04. Mayor Beers reported that state highway funds are projected to drop to \$2,901. Councilmember Matney said that at the recent MML meeting, the MML is attempting to increase State Highway funds to municipalities;
- Line item 06. Rental income is projected to rise slightly due to the kick-in clause for the Post Office. The Irish Inn continues to pay \$3,600 for the rental of parking lot space on Tulane Avenue. Mayor Beers and other council members noted that

- to keep the rent low for the Irish Inn helps to keep cars off the streets of Glen Echo or from parking on the MacArthur Boulevard shared-use path;
- Line item 10. County Revenue sharing increased in FY12 and is projected to increase to \$20,762 in FY13. Councilmember Matney noted that MML is also negotiating an increase in county revenue to municipalities.
 - Line item 12. Franchise income increased in FY12, Mayor Beers increased the projected revenue to \$3,000 in FY13 accordingly;
 - Line item 17. Sales of the Town's history and have been brisk, \$229.63, FY 13 projections have allotted \$100 in sales of both book categories. Most sales were to the Montgomery County Historical Society and the NPS for the book store in the Clara Barton House National Historic Site.
 - Uncategorized income of \$1249.21 came from reimbursement the EECBG (Energy Efficiency Community Block Grant).

Expenses

Mayor Beers then reviewed the projected expenses for FY 13. The following items were highlighted, some resulting in changes in the proposed budget:

- Line item 02. Payroll for the Town Clerk is budgeted at \$27,314.80 in the new budget to reflect a cost of living increase.
- Line item 03. Auditing and Accounting expenses were raised to \$7,500 to reflect the costs in FY12. Professional services including legal fees totaled \$14,578.68, however, Mayor Beers held the budget item steady at \$20,000 for FY13 in anticipation of the upcoming ordinance review.
- Line item 07. Town services. Refuse and Recycling was raised from \$50,000 to \$60,000 to accommodate hazardous waste pickup (satellite or curbside) and the purchase of more recycling totes and/or rolling bins;
- Line item 13. Capital improvements for FY 13 include \$20,000 for street paving to move the speed bump on Oxford Road. The Town Hall floor needs to be refinished and \$20,000 has been set aside for that. Other capital improvements include replacement of street and road signs and standards (\$15,000).
- Line item 15. Capital improvement - survey of public spaces for the next year to help identify areas in need of repair or replacement at \$5,000;
- Line item 16. A contingency fund of \$5,000 has been kept.
- Line 17. Community contributions have been held at \$4,000 (these are contributions to the Glen Echo Park Partnership for Arts and Culture, Adventure Theatre and other community organizations).

Cash on Hand

The Mayor reports that the town has \$278,634.16 in the Maryland local government investment pool. The SunTrust cash-checking account has \$12,348.68 and money market has \$76,669.71. Totaling in \$367,652.55. Councilmember Long said she would like to build up the surplus again however she acknowledged that the wooden wall next to the Town Hall and the stone wall on the west side of University Avenue between Harvard

and Bryn Mawr both may need repair in the future, so that consideration would not affect this budget.

PUBLIC COMMENT

Gloria Levin proposed that Mayor Beers communicate better to people in the community. She was dismayed that some line items were greeted with “I don’t know what this is.” Mayor Beers countered that she has worked diligently to get the proposed budget out to the community in time for the budget hearing. Mayor Beers continued that she is open to communication to all town residents and that the Town had an open comment session for one month during the budget process and received four suggestions that have been accommodated when possible.

Budget hearing closed at 8:35 p.m.

Respectfully submitted, Nicole Fraser

Deborah Beers, Mayor

Date