

**Village of Martin's Additions**  
7013 Brookville Road (Suite B, 2nd floor)  
Chevy Chase, MD 20815-3263

**Agenda for  
Council Meeting  
December 6, 2018**

*The Village Council may entertain a motion during the open meeting to close a portion of the meeting, in accordance with Section 3-305(b) of the Open Meetings Act (Maryland Code, General Provisions Article)*

- |         |  |
|---------|--|
| 7:30 PM | Call to Order: Krajeck   |
| 7:31 PM | Presentation of FY2017 Audit: Linton, Shafer, Warfield & Parrett, P.A.             |
| 7:51 PM | Opportunity for Council to Hear Resident Comments: Krajeck                         |
| 8:05 PM | Committee Updates  |
| 8:20 PM | Action on Meeting Minutes of October 18, 2018: Krajeck                             |
| 8:25 PM | Building Administrator's Report: Lohmeyer  |
| 8:40 PM | Public Hearing & Action on Code Amendments introduced on 9/20/2018                 |
| 9:00 PM | Financial Matters, including possible introduction of Budget Amendments: Alexander |
| 9:15PM  | Discussion of Small Cell Towers: Trollinger  |
| 9:20 PM | Manager's Report: Trollinger   |
| 9:30 PM | Opportunity for Council to hear residents' comments: Krajeck                       |
| 9:40 PM | Adjournment: Krajeck   |

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**VILLAGE OF MARTIN'S  
ADDITIONS, MARYLAND**

**Financial Statements,  
Supplementary Information  
and Report of Independent  
Certified Public Accountants**

**For the Years Ended  
June 30, 2018 and 2017**

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**LSWG**  
Linton Shafer Warfield & Garrett, P.A.  
CERTIFIED PUBLIC ACCOUNTANTS

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
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**June 30, 2018 and 2017**

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## **REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

To the Chairperson and Council of the  
Village of Martin's Additions, Maryland

We have audited the accompanying financial statements of the governmental activities and the general fund of the Village of Martin's Additions, Maryland (the Village), as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Village of Martin's Additions, Maryland as of June 30, 2018 and 2017, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Linton Shafer Warfield & Garrett, P.A.*

Rockville, Maryland  
October 23, 2018

## MANAGEMENT DISCUSSION AND ANALYSIS

As management of the Village of Martin's Additions, we offer the Village of Martin's Additions financial statements and this narrative overview and analysis of the financial activities of the Village of Martin's Additions for the fiscal year ended June 30, 2018. We encourage readers to consider the following information.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Village of Martin's Additions exceeded its liabilities and deferred inflows at the close of the fiscal year by \$3,751,152 (net position). Of this amount, \$2,720,379 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$448,734.
- As of the close of the fiscal year, the Village of Martin's Additions governmental funds reported combined ending fund balances of \$2,916,950, an increase of \$452,079 in comparison with the prior year. Approximately 42% of this total amount, \$1,212,784 is available for spending at the government's discretion (unassigned fund balance). Of the remaining balance of \$1,704,166, \$7,595 is nonspendable as it is prepaid expenses and \$1,696,571 is assigned for the Wynne decision, street and sidewalk improvements and for street lighting projects.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village of Martin's Additions basic financial statements. The Village of Martin's Additions basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** (Exhibits A-1, A-2 and A-3) The government-wide financial statements are designed to provide readers with a broad overview of the Village of Martin's Additions finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Village of Martin's Additions assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Martin's Additions is improving or deteriorating.

The statement of program activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements of the Village of Martin's Additions are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Village of Martin's Additions include general government, public works, public safety, and recreation. The government-wide financial statements report only on the Village of Martin's Additions.

**Fund financial statements.** (Exhibits A-4 and A-5) A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Martin's Additions, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Martin's Additions are governmental funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village of Martin's Additions maintains one individual governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of which is considered to be a major fund.

The Village of Martin's Additions adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as one useful indicator of a government's financial position. In the case of the Village of Martin's Additions, assets exceeded liabilities by \$3,751,152 at the close of the most recent fiscal year.

Approximately 26% of the Village of Martin's Additions total assets reflect its investment in capital assets (e.g., land, buildings, machinery, and equipment). The Village of Martin's Additions uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

### Village of Martin's Additions Net Position

	<u>Governmental</u>
Current and other assets	\$ 2,979,199
Capital assets, net	<u>1,030,773</u>
Total assets	<u>4,009,972</u>
Deferred Outflows	<u>-</u>
Other liabilities	<u>258,820</u>
Total liabilities	<u>258,820</u>
Deferred Inflows	<u>-</u>
Invested in capital assets	\$ 1,030,773
Unrestricted	<u>2,720,379</u>
Total net position	<u>\$ 3,751,152</u>

The unrestricted net position of \$2,720,379 may be used to meet the government's ongoing obligations to citizens and creditors.

**Governmental activities.** Governmental activities increased the Village of Martin's Additions net position by \$448,734. Expenses increased \$76,539 from FY2017 to FY2018. Total Revenues increased by \$90,232 from FY2017 to FY2018. The main item that contributed to the increase in revenue was an increase in income tax revenue of \$93,993. The major increases in expenses were Office Furniture \$16,488, Administrative Salaries \$16,293, Tree Maintenance and Replacement \$24,734, Street Maintenance \$13,495 and Snow Removal and Plowing \$16,139.

## Village of Martin's Additions Changes in Net Position

	Governmental Activities
Revenues:	
Program revenues:	
Charges for services	\$ 9,716
Operating grants and contributions	30,643
General revenues:	
Taxes	993,330
Other	<u>72,967</u>
Total Revenues	<u>1,106,656</u>
Expenses:	
General government	341,070
Building & Zoning	49,673
Public works	214,694
Public safety	37,247
Recreation	<u>15,238</u>
Total Expenses	<u>657,922</u>
Increase in net position	448,734
Net position, July 1, 2017	<u>3,302,418</u>
Net position, June 30, 2018	<u>\$ 3,751,152</u>

Taxes of \$993,330 comprised 90% of the total revenues of \$1,106,656. The taxes include both property and income taxes.

## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The Village of Martin's Additions uses fund accounting to ensure and demonstrate compliance with finance related requirements.

**Governmental funds.** The focus of the Village of Martin's Additions governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Martin's Additions financing requirements.

Total revenue was \$1,106,278. This was a \$42,893 increase from FY2017. Property Taxes, Income Taxes and Miscellaneous Revenues were higher in FY2018 than FY2017.

Total expenditures for fiscal year 2018 were \$654,199. This was a \$782,000 decrease from FY2017. This decrease was mainly associated with infrastructure improvements performed by the Village during fiscal year 2017. These were one-time costs that were not incurred again in fiscal year 2018. The Village performed \$738,699 in street and sidewalk work and \$126,508 in street lighting upgrades during fiscal year 2017.

Total fund balance for FY2018 increased by \$452,079. The Village received \$111,748 more in income tax revenues than what was budgeted. The ending fund balance was \$2,916,950. Of this amount \$1,212,784 is Unassigned and can be used for future plans for the Village.

**General fund budgetary highlights.** Generally, budget amendments fall into one of three categories: (1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; (2) amendments made to recognize new funding amounts from external sources, such as County and State grants; and (3) increases in appropriations that become necessary to maintain services. During the fiscal year the Village made amendments that fall into categories one and three above. A detailed analysis of these changes can be found in Exhibit B-1 of the financial statements.

## CAPITAL ASSETS

At the end of fiscal year 2018, the Village's governmental activities have invested \$28,034 in office equipment, \$1,381 in leasehold improvements and \$1,098,267 in infrastructure, as reflected in the following schedule. Total depreciation for the 2018 fiscal year was \$28,899 and accumulated depreciation for all assets was \$96,909. Net capital assets for the Village at the end of the fiscal year were \$1,030,773.

### Governmental Activities - Capital Assets

	<u>Governmental Activities</u>
Non-Depreciable Assets	None
Other Capital Assets	
Infrastructure	1,098,267
Equipment	28,034
Leasehold Improvements	<u>1,381</u>
Total Capital Assets	1,127,682
Accumulated Depreciation on Other Capital Assets	<u>(96,909)</u>
Net Capital Assets	<u>\$1,030,773</u>



## **ECONOMIC FACTORS**

Overall, fiscal year 2018 was a positive year. The Village provided all of the services budgeted for and completed the year with revenues in excess of expenditures of \$452,079. The Village has a very healthy fund balance of \$2,916,950. Included in this amount is \$1,696,571 that is assigned to be used for street, sidewalk and street lighting projects as well as funds to pay for the Village's liability related to the Wynne decision. The Village Council maintained a conservative approach in formulating the FY2019 budget to make sure that the Village maintains a healthy financial position into the future.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Village of Martin's Additions finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village Manager of the Village of Martin's Additions, 7013B Brookville Road, Chevy Chase, Maryland, 20815.

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**

**Statements of Net Position**

**June 30,**

	<b>Governmental Activities 2018</b>	<b>Governmental Activities 2017</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 302,641	\$ 317,220
Investments	2,655,688	2,154,564
Receivables, net	8,685	9,747
Due from other governments	4,590	5,281
Prepaid expenses	7,595	5,213
Capital assets, net	<u>1,030,773</u>	<u>1,034,496</u>
 Total Assets	 <u>4,009,972</u>	 <u>3,526,521</u>
 <b>Deferred Outflows</b>	 <u>-</u>	 <u>-</u>
 <b>Liabilities</b>		
Accounts payable	44,499	18,154
Refundable deposits	17,750	9,000
State tax credit liability	<u>196,571</u>	<u>196,949</u>
 Total Liabilities	 <u>258,820</u>	 <u>224,103</u>
 <b>Deferred Inflows</b>	 <u>-</u>	 <u>-</u>
 <b>Net Position</b>		
Invested in capital assets	1,030,773	1,034,496
Unrestricted	<u>2,720,379</u>	<u>2,267,922</u>
 Total Net Position	 <u><u>\$ 3,751,152</u></u>	 <u><u>\$ 3,302,418</u></u>

The accompanying notes are an integral part of these statements.

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Statement of Program Activities**  
**For the Year Ended June 30, 2018**

Functions/Programs	Expenses	Program Revenue		Net (Expenses) Revenue and Changes in Net Position	Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	
Governmental Activities					
General government	\$ 341,070	\$ -	8,359	\$ (332,711)	\$ (332,711)
Building and zoning	49,673	9,716	-	(39,957)	(39,957)
Public works	214,694	-	22,284	(192,410)	(192,410)
Public safety	37,247	-	-	(37,247)	(37,247)
Recreation	15,238	-	-	(15,238)	(15,238)
Total Governmental Activities	\$ 657,922	\$ 9,716	\$ 30,643	(617,563)	(617,563)
General Revenues					
Property taxes				181,582	181,582
Income taxes				811,748	811,748
Intergovernmental				26,832	26,832
Franchise fees				12,599	12,599
Interest				33,158	33,158
Wynne case refunds				378	378
Total General Revenues				1,066,297	1,066,297
Change in Net Position				448,734	448,734
Net Position, Beginning of Year				3,302,418	3,302,418
Net Position, End of Year				\$ 3,751,152	\$ 3,751,152

The accompanying notes are an integral part of this statement.

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Statement of Program Activities**  
**For the Year Ended June 30, 2017**

	Program Revenue			Net (Expenses) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
				Total
<b>Functions/Programs</b>				
Governmental Activities				
General government	\$ 306,176	\$ -	\$ 9,780	\$ (296,396)
Building and zoning	46,943	10,722	-	(36,221)
Public works	167,541	-	21,872	(145,669)
Public safety	40,276	-	-	(40,276)
Recreation	20,447	-	-	(20,447)
Total Governmental Activities	\$ 581,383	\$ 10,722	\$ 31,652	(539,009)
General Revenues				
Property taxes				175,398
Income taxes				717,755
Intergovernmental				26,907
Franchise fees				11,480
Interest				15,666
Wynne case refunds				(46,961)
Miscellaneous				73,805
Total General Revenues				974,050
Change in Net Position				435,041
Net Position, Beginning of Year				2,867,377
Net Position, End of Year				\$ 3,302,418

The accompanying notes are an integral part of this statement.

## VILLAGE OF MARTIN'S ADDITIONS, MARYLAND

Balance Sheets  
Governmental Funds  
June 30,

	2018 General <u>Fund</u>	2017 General <u>Fund</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 302,641	\$ 317,220
Investments	2,655,688	2,154,564
Receivables, net	8,685	9,747
Due from other governments	4,590	5,281
Prepaid expenses	<u>7,595</u>	<u>5,213</u>
<b>Total Assets</b>	<u>2,979,199</u>	<u>2,492,025</u>
<b>Liabilities</b>		
Accounts payable	44,499	18,154
Refundable deposits	<u>17,750</u>	<u>9,000</u>
Total Liabilities	<u>62,249</u>	<u>27,154</u>
<b>Fund Balances</b>		
Nonspendable	7,595	5,213
Assigned	1,696,571	584,795
Unassigned	<u>1,212,784</u>	<u>1,874,863</u>
Total Fund Balances	<u>\$ 2,916,950</u>	<u>\$ 2,464,871</u>
<b>Reconciliation of Total Governmental Fund Balances To Net Position of the Governmental Activities</b>		
Total Governmental Fund Balances	\$ 2,916,950	\$ 2,464,871
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Property tax inflow for taxes to be paid to the State that are not available to pay for current-period expenditures deferred in the funds	(196,571)	(196,949)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>1,030,773</u>	<u>1,034,496</u>
Net Position of Governmental Activities	<u>\$ 3,751,152</u>	<u>\$ 3,302,418</u>

The accompanying notes are an integral part of these statements.

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Statements of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Years Ended June 30,**

	<b>2018</b>	<b>2017</b>
	<b>General</b>	<b>General</b>
	<b>Fund</b>	<b>Fund</b>
<b>Revenues</b>		
Property taxes	\$ 181,582	\$ 175,398
Taxes - state shared	811,748	717,755
Licenses and permits	22,315	22,202
Intergovernmental	49,116	48,779
Miscellaneous	41,517	99,251
	<u>1,106,278</u>	<u>1,063,385</u>
<b>Total Revenues</b>		
	<u>1,106,278</u>	<u>1,063,385</u>
<b>Expenditures</b>		
General government	389,224	352,598
Public works	212,490	1,022,878
Public safety	37,247	40,276
Recreation	15,238	20,447
	<u>654,199</u>	<u>1,436,199</u>
<b>Total Expenditures</b>		
	<u>654,199</u>	<u>1,436,199</u>
Excess of Revenues Over (Under) Expenditures	452,079	(372,814)
Fund Balance - Beginning of Year	<u>2,464,871</u>	<u>2,837,685</u>
Fund Balance - End of Year	<u>\$ 2,916,950</u>	<u>\$ 2,464,871</u>

The accompanying notes are an integral part of these statements.



**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Reconciliation of the Statements of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statements of Program Activities**  
**For the Years Ended June 30,**

	<u>2018</u>	<u>2017</u>
Net Change in Fund Balance - Total Governmental Funds	\$ 452,079	\$ (372,814)
Amounts reported for governmental activities in the Statement of Program Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Program Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation does (does not) exceed capital outlay in the current period.		
	(3,723)	854,816
In the Statement of Program Activities the amount due to the State for the state tax credits from the Wynne Case was an estimate and changes from year to year depending on the claims submitted.		
	<u>378</u>	<u>(46,961)</u>
Net Change in Net Position - Governmental Activities	<u>\$ 448,734</u>	<u>\$ 435,041</u>

The accompanying notes are an integral part of these statements.

**Village of Martin's Additions, Maryland**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 1 - Summary of Significant Accounting Policies**

**A. Financial Reporting Entity**

The Village of Martin's Additions, Maryland (the Village) was incorporated in 1985 under the laws of the State of Maryland. The Village operates under a Council form of government consisting of a Council Chairperson and Village Council. The Village Council has the authority to appoint a Village Manager who shall be responsible for the day-to-day operations of the Village government and for carrying out the policies determined and approved by the Village government. The Village provides the following services as authorized by its charter: public safety (traffic), streets, sanitation, building permits and general administration services. The basic financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental and financial reporting principles. The Village has implemented accounting and financial reporting requirements of GASB Statements No. 34, Basic Financial Statements and Management's Discussion and Analysis for States and Local Governments. GASB Statement No. 34 adds the following components to the financial statements:

Management's Discussion and Analysis – A narrative introduction and analytical overview of the government's financial activities. This analysis is similar to analysis the private sector provides in their annual reports.

Government-Wide Financial Statements – These include financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads). Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter. The government-wide statements include the Statement of Net Position and the Statement of Program Activities.

Statement of Net Position – The Statement of Net Position displays the financial position of the Village. All assets, deferred outflows, liabilities and deferred inflows of resources associated with the operation of the Village are included on the Statement of Net Position. The net position of a government is broken into three categories –1) invested in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

Statement of Program Activities – The Statement of Program Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants.)

**Village of Martin's Additions, Maryland**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**A. Financial Reporting Entity (continued)**

Budgetary Comparison Schedules – Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. The Village and many other governments revise their original budgets over the course of the year for a variety of reasons.

The financial statements were prepared in accordance with GASB Statement No.14, The Financial Reporting Entity, which establishes standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with the basis for assessing the accountability of the elected officials. The financial reporting entity consists of the Village of Martin's Additions, Maryland. There are no organizations for which the Village is financially accountable and there are no component units of the Village.

**B. Government-Wide and Fund Financial Statements**

The basic financial statements include both government-wide (based on the Village as a whole) and fund financial statements. The reporting model focus is on both the Village as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as the fiduciary fund. The government-wide financial statements (i.e., the statement of net position and the statement of program activities) report information on all of the activities of the Village. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. The Village has only one governmental fund, the general fund, to account for all activities of the government, and does not have any business type activities or fiduciary activities at this time.

The statement of program activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**Village of Martin's Additions, Maryland**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Reimbursements are reported as reduction to expenses. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when the grantor eligibility requirements are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Village considers revenue to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation debt principal and interest payments which are reported as expenditures in the year due.

Property taxes, franchise fees, utility taxes, licenses, intergovernmental revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports unearned revenues on its governmental funds balance sheet. Unearned revenues arise from taxes levied in the current year which are for subsequent years' operations. For governmental fund financial statements unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

The Village reports the following major governmental funds:

The General Fund – This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Village of Martin's Additions, Maryland**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 1 - Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Assets**

**1. Deposits and Investments**

Cash and cash equivalents, which are cash and short-term investments with maturities of three months or less, include cash on hand and demand deposit accounts.

**2. Prepaid Expenses**

Prepaid expenses record payments to vendors that benefit future reporting periods. Prepaid expenses are similarly reported in government-wide and fund financial statements.

**3. Capital Assets**

Capital assets, which include equipment, are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. General infrastructure assets acquired prior to July 1, 2004 are not reported in the basic financial statements. As of June 30, 2018 and 2017, \$1,098,267 and \$1,094,079 of infrastructure has been recorded in these financial statements, respectively.

Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Village of Martin's Additions, Maryland  
Notes to Financial Statements  
June 30, 2018 and 2017

Note 1 - Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Assets (continued)

3. Capital Assets (continued)

Property, plant and equipment of the Village are depreciated using the straight line method over the following estimated useful lives:

Office equipment - 5 to 7 years  
Sidewalks and curbs – 40 years  
Leasehold improvements – 10 years

4. Property Taxes

Property taxes for the current year were assessed and collected by Montgomery County and subsequently remitted to the Village. Property taxes are assessed on July 1st and are due and payable one half by September 30th and one half by December 31st. All unpaid taxes levied July 1st become delinquent on October 1st and January 1st. The residential real property tax rates for the Village for fiscal years ended June 30, 2018 and 2017 was \$.0472, per \$100 of assessed taxable value. The public utilities tax rates for fiscal years ended June 30, 2018 and 2017 was \$1.45 per \$100 of assessed taxable value. The commercial property tax rates for fiscal years ended June 30, 2018 and 2017 were \$.10 respectively per \$100 of assessed taxable value. The personal property tax rates for fiscal years ended June 30, 2018 and 2017 was \$.50 per \$100 of assessed taxable value. Procedures for the collection of delinquent taxes by Montgomery County are provided for in the laws of Maryland.

5. Net Position

Net positions represent the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide financial statements. Net positions are classified in the following categories:

*Invested in capital assets* – This amount consists of capital assets net of accumulated depreciation and reduces by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.



Village of Martin's Additions, Maryland  
Notes to Financial Statements  
June 30, 2018 and 2017

Note 1 - Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Assets (continued)

5. Net Position (continued)

*Restricted net position* – This amount is restricted by creditors, grantors, contributors, or laws or regulations of other governments.

*Unrestricted net position* – This amount is the net position that does not meet the definition of “net investment in capital assets” or “restricted net position”.

6. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village does not have any of this type of item.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**Village of Martin's Additions, Maryland**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 2 – Reconciliation of Government-Wide and Fund Financial Statements**

- A. Explanation of certain differences between the governmental fund balance and the government-wide statement of net position:

The governmental fund balance sheets include a reconciliation between fund balance – total government funds and net position – governmental activities as reported in the government-wide statements of net position.

**Note 3 – Detailed Notes on All Funds**

- A. Deposits and Investments

Deposits

State statutes require all deposits be insured by the Federal Deposit Insurance Corporation (FDIC) or fully collateralized.

The Village administration is authorized to invest in those instruments authorized by Maryland Statutes. Cash and cash equivalents, as presented on the balance sheets and statements of net position, includes deposits (cash).

At June 30, 2018 and 2017, the carrying amounts of the Village's deposits were \$302,641 and \$317,220, respectively, and the bank balances totaled \$302,685 and \$328,394 respectively. At June 30, 2018 and 2017, the uninsured cash balances were \$3,702 and \$0 respectively. Amounts over FDIC limits are collateralized as required by State statutes.

Investments

**Investments – Maryland Local Government Investment Pool**

The Village is a participant of the Maryland Local Government Investment Pool (MLGIP), which provides all local government units of the State a safe investment vehicle for the short-term investment of funds. The State Legislature created MLGIP with the passage of Article 95 22G, of the Annotated Code of Maryland. The MLGIP, under the administrative control of the State Treasurer, has been managed by a single Baltimore-based financial institution, PNC Bank. An MLGIP advisory committee of current participants was formed to review, on a quarterly basis, the activities of the Fund and to provide suggestions to enhance the pool. The MLGIP has an AAAM rating. The fair value of the pool is the same as the value of the pooled shares. At June 30, 2018 and 2017, the Village had \$2,655,688 and \$2,154,564, respectively invested in the Pool.

**Village of Martin's Additions, Maryland**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 3 – Detailed Notes on All Funds (continued)**

**A. Deposits and Investments (continued)**

Investment Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Village will not be able to recover all or a portion of the value of its investments or collateral securities that are in the possession of an outside party. There are three categories of custodial credit risk. Category 1 includes investments that are insured or registered or where securities are held by the Village or its agents, in the Village's name. Category 2 includes uninsured and unregistered investments for which the counterparty's trust department or agent in the Village's name holds the securities. Category 3 includes uninsured and unregistered where the securities are held by the financial institution's trust department or agent, but not in the Village's name. At June 30, 2018 and 2017, all of the Village investments are insured or registered, or for which the securities are held by the Village or its agent in the Village's name or are invested in the MLGIP.

Fair Value

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Village has the following recurring fair value measurements as of June 30, 2018 and 2017:

- Maryland Local Government Investment Pool mutual funds of \$2,655,688 and \$2,154,564, respectively and are valued using quoted market prices (Level 1 inputs).

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 3 – Detailed Notes on All Funds (continued)**

**B. Receivables**

Receivables as of June 30, 2018 and 2017, for the Village's individual major and non-major governmental funds, in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>2018</u>	<u>2017</u>
Receivables	\$ 8,685	\$ 9,747
Less: allowance for uncollectibles	-	-
Total Receivables, net	<u>\$ 8,685</u>	<u>\$ 9,747</u>

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Due from other governments represents accrued revenue and consists of the following at June 30:

	<u>2018</u>	<u>2017</u>
General Fund:		
State	\$ 1,343	\$ 2,499
County	<u>3,247</u>	<u>2,782</u>
Total	<u>\$ 4,590</u>	<u>\$ 5,281</u>

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 3 – Detailed Notes on All Funds (continued)**

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated				
Equipment	\$ 8,646	\$ 20,988	\$ (1,600)	\$ 28,034
Leasehold improvements	1,381	-	-	1,381
Infrastructure	<u>1,094,079</u>	<u>4,188</u>	<u>-</u>	<u>1,098,267</u>
Total capital assets being depreciated	1,104,106	25,176	(1,600)	1,127,682
Less accumulated depreciation for:				
Equipment	(7,604)	(1,519)	1,600	(7,523)
Leasehold improvements	(1,381)	-	-	(1,381)
Infrastructure	<u>(60,625)</u>	<u>(27,380)</u>	<u>-</u>	<u>(88,005)</u>
Total accumulated depreciation	<u>(69,610)</u>	<u>(28,899)</u>	<u>1,600</u>	<u>(96,909)</u>
Total capital assets, being depreciated, net	<u>1,034,496</u>	<u>(3,723)</u>	<u>-</u>	<u>1,030,773</u>
Governmental activities capital assets, net	<u>\$ 1,034,496</u>	<u>\$ (3,723)</u>	<u>\$ -</u>	<u>\$ 1,030,773</u>

Depreciation expense was charged to function/programs of the primary government as follows:

	<u>2018</u>	<u>2017</u>
Governmental activities		
General government	\$ 1,519	\$ 521
Public works	<u>27,380</u>	<u>9,598</u>
Total Depreciation Expense	<u>\$28,899</u>	<u>\$10,119</u>

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 3 – Detailed Notes on All Funds (continued)**

**D. Fund Balance**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

Nonspendable – such as fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable and property held for resale. Prepaid expenses of \$7,595 and \$5,213 are classified as nonspendable at June 30, 2018 and 2017.

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers or through enabling legislation. The Village has no restricted fund balances.

Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal action of the Village of Martin's Additions. The Village has no committed fund balances.

Assigned fund balance – includes amounts to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

The Village has the following assigned fund balances at June 30:

	<u>2018</u>	<u>2017</u>
Streets	\$ 500,000	\$ 11,303
Street lighting	500,000	373,492
Sidewalks	500,000	-
Wynne decision	<u>196,571</u>	<u>200,000</u>
Total Assigned Fund Balance	<u>\$ 1,696,571</u>	<u>\$ 584,795</u>

Unassigned fund balance – is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.



**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 3 – Detailed Notes on All Funds (continued)**

**D. Fund Balance (continued)**

Order of Fund Balance Spending Policy

The Village's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year.

First non-spendable fund balance is determined. Then restricted fund balances for specific purposes are determined, followed by committed fund balance and assigned fund balance. Unassigned fund balance cannot fall to a negative balance.

**Note 4 – Commitment and Contingencies**

**A. Risk Management**

The Village is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Village's general liability risks are financed through participation in the Local Government Insurance Trust which is a self-insurance pool. The Village paid annual premiums of approximately \$5,115 and \$5,616 for the fiscal years ended June 30, 2018 and 2017, respectively to the pool for its general, auto, worker's compensation, public official bond and property insurance coverage. Claims over the past three years have been significantly less than that amount.

The agreement with the pool provides that it will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of \$500,000 in aggregate. Settled claims resulting from these risks have not exceeded insurance coverage, and no significant reductions in insurance coverage have occurred, in any of the past three years.

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 4 – Commitment and Contingencies (continued)**

**B. Office Lease Commitment**

In 2006, the Village entered into a lease for office space under an agreement that expires May 1, 2026. Base rent per the agreement was \$1,979 per month with various increases throughout the lease. Current monthly rent expense is \$2,191. The lease has the option to renew for an additional 10 year period. Total rent expense for the fiscal years ended June 30, 2018 and 2017 was \$30,792 and \$29,139, respectively. The minimum lease payments are as follows:

For the Fiscal Year Ending:	
2019	\$ 26,288
2020	26,288
2021	26,571
2022	29,680
2023	29,680

**C. Employee's Pension Plan**

In 2010, the Village adopted a 457 retirement plan. This plan allows employees to contribute to the plan. Also, the Village contributes 1% of each qualified employee's salary during the first year of employment, 2% in the second year of employment and 3% in the third year of employment and for any years following. To be qualified an employee has to have six months of service with the Village and be at least 18 years of age. After the qualification requirements have been met, each employee becomes fully vested after 5 years. Employee contributions are 100% vested. During the fiscal years ended June 30, 2018 and 2017, the Village made contributions of \$1,687 and \$928, respectively, to the plan.

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Notes to Financial Statements**  
**June 30, 2018 and 2017**

**Note 5 – Wynne Case**

Maryland's individual income tax is composed of a state and a local rate. Maryland residents are allowed a credit for taxes paid to other states, but the credit is allowed against only the state portion of the tax and not against the local tax portion. The U.S. Supreme Court ruled this practice to be unconstitutional because it results in double taxation of income earned outside of Maryland. As a result, the State of Maryland is requiring Maryland local governments to refund the estimated portion of income tax paid to the local governments in previous years, consisting of the local portion of the tax, that the state may have to re-pay taxpayers that file amended returns claiming a refund for the credit applicable to the local tax rate. The Town's estimated obligation for State taxes to be refunded to the State as of June 30, 2018 and 2017 of \$196,571 and \$196,949, respectively are recorded in the liabilities section of the Statements of Net Position. This amount will be repaid to the State over twenty quarters beginning May 2021.

**Note 6 – Subsequent Events**

Management has evaluated subsequent events through October 23, 2018, the date that the financial statements were available to be issued. There were no significant events to report.

## **REQUIRED SUPPLEMENTARY INFORMATION**

## VILLAGE OF MARTIN'S ADDITIONS, MARYLAND

## Required Supplementary Information

## Budgetary Comparison Schedule

## General Fund

For the Year Ended June 30, 2018

	<u>Budgeted Amount Original</u>	<u>Budgeted Amount Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>				
<b>Taxes</b>				
<b>Local</b>				
Real property tax	\$ 150,000	\$ 150,000	\$ 160,662	\$ 10,662
Utility property tax	12,300	12,300	15,842	3,542
Personal property, ordinary business tax	<u>6,000</u>	<u>6,000</u>	<u>5,078</u>	<u>(922)</u>
Total Taxes - Local - Net	<u>168,300</u>	<u>168,300</u>	<u>181,582</u>	<u>13,282</u>
<b>State Shared</b>				
Income tax	<u>700,000</u>	<u>700,000</u>	<u>811,748</u>	<u>111,748</u>
Total Taxes - State Shared	<u>700,000</u>	<u>700,000</u>	<u>811,748</u>	<u>111,748</u>
Total Taxes	<u>868,300</u>	<u>868,300</u>	<u>993,330</u>	<u>125,030</u>
<b>Licenses and Permits</b>				
Permit fees	20,000	20,000	9,716	(10,284)
Cable T.V. franchise fees	<u>8,000</u>	<u>8,000</u>	<u>12,599</u>	<u>4,599</u>
Total Licenses and Permits	<u>28,000</u>	<u>28,000</u>	<u>22,315</u>	<u>(5,685)</u>
<b>Intergovernmental Revenues</b>				
State highway user	23,000	23,000	22,284	(716)
County revenue sharing	<u>26,800</u>	<u>26,800</u>	<u>26,832</u>	<u>32</u>
Total Intergovernmental Revenues	<u>\$ 49,800</u>	<u>\$ 49,800</u>	<u>\$ 49,116</u>	<u>\$ (684)</u>

(continued)

## VILLAGE OF MARTIN'S ADDITIONS, MARYLAND

## Required Supplementary Information

## Budgetary Comparison Schedule

## General Fund

For the Year Ended June 30, 2018

	Budgeted Amount Original	Budgeted Amount Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Miscellaneous</b>				
Interest	\$ 5,000	\$ 5,000	\$ 33,158	\$ 28,158
Holiday fund	8,000	8,000	8,359	359
Total Miscellaneous	13,000	13,000	41,517	28,517
<b>Total Revenues</b>	<u>\$ 959,100</u>	<u>\$ 959,100</u>	<u>\$ 1,106,278</u>	<u>\$ 147,178</u>

(continued)

## VILLAGE OF MARTIN'S ADDITIONS, MARYLAND

## Required Supplementary Information

## Budgetary Comparison Schedule

## General Fund

For the Year Ended June 30, 2018

Expenditures	Budgeted Amount Original	Budgeted Amount Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>General Government</b>				
Financial Administration				
Administrative salaries	\$ 132,000	\$ 132,000	\$ 119,878	\$ 12,122
Payroll taxes and benefits	23,000	23,000	16,114	6,886
Accounting and auditing	42,000	42,000	38,400	3,600
Legal	40,000	40,000	38,015	1,985
Dues and subscriptions	10,000	10,000	8,326	1,674
Office lease	32,000	32,000	30,792	1,208
Office expenses	15,000	15,000	16,088	(1,088)
Office furniture and equipment	25,000	27,000	27,665	(665)
Telephone	3,500	3,600	3,592	8
Storage rental	3,500	3,500	3,631	(131)
Printing and mailing	5,000	5,000	2,051	2,949
Insurance	6,000	6,000	5,115	885
Records retention and disposal	1,500	1,500	-	1,500
Website	5,000	5,500	5,499	1
Total Financial Administration	343,500	346,100	315,166	30,934
Other General Government				
Building review and permits	40,000	40,000	33,850	6,150
Enforcement and oversight	10,000	16,000	15,823	177
Municipal operations	10,000	16,000	14,865	1,135
GIS update	20,000	-	1,161	(1,161)
Holiday fund	8,000	8,359	8,359	-
Total Other General Government	88,000	80,359	74,058	6,301
Total General Government				
Expenditures	\$ 431,500	\$ 426,459	\$ 389,224	\$ 37,235

(continued)

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**

**Required Supplementary Information**

**Budgetary Comparison Schedule**

**General Fund**

**For the Year Ended June 30, 2018**

	<u>Budgeted Amount Original</u>	<u>Budgeted Amount Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Public Works</b>				
Highways and Streets				
Street lighting	\$ 16,000	\$ 16,000	\$ 6,805	\$ 9,195
Tree maintenance	35,000	30,041	24,082	5,959
Tree replacement	5,000	11,000	10,722	278
Tree planting initiatives	2,000	2,000	-	2,000
Street cleaning	20,000	20,000	14,630	5,370
Street maintenance - other	15,000	15,000	14,299	701
Leaf vacuuming	18,000	18,000	9,970	8,030
Right-of-way landscaping	8,000	8,000	4,544	3,456
Snow removal - plowing	20,000	23,000	22,700	300
Snow removal - shoveling	5,000	5,000	4,240	760
Total Highway and Streets	<u>144,000</u>	<u>148,041</u>	<u>111,992</u>	<u>36,049</u>
Designated Funds				
Designated Street	500,000	500,000	-	500,000
Designated Sidewalk	500,000	500,000	-	500,000
Designated Street Lighting	500,000	500,000	-	500,000
Total Designated Funds	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
Sanitation and Waste Removal				
Waste collection and recycling	85,000	86,000	85,617	383
Leaf bags	15,000	15,000	14,025	975
Recycling bins	1,000	1,000	856	144
Total Sanitation & Waste Removal	<u>101,000</u>	<u>102,000</u>	<u>100,498</u>	<u>1,502</u>
Total Public Works	<u>\$ 1,745,000</u>	<u>\$ 1,750,041</u>	<u>\$ 212,490</u>	<u>\$ 1,537,551</u>

(continued)



**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2018**

	<u>Budgeted Amount Original</u>	<u>Budgeted Amount Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Public Safety</b>				
Police	\$ 30,000	\$ 30,000	\$ 30,781	\$ (781)
Traffic engineering	<u>10,000</u>	<u>10,000</u>	<u>6,466</u>	<u>3,534</u>
Total Public Safety	<u>40,000</u>	<u>40,000</u>	<u>37,247</u>	<u>2,753</u>
<b>Recreation</b>				
Community events	<u>25,000</u>	<u>25,000</u>	<u>15,238</u>	<u>9,762</u>
Total Recreation	<u>25,000</u>	<u>25,000</u>	<u>15,238</u>	<u>9,762</u>
<b>Total Expenditures</b>	<u>\$ 2,241,500</u>	<u>\$ 2,241,500</u>	<u>\$ 654,199</u>	<u>\$ 1,587,301</u>

The accompanying notes are an integral part of this schedule.

**VILLAGE OF MARTIN'S ADDITIONS, MARYLAND**  
**Notes to Required Supplementary Information**  
**June 30, 2018**

**Note 1 – Summary of Significant Budget Policies**

The Village Council annually adopts a budget for the General Fund of the primary government. All appropriations are legally controlled at the departmental level for the General Fund. On May 11, 2017, the Village Council approved the original adopted budget for the fiscal year ended June 30, 2018. On July 19, 2018, the Village Council approved the revised budget reflected in the financial statements for the fiscal year ending June 30, 2018.

The budget is integrated into the accounting system, and the budgetary data, as presented in the financial statements for all funds with annual budgets, compares the expenditures with the amended budgets. All budgets are presented on the modified accrual basis of accounting. Accordingly, the accompanying Budgetary Comparison Schedule for the General Fund presents actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. Unexpended appropriations on annual budgets lapse at the end of each fiscal year.

**Note 2 – Material Violations**

There were no material violations of the annual appropriated budgets for the General Fund for the fiscal year ended June 30, 2018. In addition, there were no excesses of budgetary expenditures for the period.



## **VILLAGE OF MARTIN'S ADDITIONS**

### **Presentation of Audit Report Fiscal Year Ended June 30, 2018**

C. Eva Webb, CPA  
Linton Shafer Warfield & Garrett, P.A.

#### **I. INDEPENDENT AUDITORS' REPORT:**

The report indicates that we have conducted our audit in accordance with auditing standards generally accepted in the United States of America, and we found that the financial statements present fairly, in all material respects, the financial position and the results of operations for the years ended June 30, 2018 and 2017 in conformity with U.S. generally accepted accounting principles.

##### **Basic Financial Statements - Include:**

Management Discussion and Analysis - Prepared by the Village to summarize the year's results.  
Exhibit A-1, A-2 & A-3 presented under full accrual, to include fixed assets and depreciation.

(Presentation similar to business reporting.)

Exhibit A-4 & A-5 - Modified accrual basis. Fixed assets and depreciation not included.

(Presentation using budget basis)

See reconciliations between the two methods on Exhibit A-4 and A-6.

Notes to financial statements - Provide additional explanatory information.

Exhibit B-1 - Detail of budgetary comparisons.

#### **II. SEPARATE LETTER - Dated October 23, 2018**

Our responsibility under U.S. Generally Accepted Auditing Standards

Significant Accounting Policies are included in Note 1 to financial statements

Significant Estimate includes the Wynne liability to the State. The amount owed at June 30, 2018 is \$196,571. (Note 5)

Audit adjustments - No significant impact on revenue or expenditures.

Disagreements with management - none

Consultation with other independent accountants - none known

Difficulties encountered in performing the audit - none

#### **III. COMPARISON OF BUDGET TO ACTUAL:**

GENERAL FUND - Exhibit B-1

Revenues (15% over budget)

Expenditures (71% under budget)

Revenues Over (Under) Expenditures

<b>Final Budget</b>	<b>2018 Actual</b>	<b>Over (Under)</b>
\$ 959,100	\$ 1,106,278	\$ 147,178
2,241,500	654,199	(1,587,301)
<hr/>		
\$ (1,282,400)	\$ 452,079	\$ 1,734,479

Expenditures under budget primarily attributable to street, sidewalk and street light repairs budgeted for \$1,500,000 with none expended in 2018.

**VILLAGE OF MARTIN'S ADDITIONS**

**Presentation of Audit Report**

**Fiscal Year Ended June 30, 2018**

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**IV. SIGNIFICANT BUDGET VARIANCES:**

GENERAL FUND - Exhibit B-1

**Revenues:**

	<b>Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
Income taxes	\$ 700,000	\$ 811,748	\$ 111,748
Interest income	5,000	33,158	28,158
Local real and property tax	168,300	181,582	13,282
Permit fees	20,000	9,716	(10,284)
All other accounts	65,800	70,074	4,274
<b>Total Revenues</b>	<b>\$ 959,100</b>	<b>\$ 1,106,278</b>	<b>\$ 147,178</b>

**Expenditures:**

General Government:

Financial administration	\$ 346,100	315,166	\$ (30,934)
Other general government	80,359	74,058	(6,301)

Public Works

Designated - streets, sidewalks & lighting	1,500,000	-	(1,500,000)
Highway and streets	148,041	111,992	(36,049)
Sanitation and waste removal	102,000	100,498	(1,502)

Public Safety

	40,000	37,247	(2,753)
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Recreation

	25,000	15,238	(9,762)
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**Total Expenditures**

<b>\$ 2,241,500</b>	<b>\$ 654,199</b>	<b>\$(1,587,301)</b>
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**V. COMPARISON TO PRIOR YEAR:**

**Revenues (Budget Basis) - Exhibit A-5**

	<b>Year 2017</b>	<b>Year 2018</b>	<b>Increase (Decrease)</b>
Property taxes	\$ 175,398	181,582	6,184
Income taxes	717,755	811,748	93,993
Interest	15,666	33,158	17,492
Reimbursement from WSSC	72,898	-	(72,898)
All other accounts	81,668	79,790	(1,878)
<b>Total Revenues</b>	<b>\$ 1,063,385</b>	<b>\$ 1,106,278</b>	<b>42,893</b>

General Government

\$ 352,598	\$ 389,224	\$ 36,626
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Public Works

1,022,878	212,490	(810,388)
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Public Safety

40,276	37,247	(3,029)
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Parks and Recreation

20,447	15,238	(5,209)
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**Total Expenditures**

<b>\$ 1,436,199</b>	<b>\$ 654,199</b>	<b>\$ (782,000)</b>
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**Revenue Over (Under) Expenditures**

<b>\$ (372,814)</b>	<b>\$ 452,079</b>	<b>\$ 824,893</b>
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Income tax revenues as percent of total revenue is 67% in 2017 and 73% in 2018.

**VILLAGE OF MARTIN'S ADDITIONS**  
**Presentation of Audit Report**  
**Fiscal Year Ended June 30, 2018**

Page 3

<b>Significant Changes in Expenses:</b>	<b>Fiscal Year 2017</b>	<b>Fiscal Year 2018</b>	<b>Change</b>
General government - managerial & office salaries	\$ 103,585	\$ 119,878	\$ 16,293
General government - office furniture & equipment	11,177	27,665	16,488
Public works - Street maintenance - other	804	14,299	13,495
Public works - designated	865,205	-	(865,205)
Public works - snow removal	10,801	26,940	16,139
Public works - tree maintenance	5,693	24,082	18,389
All other expenditures	438,934	441,335	2,401
Total Expenditures	<u>\$ 1,436,199</u>	<u>\$ 654,199</u>	<u>\$ (782,000)</u>

**V. BALANCE SHEET (Exhibit A-4)**

	<b>Fiscal Year 2017</b>	<b>Fiscal Year 2018</b>	<b>Change</b>
Cash and cash equivalents	\$ 317,220	\$ 302,641	\$ (14,579)
Investments	2,154,564	2,655,688	501,124
Other assets	20,241	20,870	629
Total Assets	<u>2,492,025</u>	<u>2,979,199</u>	<u>487,174</u>
Liabilities	27,154	62,249	35,095
Fund balances			
Nonspendable	5,213	7,595	2,382
Assigned	584,795	1,696,571	1,111,776
Unassigned	1,874,863	1,212,784	(662,079)
Total Fund balances	<u>\$ 2,464,871</u>	<u>\$ 2,916,950</u>	<u>\$ 452,079</u>

Cash, cash equivalents and investments represent 99% of total assets in FY17 and FY18.

Village of Martins Additions

Ten Year Average Results - Revenue

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2014-18 Yr-2018 5 Year Average		Yr-2018 % of 5 Year Avg.
<b>Revenue:</b>													
Income tax	\$ 678,967	\$ 293,972	\$ 353,851	\$ 553,015	\$ 496,953	\$ 629,374	\$ 750,382	\$ 819,105	\$ 717,755	\$ 811,748	\$ 682,714		119%
Property taxes	27,328	332,471	152,059	151,065	154,165	163,079	163,647	168,706	175,398	181,582	164,999		110%
Highway tax	32,788	3,851	2,821	8,897	5,022	19,087	19,478	22,375	21,872	22,284	17,567		127%
County revenue sharing	19,850	22,627	24,012	24,012	26,832	26,832	26,832	26,832	26,907	26,832	26,847		100%
Reimburse from WSSC									72,898				100%
Other revenue	40,810	42,877	36,779	25,439	39,993	40,777	38,759	31,962	48,555	63,832	40,009		160%
<b>Total Revenue</b>	<b>\$ 799,743</b>	<b>\$ 695,798</b>	<b>\$ 569,522</b>	<b>\$ 762,428</b>	<b>\$ 722,965</b>	<b>\$ 879,149</b>	<b>\$ 999,098</b>	<b>\$1,068,980</b>	<b>\$1,063,385</b>	<b>\$1,106,278</b>	<b>\$ 946,715</b>		117%

Percent of Total:

Income tax	84.9%	42.2%	62.1%	72.5%	68.7%	71.6%	75.1%	76.6%	67.5%	73.4%	72.1%	
Property taxes	3.4%	47.8%	26.7%	19.8%	21.3%	18.5%	16.4%	15.8%	16.5%	16.4%	17.4%	
Highway tax	4.1%	0.6%	0.5%	1.2%	0.7%	2.2%	1.9%	2.1%	2.1%	2.0%	1.9%	
County revenue sharing	2.5%	3.3%	4.2%	3.1%	3.7%	3.1%	2.7%	2.5%	2.5%	2.4%	2.8%	
Reimburse from WSSC	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.9%	0.0%	0.0%	
Other revenue	5.1%	6.2%	6.5%	3.3%	5.5%	4.6%	3.9%	3.0%	4.6%	5.8%	4.2%	
<b>Total Revenue</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	

Income & Property Tax

	88.3%	90.0%	88.8%	92.3%	90.1%	90.1%	91.5%	92.4%	84.0%	89.8%	89.5%	
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**Village of Martin's Additions**  
**7013 Brookville Road, Suite B, Chevy Chase, MD 20815**  
**Minutes for Council Meeting on**  
**October 18, 2018**

**Council Members Present:** Richard Krajeck; Arthur Alexander; Susan Fattig; Tiffany Cissna; **Council Member Absent:** Katya Hill; **Village Manager:** Matthew Trollinger; **Assistant Village Manager:** Tina Lurie; **Attorney:** Ron Bolt; **Residents and other attendees:** Keith Allen (Turner Ln.); Elissa Bean (Turner Ln.); Sally Maran (Turner Ln); Bernice Duval (Taylor St); Robin Saidov (Pepco)

7:30PM          Call to Order: Krajeck

7:32PM          Opportunity for Council to hear resident comments:

Keith Allen (Turner Ln) gave the weather report. He called for spectacular weather in November. The first frost could come tomorrow morning (Friday October 19).

Sally Maran (Turner Ln) says the Costabile's son David will be appearing on the television show Murphy Brown tonight.

Bernice Duval (Taylor St) has been having mail issues again. She has been receiving other residents' mail, and she received a box that was crushed. She is asking the office to intervene.

Ms. Duval also asked about the empty lot next to her at 3410 Taylor. Doug Lohmeyer explained that there is a problem with financing and the project is on hold.

7:35PM          Committee Updates:

Elissa Bean (Turner Ln) reported that there was a meeting between Kristi Tampi, Richard Krajeck and office staff regarding the Community Engagement Committee plans for future events and the upcoming Halloween party on October 28. She also gave a street captain update and said welcome bag deliveries are going well. The committee wants to work with the Chevy Chase Historical Society. Elissa asks about the revitalization of the playground at Chevy Chase Park at the Turner Lane cul-de-sac. Manager Trollinger responds that he sent a letter to Montgomery county the day of the meeting.

7:40PM          Action on Meeting Minutes of September 20, 2018

Council member Cissna moved to approve, Council member Fattig seconded, all in favor. Full minutes have been posted and are available on the Village website at:

[https://www.martinsadditions.org/governance/council\\_meeting\\_agendas\\_and\\_minutes/index.php](https://www.martinsadditions.org/governance/council_meeting_agendas_and_minutes/index.php).



7:41PM            Building Administrator's Report: Lohmeyer

TO:                            The Council at the Village of Martin's Additions

FROM:                        Doug Lohmeyer

DATE OF MEMO:            October 15, 2018

SUBJECT:                    Building Administrator's Report

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**7204 Chestnut St.**

The applicant has submitted at building permit package to the County and the Village. The application is undergoing the initial Village review.

**7210 Chestnut St.**

The Village has received an application for a new house to be built on the vacant lot. The information meeting with the residents was held on Monday Sept. 17<sup>th</sup>.

The County issued their building permit on Oct. 1, 2018 and the Village issued their building permit on Oct. 11, 2018. Work begun at the site on Oct. 11<sup>th</sup>.

**7208 Delfield St.**

A dumpster permit has been issued for interior kitchen improvements in the ex. house. A performance bond has been posted to cover any damage to the Village right of way. The applicant recently amended the MCDPS permit for additional interior improvements.

**7213 Delfield St.**

The property owners have submitted a permit to replace with ex. driveway. The existing concrete driveway apron will remain. The Village permit is being processed.

**3404 Shepherd St.**

The proposed improvements were not completed prior to the original building permit expiration date. The Village has extended the applicant's building permit until May 16, 2019.

**3501 Shepherd St.**

The applicant has submitted a building permit application to make several improvements to the existing house. The County and Village has issued building permits and the work is proceeding.

**3508 Shepherd St.**

The applicants have submitted at building permit package to the County and the Village. The application is undergoing the initial Village review.

**3412 Taylor St.**

An application for a County and Village building permit has been submitted. A resident's information meeting was held on Tuesday, June 19<sup>th</sup>. A Village right of way permit will be required for this connect, since the proposed 6" pipe will pass through the Village right of way. The Village building permit has been issued, but the applicant has not picked up the permit and work has not begun.

### **3512 Taylor Street**

The staff noticed that when the retaining wall was re-built, the contractor left a 2-inch-wide depressed area between the existing Village sidewalk and the base of the new wall, which may cause a pedestrian to trip and fall. The staff is attempting to contact the homeowner to correct the situation.

### **3405 Thornapple St.**

The house construction is completed. However, several sections of ex. curb in front of the house have chips and cracks and I recommend they be replaced. MCDPS has released their building permit and the staff recommends releasing the Village's building permit.

MCDPS will not release the sediment control permit until the applicant removes the excess dirt that was placed on the lot at 3407. The additional grading was not approved by MCDPS. The owner has removed the stockpiled material at the rear of the lot but has not re-graded to the lot to comply with the County approved sediment control plans. I recommend the Village retain the performance bond until the grading has been completed, the MCDPS has released their sediment control permit, the old driveway apron has been removed, and the damaged section of curb are replaced.

### **3407 Thornapple St.**

The tall grass has been mowed.

The applicant has selected a new architect and submitted plans to the County on Oct. 9<sup>th</sup> and the Village on Oct. 12<sup>th</sup> for review. The plans are being reviewed now.

### **Miscellaneous Items**

The staff is presently working with the following properties:

3520 Bradley La. – concept plan for an addition at the rear of the ex. house  
6701 Brookville Rd.- concept plan for improvements to house and lot  
3521 Cummings Lane - concept plan for improvements to house and lot  
7209 Delfield St. - concept plan for improvements to house and lot  
Quincy St. storm drain relocation  
120 Quincy St. – water leaking from behind the curb – repairs have been made.  
MSHA Brookville Rd. and Quincy intersection ponding rainwater

Mr. Lohmeyer mentions that construction on 7210 Chestnut has begun. He also said that plans have come in for 3407 Thornapple and that, as currently drawn, a wall plane length waiver may be needed. The county has not released the sediment control permit for previous work at 3405 Thornapple because the empty lot was supposed to be re-graded, and that work has not been completed yet. Mr. Lohmeyer suggested the Village withhold our permit for the new lot until the county sediment control permit is finalized. In addition, the builder has not repaired the curb on the new house property at 3405 Thornapple.

Mr. Lohmeyer also stated that a preliminary application has been submitted for the property at the corner of Cummings and Brookville.

Finally, Mr. Lohmeyer said the county has finished repairs on Quincy St. for the storm drain and the leaking has been fixed at 118 Quincy, where a resident had connected to the storm drain pipe.

7:47PM      Annual Survey Results: Trollinger

Mr. Trollinger provided the following report:

The Village survey response rate was higher than last year. In the four years the Village has done the survey, it has gone back and forth from about 125 responses to about 170 responses. This year we were back to about 170. In general, the questions that are put in to measure year-to-year trends were largely unchanged: response rates from both the Village staff and Council are staying steady; Village Code enforcement and the elections both continue to generally be perceived as fair; and resident satisfaction with Village operations remains high - though there was an uptick in people who listed themselves as "extremely satisfied," and for the third year in a row the number of people who were "dissatisfied" with Village operations went down.

In terms of Village events, there is a noticeable positive impact from the Community Engagement Committee: across the board residents responded at a higher rate that they have attended at least one Village event. Thank you to the Committee, as well as to residents who took the time to offer suggestions for future events, the Committee will be reviewing the responses and will be coming up with some new ideas with your help.

The survey also had a few new questions. One asked if residents support including email addresses in future versions of the Village directory. The results were very much in favor: over 75% of those that answered the question said yes.

In another new question, the Village Council wanted to gauge interest in a composting program. Of those that responded, over 50% were in favor. However, there was a high non-response rate to the question, and it is difficult to ascertain whether that is because many people were apathetic or if they needed additional information to make an informed decision.

Finally, the Council sought to determine interest in installing sidewalks in some of the "north end" streets, specifically Thornapple and Delfield. Again, the outcome is left open to interpretation - to a degree. Of those that answered, over 70% of respondents were in favor of such a proposal, vs. about 29% who outright opposed it. This question, however, had nearly 50 (of 168 total) respondents leaving it blank. This could be interpreted many different ways: do those residents not care because it is not a street they live on? Do they need more information? Do they support sidewalks on one of those streets but not the other? There are many different possibilities, and the narrative responses illustrate that. The Council recognizes this is a delicate issue, and requires more discussion and understanding of the issue(s) at hand before any definitive decisions are made.

Thank you to all of those who took the time to take the survey. Although short, it is informative and useful for the Village Council and staff for self-evaluation, and for setting priorities in the months and years ahead.

A full breakdown of survey results are posted on the Village website at:  
[https://martinsadditions.org/governance/annual\\_survey.php#revize\\_document\\_center\\_rz112](https://martinsadditions.org/governance/annual_survey.php#revize_document_center_rz112)

Elissa Bean (Turner Ln.) asked about how a composting pilot program would be administered.

The Council discussed how to handle the questions of sidewalks. They directed Village staff to have a civil engineer put together a survey. Council member Cissna suggested staff begin discussions the Village's Building Administrator, Doug Lohmeyer, and Traffic Engineer, Joe Cutro, to get ideas on how to start this and how to go about getting a project manager. Village attorney Ron Bolt noted that several neighboring municipalities had undergone similar projects recently, and may be able to provide resources.

8:09PM Financial Matters: Alexander

**Village of Martin's Additions  
Financial Report for May 2018  
Arthur Alexander, Treasurer  
Oct. 18, 2018**

July 2018 through September 2018

	<u>Actual</u>	<u>Pro-rata Budgeted</u>
Revenues	\$ 60,509	209,225
Expenses (excluding capital projects)	172,402	179,375
Net Income (revenues minus expenses)	-111,894	29,850
Capital expenditures	\$0	
Allocated capital improvements funds	\$ 1,000,000	

Reserve account (current assets less designated allocations): \$ 1,818,348

September marks the end of the first quarter of the fiscal year. The Village's revenues do not arrive in a steady stream, but in a lumpy fashion. The first major receipt of property taxes, for example, arrives in our accounts in mid-October, and the first large transfer of state income tax can be expected the end of November. The uneven receipt of revenues is the reason that the actual revenues, above, are considerably less than what might be expected for the first three months of the fiscal year. By the end of November, we should catch up with the projections and have a much better idea of the most uncertain part of our income, the Village share of the income tax.

Although total expenses are running lower than projected, waste and recycling has jumped above budget because of sharp price increases; apparently, Waste Management, our contractor for this service, had been miscalculating the price for some time and just recently discovered its internal error; we will have to reconcile the higher price in an amended budget.

Council member Alexander reported that property tax information came in today but the income tax information is not in yet. The budget for the trash pickup will need amending. Council member Krajeck asked if enough money was budgeted for community activities. Manager Trollinger says \$30,000 is budgeted.

Council member Fattig moved to accept the report, Council member Cissna seconded, all in favor.

8:15PM            Manager's Report

### **Manager's Report October 15, 2018**

#### Administrative Matters:

- ***MML Fall Conference:*** Village Manager Trollinger attended the fall MML Conference in Annapolis from 10/10 – 10/12.
- ***Audit:*** The Village has retained LSWG for its annual audit. The audit is currently underway, and LSWG will present its findings at the November Council meeting.
- ***Accounting:*** Once the audit is complete, the Village will meet with the accountant to discuss the best way to take additional accounting processes in the office.
- ***Leaf Bags:*** Expected to be delivered in the next week. Laniado's (leaf bag provider) is no longer able to deliver, so the Village will be delivering leaf bags to residents.
- ***Community Policing:*** VMA has hired two additional police officers to monitor some of the problem areas, including the Brookville/Taylor intersection, and on Thornapple Street, among others. Village staff is looking at whether additional indicators, such as in-street signs or creative crosswalk designs, would increase the effectiveness and safety of the crosswalks, particularly at Brookville Road.
- ***Tree City USA:*** Village staff is meeting with the Village's Tree Supervisor next week to complete the Tree City application.
- ***Tree Planting:*** The Village arborist and Tree Supervisor will be identifying spots for new trees in the Village right-of-way in the next couple of weeks and planting by the end of the month. An email will be sent out notifying residents of locations and types of trees to be planted.
- ***Tree Maintenance:*** Pepco will be doing regular tree maintenance in the Village within the next couple of weeks. Village staff is working to get a list of addresses where Pepco will do pruning.
- ***Community Events:***
  - ***Halloween:*** Village staff met with volunteers to help begin planning this year's Halloween celebration, which will be held on Sunday, October 28 from 3:00 – 5:30 p.m. The plan is to have pizza provided by Ledo's Pizza,

magic from WonderBunny, pumpkin painting, and a “cookie potluck.” There will also be a costume parade and music.

- ***Contractors and Contracts:***

- *GIS:* The Village has access to online software, and has been meeting with E.N.E. to tweak various aspects of the layout. E.N.E. will be able to input new data, including update tree sizes, locations, and type; new streetlights; speed bumps; changes to fronts of houses; utility pipes; and traffic data. E.N.E. will perform a survey to get some of the new information.
- *Street Maintenance:* The Village may be interested in hiring a contractor for general street maintenance after all streets have been repaved to fill large potholes and make repairs as necessary between now and the next major repaving.
- *Leaf Vacuuming:* This year, we will have leaf vacuuming on Fridays, beginning next Friday, October 26. However, Village staff is exploring other options.
- *Landscaping/Lawn Service (Abraham’s):* Village staff is putting together a new RFP for the contract, which runs out at the end of the calendar year.

#### Utilities: WSSC

- WSSC continues its sewer replacement project on Quincy Street, and are on course to finish by the time we are ready to have AB Veirs begin repaving. A.B. Veirs is scheduled to begin concrete repairs and repaving on Raymond Street on October 29, and will move on to Quincy Street once that is complete. We are on track to finish repairs and repaving before the winter.
- Additional streets that will need sewer work: Chestnut, Taylor, and Thornapple, along with a section of Brookville Road near Cummings Lane. All the streets should be completed by mid-May 2019, and we will finish with repaving at that point as well.

#### Sanitation:

- The last bulk pickup occurred on September 8. The next pickup will be on November 10, with a Wider Circle pickup on November 9.

#### Building Administration:

- Please see report from Doug Lohmeyer, attached.

Manager Trollinger began a discussion of small cell towers, saying the topic is complicated. The FCC has issued a ruling that limits what kinds of restrictions local governments can make for their installation. Wireless companies are lobbying state governments to pass their own laws as well. MML has made it a legislative priority to stop further limitations in state law. The local municipalities have discussed pooling resources to create uniform language that could be added to each municipality’s respective Code of Ordinances. By passing local laws, it may preempt the State government from feeling the need to take preemptive action if it has already been addressed at the local level. Mr. Bolt stated he put together a draft ordinance for other municipalities that will be shared at a meeting in November. Mr. Bolt noted that the Village does not have zoning authority.

Manager Trollinger reported on leaf bag delivery delays, and Council member Cissna suggested the Village look into purchasing from Costco, Home Depot or Target. Mr. Trollinger reported that the extra police officers that were hired have completed their assignment and Council member Cissna recommended continuing the extra patrols for a few more weeks. The Council agreed without objection.

Regarding the tree subsidy, Mr. Trollinger stated that we have received 6 or 7 applications, but some residents said they were no longer interested because they did not like the selection of trees on the list.

Mr. Trollinger also reports a letter went out today regarding upgrading the Chevy Chase Park (often referred to as Shepherd park) playground equipment. He also said WSSC is finished working on Quincy St. and that repaving is scheduled to start on October 29.

8:56PM          Opportunity for Council to hear resident comments:

Elissa Bean (Turner Ln) noted that sidewalks are important for safety and is a different issue than speeding cars.

8:57PM          Council member Krajeck motioned to adjourn, Council member Cissna seconds, all in favor. The meeting is adjourned.

**Village of Martin's Additions  
Financial Report for May 2018  
Arthur Alexander, Treasurer  
Nov. 15, 2018**

July 2018 through October 2018

	<u>Actual</u>	<u>Pro-rata Budgeted</u>
Revenues	\$ 67,934	278,688
Expenses (excluding capital projects)	231,528	223,900
Net Income (revenues minus expenses)	-163,594	54,788
Capital expenditures	\$0	
Allocated capital improvements funds	\$ 1,000,000	

Reserve account (current assets less designated allocations): \$ 1,766,648

Although total expenses are running just slightly higher than projected, specific accounts have jumped above budget because of unanticipated price increases, timing issues, and more work than originally anticipated. Some of the items that will require budget amendments are noted below:

- Waste Management, our contractor for trash pickup and recycling service, had been miscalculating the price for some years and just recently discovered its internal error.
- We added police patrols to monitor vehicular safety beyond regular policing activity.
- The geographic information system (GIS) had been scheduled for last year, but slipped into the current fiscal calendar.
- Building reviews and enforcement is more intense because of several larger construction projects and pre-construction reviews.

**Proposed budget amendments**

<u>Budget item</u>	<u>Account</u>	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>
5030	Insurance	6,000	6,500	500
5222	Building review & permits	30,000	40,000	10,000
5224	Enforcement & oversight	12,000	18,000	6,000
5226	Municipal operations	12,000	18,000	6,000
5240	Police	31,000	37,000	6,000
5247	GIS update	5,000	30,000	25,000
5410	Waste collection & recycling	85,000	153,600	68,600
	Total			122,100



**Village of Martin's Additions  
Treasurer's Report  
November 2018**

	<b>Nov 18</b>	<b>Budget</b>	<b>Jul - Nov 18</b>	<b>YTD Budget</b>	<b>Annual Budget</b>
<b>Income</b>					
<b>4000 · Revenue</b>					
4010 · Permit Fees	9,601.00	1,250.00	13,783.64	6,250.00	15,000.00
4020 · Cable TV Franchise Fees	3,129.56	0.00	3,129.56	2,000.00	8,000.00
4040 · County Revenue Sharing	0.00	0.00	26,832.00	26,800.00	26,800.00
4050 · Highway Users Fees	720.00	1,920.00	18,903.73	9,600.00	23,000.00
4060 · Income Tax	282,102.78	325,000.00	282,652.97	327,000.00	700,000.00
4080 · Personal Property Tax	0.00	120.00	181.55	1,720.00	6,000.00
4090 · Real Property Tax	905.78	500.00	10,463.31	7,900.00	15,000.00
4095 · Utility Property Tax	0.00	0.00	0.00	0.00	15,000.00
4100 · Holiday Fund	0.00	0.00	0.00	0.00	8,000.00
4110 · Interest	0.00	1,685.00	8,446.43	8,345.00	20,000.00
4136 · WSSC - Street Work	0.00	0.00	0.00	100.00	100.00
<b>Total 4000 · Revenue</b>	<b>296,459.12</b>	<b>330,475.00</b>	<b>364,393.19</b>	<b>389,715.00</b>	<b>836,900.00</b>
4200 · Prior Years Surplus	0.00	0.00	0.00	2,690,671.00	2,690,671.00
<b>Total Income</b>	<b>296,459.12</b>	<b>330,475.00</b>	<b>364,393.19</b>	<b>3,080,386.00</b>	<b>3,527,571.00</b>
<b>Expense</b>					
<b>5000 · General Government</b>					
5010 · Office Expenses	1,613.71	1,250.00	6,448.34	6,250.00	15,000.00
5025 · Office Furniture & Equipment	300.00	2,100.00	5,679.76	10,500.00	25,000.00
5030 · Insurance	0.00	0.00	6,527.00	6,000.00	6,000.00
5040 · Printing & Mailing	448.30	425.00	2,033.63	2,125.00	5,000.00
5050 · Dues & Subscriptions/Conference	463.87	500.00	5,077.95	2,000.00	10,000.00
5055 · Storage Rental	316.00	333.00	1,264.00	1,665.00	4,000.00
5060 · Office Lease	2,190.67	2,667.00	14,072.21	13,335.00	32,000.00
5065 · Telephone	619.66	333.00	1,548.12	1,665.00	4,000.00
5080 · Holiday Fund	0.00	0.00	0.00	0.00	8,000.00
<b>Total 5000 · General Government</b>	<b>5,952.21</b>	<b>7,608.00</b>	<b>42,651.01</b>	<b>43,540.00</b>	<b>109,000.00</b>

**Village of Martin's Additions  
Treasurer's Report  
November 2018**

	<b>Nov 18</b>	<b>Budget</b>	<b>Jul - Nov 18</b>	<b>YTD Budget</b>	<b>Annual Budget</b>
<b>5100 - Salaries &amp; Benefits</b>					
<b>5110 - Managerial &amp; Office Salaries</b>	10,085.96	11,000.00	49,228.43	55,000.00	132,000.00
<b>5120 - Payroll Taxes &amp; Benefits</b>	1,417.15	1,916.00	7,611.60	9,580.00	23,000.00
<b>Total 5100 - Salaries &amp; Benefits</b>	11,503.11	12,916.00	56,840.03	64,580.00	155,000.00
<b>5200 - Professional Fees</b>					
<b>5210 - Accounting &amp; Auditing</b>	5,700.00	9,300.00	19,500.00	20,100.00	39,000.00
<b>5220 - Building &amp; Permitting</b>					
<b>5222 - Building Review &amp; Permits</b>	4,600.00	2,500.00	16,400.00	12,500.00	30,000.00
<b>5224 - Enforcement &amp; Oversight</b>	3,675.00	1,000.00	5,110.00	5,000.00	12,000.00
<b>5226 - Municipal Operations</b>	2,835.00	1,000.00	4,165.00	5,000.00	12,000.00
<b>Total 5220 - Building &amp; Permitting</b>	11,110.00	4,500.00	25,675.00	22,500.00	54,000.00
<b>5230 - Legal</b>	1,907.20	3,333.00	7,664.05	16,665.00	40,000.00
<b>5240 - Police</b>	2,583.60	2,583.00	17,889.11	12,915.00	31,000.00
<b>5244 - Traffic Engineering</b>	0.00	833.00	608.00	4,165.00	10,000.00
<b>5246 - Records Retention &amp; Disposal</b>	0.00	0.00	0.00	600.00	1,500.00
<b>5247 - GIS Update</b>	3,193.50	416.00	12,537.00	2,080.00	5,000.00
<b>Total 5200 - Professional Fees</b>	24,494.30	20,965.00	83,873.16	79,025.00	180,500.00
<b>5300 - Streets</b>					
<b>5305 - Streets - General</b>					
<b>5310 - Street Lighting - PEPCO</b>	144.08	1,333.00	173.14	6,665.00	16,000.00
<b>5322 - Street Cleaning - Fall/Spring</b>	0.00	7,500.00	0.00	7,500.00	15,000.00
<b>5324 - Street Maintenance - Other</b>	0.00	1,250.00	121.24	6,250.00	15,000.00
<b>5326 - Leaf Vacuuming</b>	1,500.00	2,500.00	1,500.00	2,500.00	15,000.00
<b>Total 5305 - Streets - General</b>	1,644.08	12,583.00	1,794.38	22,915.00	61,000.00
<b>5349 - Snow Removal Services</b>					
<b>5350 - Snow Removal - Shovel Bvl. Rd.</b>	0.00	0.00	0.00	0.00	5,000.00
<b>5351 - Snow Removal - Plowing</b>	0.00	0.00	0.00	0.00	20,000.00
<b>Total 5349 - Snow Removal Services</b>	0.00	0.00	0.00	0.00	25,000.00
<b>Total 5300 - Streets</b>	1,644.08	12,583.00	1,794.38	22,915.00	86,000.00

**Village of Martin's Additions  
Treasurer's Report  
November 2018**

	<b>Nov 18</b>	<b>Budget</b>	<b>Jul - Nov 18</b>	<b>YTD Budget</b>	<b>Annual Budget</b>
<b>5400 · Waste &amp; Recycling</b>					
<b>5410 · Waste Collection &amp; Recycling</b>	12,563.43	7,083.00	75,871.39	35,415.00	85,000.00
<b>5420 · Leaf Bags</b>	9,990.00	0.00	9,990.00	15,000.00	15,000.00
<b>5425 · Recycling Bins</b>	0.00	100.00	560.77	500.00	1,000.00
<b>Total 5400 · Waste &amp; Recycling</b>	<u>22,553.43</u>	<u>7,183.00</u>	<u>86,422.16</u>	<u>50,915.00</u>	<u>101,000.00</u>
<b>5500 · Other</b>					
<b>5510 · Tree Maintenance</b>	2,638.00	3,000.00	15,632.00	15,000.00	35,000.00
<b>5515 · Tree Replacement</b>	0.00	0.00	0.00	3,000.00	6,000.00
<b>5518 · Right-of-Way Landscaping</b>	0.00	0.00	1,425.00	2,000.00	8,000.00
<b>5520 · Community Events</b>	2,720.89	15,000.00	13,496.43	20,000.00	30,000.00
<b>5530 · Website</b>	0.00	420.00	900.00	2,100.00	5,000.00
<b>Total 5500 · Other</b>	<u>5,358.89</u>	<u>18,420.00</u>	<u>31,453.43</u>	<u>42,100.00</u>	<u>84,000.00</u>
<b>5600 · Initiatives</b>					
<b>5630 · Tree Planting Initiatives Prog.</b>	0.00	0.00	0.00	500.00	2,000.00
<b>Total 5600 · Initiatives</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>500.00</u>	<u>2,000.00</u>
<b>5800 · Designated Funds</b>					
<b>5810 · Designated - Street</b>	0.00	0.00	0.00	500,000.00	500,000.00
<b>5814 · Designated - Capital Projects</b>	0.00	0.00	0.00	500,000.00	500,000.00
<b>Total 5800 · Designated Funds</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,000,000.00</u>	<u>1,000,000.00</u>
<b>5900 · Undesignated Fund Balance</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,810,071.00</u>	<u>1,810,071.00</u>
<b>Total Expense</b>	<u>71,506.02</u>	<u>79,675.00</u>	<u>303,034.17</u>	<u>3,113,646.00</u>	<u>3,527,571.00</u>
<b>Net Income</b>	<u><u>224,953.10</u></u>	<u><u>250,800.00</u></u>	<u><u>61,359.02</u></u>	<u><u>-33,260.00</u></u>	<u><u>0.00</u></u>

**Village of Martin's Additions  
Treasurer's Report  
October 2018**

	<b>Oct 18</b>	<b>Budget</b>	<b>Jul - Oct 18</b>	<b>YTD Budget</b>	<b>Annual Budget</b>
<b>Income</b>					
<b>4000 - Revenue</b>					
4010 - Permit Fees	0.00	1,250.00	4,182.64	5,000.00	15,000.00
4020 - Cable TV Franchise Fees	0.00	2,000.00	0.00	2,000.00	8,000.00
4040 - County Revenue Sharing	0.00	0.00	26,832.00	26,800.00	26,800.00
4050 - Highway Users Fees	0.00	1,920.00	18,183.73	7,680.00	23,000.00
4060 - Income Tax	550.19	2,000.00	550.19	2,000.00	700,000.00
4080 - Personal Property Tax	121.45	1,500.00	181.55	1,600.00	6,000.00
4090 - Real Property Tax	6,646.16	7,000.00	9,557.53	7,400.00	15,000.00
4095 - Utility Property Tax	0.00	0.00	0.00	0.00	15,000.00
4100 - Holiday Fund	0.00	0.00	0.00	0.00	8,000.00
4110 - Interest	0.00	1,665.00	8,446.43	6,660.00	20,000.00
4136 - WSSC - Street Work	0.00	0.00	0.00	100.00	100.00
<b>Total 4000 - Revenue</b>	<b>7,317.80</b>	<b>17,335.00</b>	<b>67,934.07</b>	<b>59,240.00</b>	<b>836,900.00</b>
4200 - Prior Years Surplus	0.00	0.00	0.00	2,690,671.00	2,690,671.00
<b>Total Income</b>	<b>7,317.80</b>	<b>17,335.00</b>	<b>67,934.07</b>	<b>2,749,911.00</b>	<b>3,527,571.00</b>
<b>Expense</b>					
<b>5000 - General Government</b>					
5010 - Office Expenses	1,575.35	1,250.00	4,834.63	5,000.00	15,000.00
5025 - Office Furniture & Equipment	0.00	2,100.00	5,379.76	8,400.00	25,000.00
5030 - Insurance	0.00	0.00	6,527.00	6,000.00	6,000.00
5040 - Printing & Mailing	0.00	425.00	1,585.33	1,700.00	5,000.00
5050 - Dues & Subscriptions/Conference	0.00	1,500.00	4,614.08	1,500.00	10,000.00
5055 - Storage Rental	316.00	333.00	948.00	1,332.00	4,000.00
5060 - Office Lease	2,190.67	2,667.00	11,881.54	10,668.00	32,000.00
5065 - Telephone	309.50	333.00	928.46	1,332.00	4,000.00
5080 - Holiday Fund	0.00	0.00	0.00	0.00	8,000.00
<b>Total 5000 - General Government</b>	<b>4,391.52</b>	<b>8,608.00</b>	<b>36,698.80</b>	<b>35,932.00</b>	<b>109,000.00</b>

**Village of Martin's Additions  
Treasurer's Report  
October 2018**

	<b>Oct 18</b>	<b>Budget</b>	<b>Jul - Oct 18</b>	<b>YTD Budget</b>	<b>Annual Budget</b>
<b>5100 - Salaries &amp; Benefits</b>					
<b>5110 - Managerial &amp; Office Salaries</b>	10,085.96	11,000.00	39,142.47	44,000.00	132,000.00
<b>5120 - Payroll Taxes &amp; Benefits</b>	1,890.59	1,916.00	6,194.45	7,664.00	23,000.00
<b>Total 5100 - Salaries &amp; Benefits</b>	11,976.55	12,916.00	45,336.92	51,664.00	155,000.00
<b>5200 - Professional Fees</b>					
<b>5210 - Accounting &amp; Auditing</b>	5,700.00	2,700.00	13,800.00	10,800.00	39,000.00
<b>5220 - Building &amp; Permitting</b>					
<b>5222 - Building Review &amp; Permits</b>	0.00	2,500.00	0.00	10,000.00	30,000.00
<b>5224 - Enforcement &amp; Oversight</b>	3,500.00	1,000.00	11,800.00	4,000.00	12,000.00
<b>5226 - Municipal Operations</b>	0.00	1,000.00	2,765.00	4,000.00	12,000.00
<b>Total 5220 - Building &amp; Permitting</b>	3,500.00	4,500.00	14,565.00	18,000.00	54,000.00
<b>5230 - Legal</b>	1,430.40	3,333.00	5,756.85	13,332.00	40,000.00
<b>5240 - Police</b>	5,174.40	2,583.00	15,305.51	10,332.00	31,000.00
<b>5244 - Traffic Engineering</b>	0.00	833.00	608.00	3,332.00	10,000.00
<b>5246 - Records Retention &amp; Disposal</b>	0.00	600.00	0.00	600.00	1,500.00
<b>5247 - GIS Update</b>	3,330.25	416.00	9,343.50	1,664.00	5,000.00
<b>Total 5200 - Professional Fees</b>	19,135.05	14,965.00	59,378.86	58,060.00	180,500.00
<b>5300 - Streets</b>					
<b>5305 - Streets - General</b>					
<b>5310 - Street Lighting - PEPCO</b>	29.06	1,333.00	29.06	5,332.00	16,000.00
<b>5322 - Street Cleaning - Fall/Spring</b>	0.00	0.00	0.00	0.00	15,000.00
<b>5324 - Street Maintenance - Other</b>	121.24	1,250.00	121.24	5,000.00	15,000.00
<b>5326 - Leaf Vacuuming</b>	0.00	0.00	0.00	0.00	15,000.00
<b>Total 5305 - Streets - General</b>	150.30	2,583.00	150.30	10,332.00	61,000.00
<b>5349 - Snow Removal Services</b>					
<b>5350 - Snow Removal - Shovel Bvl. Rd.</b>	0.00	0.00	0.00	0.00	5,000.00
<b>5351 - Snow Removal - Plowing</b>	0.00	0.00	0.00	0.00	20,000.00
<b>Total 5349 - Snow Removal Services</b>	0.00	0.00	0.00	0.00	25,000.00
<b>Total 5300 - Streets</b>	150.30	2,583.00	150.30	10,332.00	86,000.00

**Village of Martin's Additions  
Treasurer's Report  
October 2018**

	<b>Oct 18</b>	<b>Budget</b>	<b>Jul - Oct 18</b>	<b>YTD Budget</b>	<b>Annual Budget</b>
<b>5400 · Waste &amp; Recycling</b>					
<b>5410 · Waste Collection &amp; Recycling</b>	12,965.87	7,083.00	63,307.96	28,332.00	85,000.00
<b>5420 · Leaf Bags</b>	0.00	15,000.00	0.00	15,000.00	15,000.00
<b>5425 · Recycling Bins</b>	0.00	100.00	560.77	400.00	1,000.00
<b>Total 5400 · Waste &amp; Recycling</b>	12,965.87	22,183.00	63,868.73	43,732.00	101,000.00
<b>5500 · Other</b>					
<b>5510 · Tree Maintenance</b>	9,740.00	3,000.00	12,994.00	12,000.00	35,000.00
<b>5515 · Tree Replacement</b>	0.00	3,000.00	0.00	3,000.00	6,000.00
<b>5518 · Right-of-Way Landscaping</b>	0.00	0.00	1,425.00	2,000.00	8,000.00
<b>5520 · Community Events</b>	766.45	0.00	10,775.54	5,000.00	30,000.00
<b>5530 · Website</b>	0.00	420.00	900.00	1,680.00	5,000.00
<b>Total 5500 · Other</b>	10,506.45	6,420.00	26,094.54	23,680.00	84,000.00
<b>5600 · Initiatives</b>					
<b>5630 · Tree Planting Initiatives Prog.</b>	0.00	0.00	0.00	500.00	2,000.00
<b>Total 5600 · Initiatives</b>	0.00	0.00	0.00	500.00	2,000.00
<b>5800 · Designated Funds</b>					
<b>5810 · Designated - Street</b>	0.00	0.00	0.00	500,000.00	500,000.00
<b>5814 · Designated - Capital Projects</b>	0.00	0.00	0.00	500,000.00	500,000.00
<b>Total 5800 · Designated Funds</b>	0.00	0.00	0.00	1,000,000.00	1,000,000.00
<b>5900 · Undesignated Fund Balance</b>	0.00	0.00	0.00	1,810,071.00	1,810,071.00
<b>Total Expense</b>	59,125.74	67,675.00	231,528.15	3,033,971.00	3,527,571.00
<b>Net Income</b>	<b>-51,807.94</b>	<b>-50,340.00</b>	<b>-163,594.08</b>	<b>-284,060.00</b>	<b>0.00</b>

Ordinance No.: 9-18-1  
Introduced: September 20, 2018  
Adopted:  
Effective Date:

## **THE VILLAGE OF MARTIN'S ADDITIONS**

**SUBJECT:** AN ORDINANCE TO AMEND THE CODE OF ORDINANCES TO CORRECT TYPOGRAPHICAL ERRORS IN DIAGRAMS RELATING TO BUILDING HEIGHT; AMEND THE DEFINITION OF WALL PLANE HEIGHT; CLARIFY THE REQUIRED ADDITIONAL SIDE SETBACK; DEFINE "MAINTAIN" AND "REPAIR" WITH RESPECT TO DEVELOPMENTAL NONCONFORMITIES; AND OTHERWISE CLARIFY THE CODE

WHEREAS, Local Government Article, Section 5-202 of the Maryland Code grants to the legislative body of every incorporated municipality in Maryland, including the Village of Martin's Additions, general power to pass such ordinances not contrary to the Constitution of Maryland, or public general law, as they may deem necessary in order to assure the good government of the municipality, to protect and preserve the municipality's rights, property, and privileges, to preserve peace and good order, to secure persons and property from danger and destruction, and to protect the health, comfort and convenience of the citizens of the municipality;

WHEREAS, Maryland Code, Local Government Article, Section 5-211 authorizes the legislative body of each municipal corporation in the State of Maryland to make reasonable regulations concerning buildings to be erected within the limits of the municipality, including a building code and the requirement for building permits;

WHEREAS, Section 501 of the Charter of the Village of Martin's Additions authorizes the Village Council to pass such ordinances as it may deem necessary for the preservation of the property, rights, and privileges of the Village and its residents;

WHEREAS, the Village Council introduced the following Ordinance at a public meeting held on September 20, 2018;

WHEREAS, after proper notice to the public, the Village Council considered the following Ordinance in public session assembled on \_\_\_\_\_, 2018;

WHEREAS, the Village Building Permit Administrator, counsel, and staff, have made certain recommendations to the Village Council for amendment of the Village building regulations, including the removal of typographical errors and the addition and clarification of definitions and provisions, as discovered necessary through the ongoing implementation of the building regulations;

WHEREAS, the Village Council finds that the foregoing Ordinance would assure the good government of the municipality, protect and preserve the municipality's rights, property, and

privileges, preserve peace and good order, secure persons and property from danger and destruction, and protect the health, comfort and convenience of the citizens of the Village of Martin's Additions, and is necessary for the preservation of the property, rights, and privileges of the Village and its residents.

NOW, THEREFORE, the Village Council does hereby adopt the following Ordinance.

BE IT ORDAINED AND ORDERED, this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2018, by the Village Council, acting under and by virtue of the authority given it by the Maryland Code and the Charter of the Village of Martin's Additions, that the Village Code is hereby amended as follows:

\* \* \*

**Section 6-303.        Applications; Investigations and Inspection; Issuance**

\* \* \*

- (f)     An applicant for a Village building permit shall provide the Village with a copy of the Montgomery County building permit within three (3) days of its issuance by the County. If the proposed activity described in the issued Montgomery County building permit **or plans** differs from that described in the original (or subsequent resubmission, if any) application for the Village building permit, an amended building permit application shall be filed and the residents of all Village properties that border or directly face the property with respect to which the permit is sought will be notified. A building permit issued by Montgomery County shall be prima facie proof of compliance with applicable County and State law.

\* \* \*

(Ord. No. 11-15-1, adopted 1/21/16, effective 2/10/16; Ord. No. 4-16-1, effective 7/6/16; **Ord. No. 9-18-1, effective 0/0/00**).

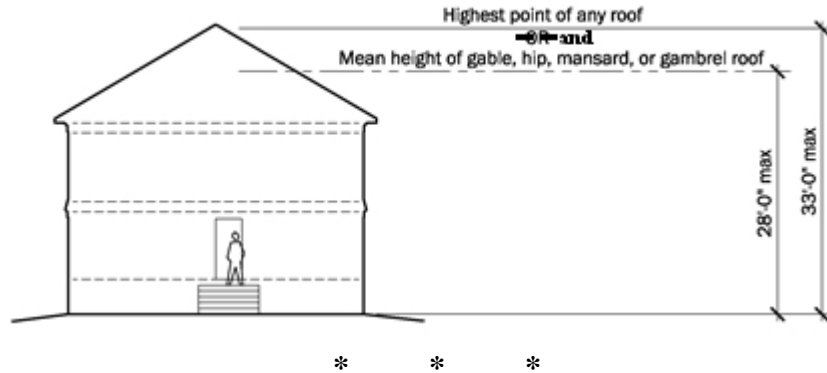
\* \* \*

**Section 7-101.        Definitions**

\* \* \*

- (d)     “Building height” means the vertical distance measured from the average elevation of the grade along the front of the building to: (1) the highest point of roof surface regardless of roof type, and (2) the mean height level between the eaves and ridge of a gable, hip, pyramidal, mansard, or gambrel roof. Building height is separately measured on both street-facing sides of a corner lot. For the purpose of this definition, grade is either the finished development grade or the pre-development grade, whichever is lower.





- (xx) “Wall plane length” means the horizontal length along the face of an exterior wall of a building uninterrupted by a projection or inset of three (3) feet or more that extends a horizontal distance of five (5) feet or more.
- (yy) “Wall plane height” means the maximum vertical distance at any point on any exterior wall of a building between the highest point of a wall plane and the adjoining post-construction grade elevation, uninterrupted by a projection or inset of three (3) feet or more that extends a horizontal distance of five (5) feet or more. For the purpose of this definition, ~~grade is either the finished development grade or the pre-development grade, whichever is lower.~~ Dormers shall be considered part of the wall plane below unless they are recessed from the wall plane below by a minimum of three (3) feet.

\* \* \*

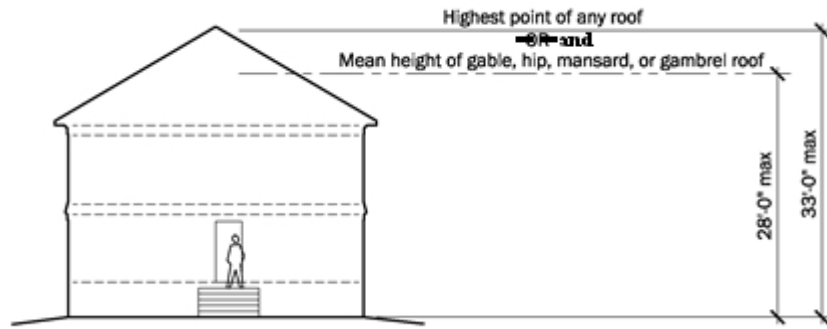
(Ord. No. 4-09-2, adopted 5/27/09, effective 6/16/09; Ord. No. 12-09-1, adopted 1/21/10, effective 2/10/10; Ord. No. 11-15-1, adopted 1/21/16, effective 2/10/16; Ord. No. 4-16-1, effective 7/6/16; **Ord. No. 9-18-1, effective 0/0/00**).

\* \* \*

## **Section 7-402. Construction Standards and Requirements**

### **(a) Building Height:**

- (1) The height of the main building shall not be greater than thirty-three (33) feet to the highest point of roof surface regardless of roof type, and twenty-eight (28) feet to the mean height level between the eaves and ridge of a gable, hip, pyramidal, mansard, or gambrel roof.



\* \* \*

(e) Setbacks

\* \* \*

(2) Rear: Except as otherwise set forth in this Chapter, no rear wall or rear projection of any main building shall be located farther than eighty (80) feet from the established building line, or the twenty-five (25) foot front building restriction line, whichever is greater; **In addition, no rear wall or rear projection of any main building shall be located** or closer to the rear lot line than twenty (20) feet.

(3) Side

\* \* \*

(ii) Additional side setback: a wall plane or projection of a main building that extends **or is located** forty-four (44) feet or more to the rear from ~~the~~ **a building's** front building line shall be setback at least an additional:

1. Sum of both sides: six (6) feet; and
2. Each side: two (2) feet ~~from the side building line of the first forty-four (44) feet of the wall.~~

\* \* \*

(Ord. No. 4-09-2, adopted 5/27/09, effective 6/16/09; Ord. No. 4-10-1, adopted 6/17/10, effective 7/8/10; Ord. No. 11-15-1, adopted 1/21/16, effective 2/10/16; Ord. No. 1-17-1, effective 4/5/17; **Ord. No. 9-18-1, effective 0/0/00**)

\* \* \*

**Section 7-404. Developmental Nonconformities**

A developmental nonconformity may be maintained, altered, or repaired, but not replaced, provided that it may not be enlarged in any manner, including but not limited to enlargement of any three-dimensional boundary that existed on June 16, 2009, except in accordance with this Chapter. **As used in this Section, “maintained” and “repaired” shall have the same meaning as “ordinary repairs or maintenance”, as defined in Section 6-101.**

(Ord. No. 4-09-2, adopted 5/27/09, effective 6/16/09; Ord. No. 11-15-1, adopted 1/21/16, effective 2/10/16; Ord. No. 10-16-1, adopted 12/15/16, effective 1/4/17; **Ord. No. 9-18-1, effective 0/0/00**)

AND BE IT FURTHER ORDAINED AND ORDERED, by the Village Council, acting under and by virtue of the authority granted to it by the Maryland Code, and the Charter of the Village of the Village of Martin’s Additions, that:

(1) If any part or provision of this Ordinance is declared by a court of competent jurisdiction to be invalid, the part or provision held to be invalid shall not affect the validity of the Ordinance as a whole or any remaining part thereof; and

(2) This Ordinance shall take effect on the \_\_\_\_ day of \_\_\_\_\_, 2018.

ATTEST:

THE VILLAGE OF MARTIN’S ADDITIONS

\_\_\_\_\_  
Susan Fattig, Secretary

\_\_\_\_\_  
Richard Krajeck, Chair  
Village Council

Underline indicates new material

~~Strikethrough~~ indicates material deleted

\* \* \* indicates material unchanged

## Manager's Report December 5, 2018

### Administrative Matters:

- **Holiday Fund:** The Village has begun its 2018 holiday fund. Residents are asked to donate by Thursday December 13 so that the Village will be able to present checks and cards to the Waste Management workers before the holidays.
- **Small Cell Towers:** A meeting was held on November 29 to discuss uniform legislation with the other “down-County” municipalities. The Village was represented by attorney Ron Bolt, Council member Arthur Alexander, and Assistant Village Manager Tina Lurie.
- **Dockless and e-Bicycles and Scooters:** Montgomery County is looking to extend its current pilot program for dockless bikes into other parts of the County, including Martin’s Additions and nearby municipalities. Municipalities can either opt in or out.
- **Audit:** The Village has retained LSWG for its annual audit. The audit has been completed.
- **Accounting:** The Village is currently in discussions with its accountant to set up a new access to Quickbooks software so Village staff will be able to create reports and more closely handle day-to-day bookkeeping records.
- **Online Payments:** Village staff is looking into options that would allow residents to make online payments for permits.
- **Leaf Bags:** Leaf bags were delivered throughout the Village on November 8.
- **Leaf Vacuuming:** Leaf Vacuuming has begun in Martin’s Additions – the first two pickups were on the weeks on November 5 and November 12 by Lee’s Tree Service. The Village has switched to Rolling Acres for the rest of the season. One pickup was completed in November, and another the week of December 3. A final leaf vacuuming pickup is scheduled for the week of December 17.
- **Tree City USA:** Village staff is finalizing the Village’s Tree City application so the Village is re-certified for 2019.
- **Tree Planting:** The Village is waiting for confirmation from the State on tree removal. Tree plantings will begin at the same time as removals.
- **Tree Maintenance:** Pepco will be doing regular tree maintenance in the Village within the next couple of weeks. Village staff is working to get a list of addresses where Pepco will do pruning.
- **Village Website:** The Village has added a new ADA compatibility button to the website.
- **Community Events:**
  - **Halloween:** The Village held its annual Halloween party on Sunday, October 28 from 3:00 – 5:30 p.m. Pizza was provided by Ledo Pizza, magic from WonderBunny, pumpkin painting, and residents brought homemade cookies for a “cookie potluck.” There was also be a costume parade and music. Roughly 175 attended. Special thanks to Kristi Tampio and Lacie Holway-Wooten of the Community Engagement Committee for their hard work in planning and putting on the event; and to Keith Allen and Riley Markham for help setting up on the day of the event.
  - **Playground Equipment:** Chevy Chase Village, Section 3, and Rollingwood all signed onto a letter asking for an upgrade to the Shepherd Park playground. We have not received any response yet. With a new Council, Executive, and delegates being just elected, it may have gotten lost in the transition. A follow up email was sent to the Parks and Planning Chair and the new Council on December 5, 2018 after their inauguration.
- **Contractors and Contracts:**
  - **GIS:** The Village has access to online software, and has been meeting with E.N.E. to tweak various aspects of the layout. E.N.E. will be able to input new data, including update tree sizes, locations, and type; new streetlights; speed bumps; changes to fronts of houses; utility pipes; and traffic data. E.N.E. will perform a survey to get some of the new information.

- *Street Maintenance*: The Village may be interested in hiring a contractor for general street maintenance after all streets have been repaved to fill large potholes and make repairs as necessary between now and the next major repaving.
- *Leaf Vacuuming*: We have had two pickups, one the week of 11/5 and 11/12. The Village terminated its contract with Lee's Tree Service, and Rolling Acres is finishing out the season. Rolling Acres did one pickup in November, and a second pickup, combined with a curb-to-curb street cleaning, the week of December 3. The Village will have one final leaf vacuuming the week of December 17.
- *Landscaping/Lawn Service (Abraham's)*: Village staff is putting together a new RFP for the contract, which runs out at the end of the calendar year.
- *Rolling Acres*: Contract runs out this year. They have recommended incorporating brine into snow removal strategy for this upcoming winter.
- *Arborist*: The Village arborist contract is up and the Village may want to add new provisions to the contract.
- *Office Utilities*: The Village is looking to renegotiate Ricoh and Verizon contracts in the office to save money on internet/phone and copying bills.

#### Utilities: WSSC

- WSSC has finished sewer repairs on Quincy and Raymond Streets, and are now underway on Thornapple.
- Additional streets that will need sewer work: Chestnut, Taylor, and Thornapple, along with a section of Brookville Road near Cummings Lane. All the streets should be completed by mid-May 2019, and we will finish with repaving at that point as well.
- The Village has put up a new parking sign reserved for persons with disabilities in front of the Brookville Market. The space was removed when State Highway re-did the intersection earlier this year.

#### Utilities: Road Repairs

- A.B. Veirs began concrete repairs on Raymond Street the week following Thanksgiving. Originally the Village had planned to finish Raymond Street and Quincy Street before the winter, but a wet fall and low temperatures in late November-early December have led the Village to make the difficult decision to postpone re-paving until the spring. This decision was made on the advice of AB Veirs, and the Village's two contracted engineers – Joe Cutro and Doug Lohmeyer – who have all cautioned that repaving and pouring concrete now runs a risk of a compromised final product. The concrete would be in danger of chipping, spalling, and cracking; and the streets would not compact right, causing cracking, chipping, and potholes. Asphalt plants close during the winter, so the Village will begin work once the plans re-open in the spring. By that time Chestnut Street and Thornapple Street are scheduled to have been finished by WSSC, and the entirety of Martin's Additions will (finally) be repaved.

#### Utilities: Sidewalks

- The Village has reached out to nearby municipalities to learn about their processes for deciding to install new sidewalks; and to get a list of contractors they have used for surveying for new sidewalks.

#### Sanitation:

- The last bulk pickup occurred on November 9. The next pickup will be on January 11, with a Wider Circle pickup on January 10. Martin's Additions has confirmed bulk pickup dates and Wider Circle pickups for 2019.

#### Building Administration:

- Please see report from Doug Lohmeyer, attached.

TO: The Council at the Village of Martin's Additions

FROM: Doug Lohmeyer

DATE OF MEMO: December 6, 2018

SUBJECT: Building Administrator's Report

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**3520 Bradley La.**

The applicant has submitted a building permit to the County and the Village. The neighborhood information meeting has been held and the County and Village building permits have been issued. The handicapped ramp on the west side of the house was not included in the Village permit. A variance for the ramp may be applied for later.

**7204 Chestnut St.**

The applicant has submitted a building permit package to the County and the Village. The application is undergoing the initial Village review. The Village is waiting for more information from the applicant's engineer. The applicant has applied for a variance, which is scheduled for Thursday, Dec. 20<sup>th</sup>.

**7210 Chestnut St.**

The Village has received an application for a new house to be built on the vacant lot. The information meeting with the residents was held on Monday Sept. 17<sup>th</sup>.

The County issued their building permit on Oct. 1, 2018 and the Village issued their building permit on Oct. 11, 2018. Work begun at the site on Oct. 11<sup>th</sup>.

**3421 Cummings La.**

The applicant has submitted a building permit to the County and the Village. The staff has completed the initial review. The applicant may apply for a variance for the EBL setback along Cummings La. for the house addition and the detached garage. They may also apply for a variance of the 30% non-vegetative surface, so they can install a circular driveway.

### **7208 Delfield St.**

A dumpster permit has been issued for interior kitchen improvements in the ex. house. A performance bond has been posted to cover any damage to the Village right of way. The applicant recently amended the MCDPS permit for additional interior improvements. A Village building permit is pending for enclosing the existing screened porch.

### **7213 Delfield St.**

The property owners have submitted a permit to replace with ex. driveway. The existing concrete driveway apron will remain. The Village permit is being processed.

### **3404 Shepherd St.**

The proposed improvements were not completed prior to the original building permit expiration date. The Village has extended the applicant's building permit until May 16, 2019.

### **3501 Shepherd St.**

The applicant has submitted a building permit application to make several improvements to the existing house. The County and Village has issued building permits and the work is proceeding.

### **3508 Shepherd St.**

The applicants have submitted at building permit package to the County and the Village. The neighborhood information meeting was held on Nov. 7<sup>th</sup> and the Village permit has been issued. The applicant is preparing the documents abandoning the existing shared driveway and creating an easement for the neighbor.

### **3412 Taylor St.**

An application for a County and Village building permit has been submitted. A resident's information meeting was held on Tuesday, June 19<sup>th</sup>. A Village right of way permit will be required for this connect, since the proposed 6" pipe will pass through the Village right of way. The Village building permit has been issued. The contractor stated work will begin soon.

### **3512 Taylor Street**

The staff noticed that when the retaining wall was re-built, the contractor left a 2-inch-wide depressed area between the existing Village sidewalk and the base of the new wall, which may cause a pedestrian to trip and fall. The staff is attempting to contact the homeowner to correct the situation.

### **3405 Thornapple St.**

The house construction is completed. However, several sections of ex. curb in front of the house have chips and cracks and I recommend they be replaced. MCDPS has release their building permit and the staff recommends releasing the Village's building permit.

MCDPS will not release the sediment control permit until the applicant removes the excess dirt that was placed on the lot at 3407. The additional grading was not approved by MCDPS. The owner has removed the stockpiled material at the rear of the lot but has not re-graded to the lot to comply with the County approved sediment control plans. I recommend the Village retain the performance bond until the grading has been completed, the MCDPS has released their sediment control permit, the old driveway apron has been removed, and the damaged section of curb are replaced.

### **3407 Thornapple St.**

The applicant has submitted a building permit application to the County and the Village. The plans have received the initial Village review and a neighborhood information meeting will be scheduled.

### **Miscellaneous Items**

The staff is presently working with the following properties:

6701 Brookville Rd.- concept plan for improvements to house and lot

7209 Delfield St. - concept plan for improvements to house and lot

MSHA Brookville Rd. and Quincy intersection ponding rainwater





DEPARTMENT OF TRANSPORTATION

Isiah Leggett  
County Executive

October 24, 2018

Al R. Roshdiah  
Director

Mr. Richard Krajeck, Council Chairmen  
Village of Martin's Additions  
7013 Brookville Road, Suite B  
Chevy Chase, Maryland 20815

Dear Mr. Krajeck:

Over the past year the Montgomery County Department of Transportation (MCDOT) has been conducting a pilot project to test the use of dockless bikes in the Silver Spring/Takoma Park area. While there were some issues early-on in the pilot, most of those were able to be resolved through cooperative efforts among residents, businesses, dockless bike vendors and users, and MCDOT. Many residents, employees and visitors in the pilot area now find the dockless bikes useful as a way to get around downtown Silver Spring, Takoma Park and adjoining residential communities without needing to use a car.

MCDOT is now considering expanding the pilot area beyond the existing boundaries, and allowing some of the newer forms of dockless vehicles you may have seen in other parts of our region to be part of that expanded pilot – including electric pedal-assist bikes (“e-bikes”) and electric scooters (“e-scooters”) as well as continuing with the current dockless bikes. If approved, each vendor would have to execute a new Memorandum of Agreement with MCDOT. This expanded pilot program would begin before the end of this calendar year and would probably extend for one year. However, we want to get input from the community on how best to proceed. Three Town Hall meetings for that purpose have been scheduled. More information is included in the attached press release and flyer, which include a map of the potential pilot area and the meeting schedule. We would appreciate your help in getting the word out about these meetings to residents and businesses in your area.

For purposes of this expanded pilot program, we are offering the opportunity to jurisdictions like yours to opt-in to the program; otherwise your area would not be included in the pilot. If you opt-in, residents, visitors and any businesses located within your jurisdiction would be able to have access to dockless bikes, e-bikes and e-scooters for door-to-door transportation on the same basis as the rest of the County's proposed expanded pilot area. If you decide not to opt-in, we would direct the vendors offering these services to “geo-fence” your jurisdiction as “off-limits,” so riders would not be permitted to end a trip or park within your jurisdiction. If the rider ignored the in-app warnings, they would incur penalties defined by the individual companies, including possible restrictions on future participation. Vehicles left within that geo-fenced area would be removed by the vendors as quickly as possible. Correspondingly, none of these vehicles would be available to start a ride from your jurisdiction.

Office of the Director

101 Monroe St., 10th Floor • Rockville, Maryland 20850 • 240-777-7170 • 240-777-7178 FAX  
[www.montgomerycountymd.gov/dot](http://www.montgomerycountymd.gov/dot)

Mr. Richard Krajeck

October 24, 2018

Page 2

We would like to receive feedback from your jurisdiction on this initiative – including any concerns or guidelines you would suggest for the expanded pilot, and a decision regarding whether you want to opt-in or prefer to remain out of the program. In the event we do not receive a response, your jurisdiction will be excluded from the pilot. MCDOT reserves the right to modify the pilot boundaries at any time, so any jurisdiction may opt-in or opt-out after the expanded pilot begins. If you would like to meet with us to discuss this further, we will be happy to arrange that.

We look forward to hearing from you and your community and hope you will decide to participate in this exciting opportunity to test new forms of transportation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chris Conklin', with a stylized, flowing script.

Chris Conklin,  
Deputy Director for Transportation Policy

CC:nb

Enclosure

*(Press Release & Flyer w/ Map & Town Hall Meeting Schedule)*

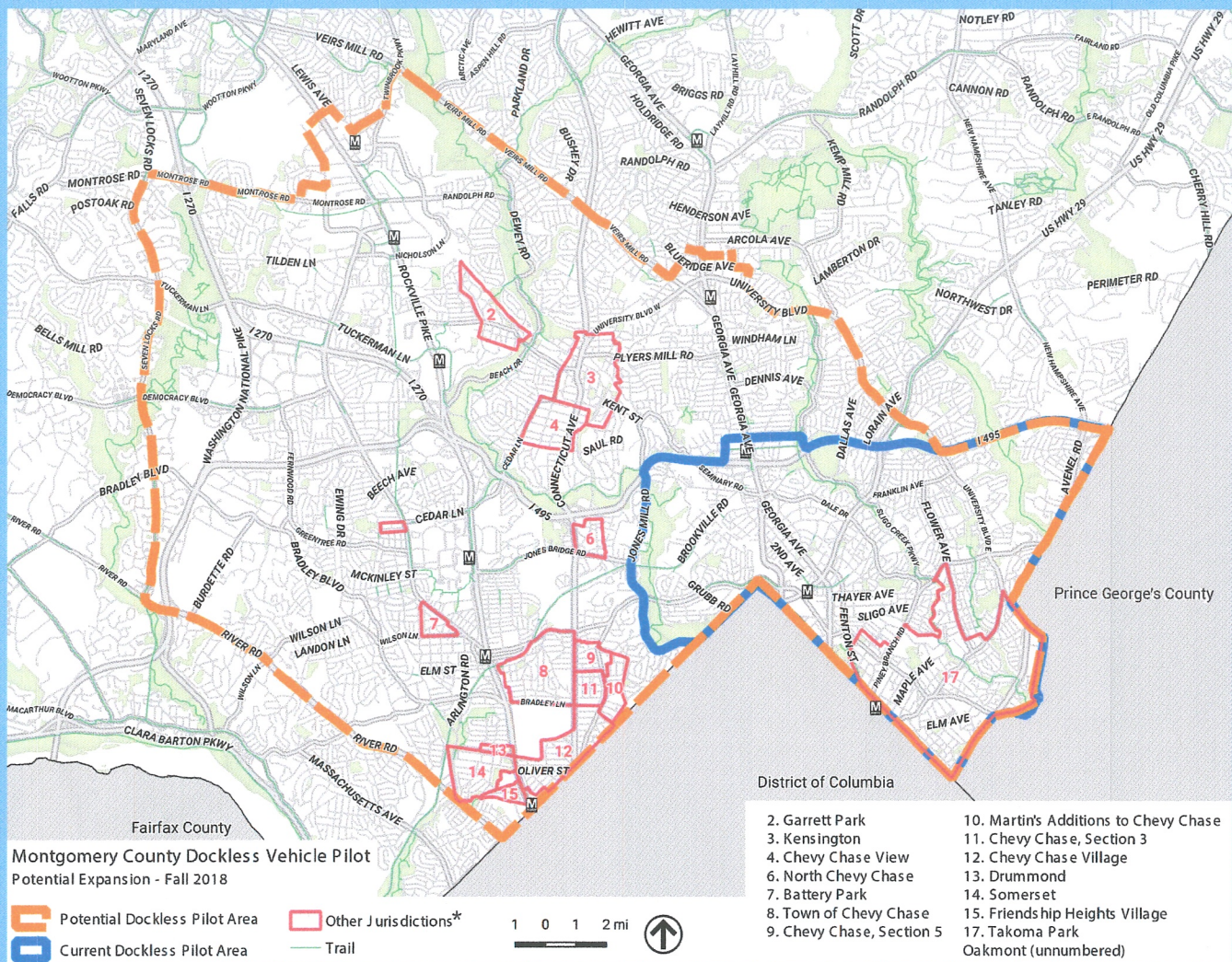


# PROPOSED PILOT PROJECT TO EXPAND DOCKLESS BIKES AND INTRODUCE E-SCOOTERS

Montgomery County Department of Transportation (MCDOT) proposes a one-year expansion of dockless bikeshare currently located in Silver Spring and Takoma Park, to Friendship Heights, Bethesda, North Bethesda (including White Flint), Veirs Mill and Wheaton (see map). In addition, the pilot may include e-bikes (pedal-assist) and e-scooters.

## HOW IT WORKS:

- Use a smartphone app to register to use the GPS-enabled bikes, pedal-assist bikes and e-scooters, then locate and unlock them.
- E-scooters would be picked up by 9 p.m. each night, charged and placed back in circulation the next morning.



\*Vehicles will not be permitted to end trips or park in County villages and towns that do not opt into the expanded program.

## QUESTIONS ABOUT THE EXPANSION?

Contact MC311 or 240-773-BWTW (2989)  
[commuter.services@montgomerycountymd.gov](mailto:commuter.services@montgomerycountymd.gov)

Before expanded operations begin dockless bikeshare and e-scooter companies will be required to sign a Memorandum of Understanding with Montgomery County that spells out performance requirements.



# Public Invited to Provide Input on Possible Expansion of Dockless Vehicles Pilot

The Town Hall meetings will all be held from 7 to 8:30 p.m. on:

- **Monday, October 29**

Maryland-National Capital Park and Planning Commission Auditorium,  
8787 Georgia Avenue, Silver Spring

- **Tuesday, October 30**

Bethesda Chevy Chase High School Cafeteria,  
4301 East West Hwy, Bethesda

- **Thursday, November 1**

Walter Johnson High School Cafeteria,  
6400 Rock Spring Drive, Bethesda

**MC<sup>2</sup>DOT**  
*Montgomery County*  
*Department of Transportation*





Press Releases - Department of Transportation [Press Releases](#) » [Release](#)

## Public Invited to Provide Input on Possible Expansion of Dockless Bikeshare Beyond Silver Spring and Takoma Park; Also Being Considered is Allowing e-Bikes and e-Scooters

For Immediate Release: Monday, October 22, 2018

The Montgomery County Department of Transportation (MCDOT) seeks public input on the potential expansion of dockless bikeshare beyond the current pilot area in Silver Spring and Takoma Park. Additional areas under consideration are Bethesda, North Bethesda (including White Flint), Friendship Heights, Chevy Chase, Veirs Mill and Wheaton. Input is also sought on whether to allow the use of pedal-assist, electric “e-bikes” and e-scooters in these areas. The public will have an opportunity to weigh in at three upcoming MCDOT-sponsored Town Hall meetings and through an online survey that will be available later this week. A map of the proposed expansion area is available online.

The Town Hall meetings will all be held from 7 to 8:30 p.m. on:

- Monday, October 29, Maryland-National Capital Park and Planning Commission Auditorium, 8787 Spring Street, Silver Spring
- Tuesday, October 30, Bethesda Chevy Chase High School Cafeteria, 4301 East West Hwy Bethesda
- Thursday, November 1, Walter Johnson High School Cafeteria, 6400 Rock Spring Drive, Bethesda

To date, two companies have expressed an interest in either starting or expanding operations in Montgomery County, and representatives from these companies will be available at the Town Hall meetings to speak with the public. Before expanded operations would be allowed, dockless, e-bike and e-scooter companies would be required to sign a Memorandum of Understanding (MOU) with Montgomery County that spells out operational and performance requirements. Input from the public will inform the provisions of those MOUs.

Dockless electric bikes and scooters are not allowed to operate on Montgomery County park trails and will not be permitted to end trips or park in Montgomery County villages and towns that do not opt into the expanded program.

## Montgomery County Maryland

Those interested in using the GPS-enabled vehicles register through a smartphone app that then allows users to locate, unlock and lock the bikes and scooters, and pay for rides. Riders must obey bicycle laws and are encouraged to wear helmets and reflective items.

MCDOT has completed an evaluation of the year-long, dockless bikeshare pilot project in Silver Spring and Takoma Park. During that time, adjustments to the program were made based on public input that greatly reduced the number of reported concerns.

The evaluation found that the program was generally quite successful in providing short, point-to-point trips. Riders took a total of about 18,000 trips over a six-month period using bikes from the two companies maintaining operations in the pilot area. Most trips were conducted within the pilot area boundaries, though about 15 percent of trips ended in areas of the County outside the pilot area. Incidents of improper parking of the bikes reduced over time as the companies improved their "in-app" communications and users became more familiar with the rules. During a six-week observation period, bikes were found to generally be in good operating condition, without significant incidences of missing parts. During that period, most bikes observed were parked appropriately, while seven percent were parked in a way that caused an obstruction.

*Release ID: 18-192*

*Media Contact: Esther Bowring 240-777-7170*



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