

Village of Martin's Additions
7013 Brookville Road, Suite B, Chevy Chase, MD 20815
Minutes for Annual Meeting on
May 9, 2019

Council Members Present: Richard Krajeck; Arthur Alexander; Susan Fattig; Katya Hill. **Council Members Absent:** Tiffany Cissna; **Village Manager:** Matthew Trollinger; **Assistant Village Manager:** Tina Lurie; **Residents and other attendees:** Keith Allen (Turner Ln); David Bjorklund (Turner Ln); Riley Markham (Turner Ln); Susan Kahn (Bradley Ln.); Peter Kahn (Bradley Ln); Anita DiFanis (Bradley Ln); Lynne Welle (Oxford St); Margery Thompson (Shepherd St); Gordon Thompson (Shepherd St); James Gaston (guest); Bernice Duval (Taylor St); Carol Crew (Taylor St); Nick Picerno (Montgomery County Police Department)

8:04PM Call to Order: Krajeck

Council member Krajeck announced that the meeting is being recorded. He states the first item of business is to approve the minutes from the April 18th Council meeting. Council member Fattig moves to approve the minutes, Council member Alexander seconds, and all are in favor.

8:05PM Council member Alexander gives the Treasurer's Report. He mentions property taxes may need to go up at some point. Council member Krajeck states the Village is financially healthy.

8:11PM Council member Hill gives the Safety Report. She states the break in at the Brookville Pharmacy was an isolated incident. She also talks about the intersection of Quincy and Oxford, and that a new stop sign was installed there.

8:15PM Council member Fattig discusses the Legislative and Administrative Report. She talks about 5G cell towers and regulation, variance hearings, composting and the search for a new Village Manager.

8:18PM Council member Krajeck thanks the election committee, the Community Engagement Committee, Manager Matt Trollinger, Assistant Manager Tina Lurie, Building Administrator Doug Lohmeyer and Municipal Operations Administrator Wayne C. Fowler for all their help over the past year.

8:20PM Manager Trollinger gives a report on behalf of Council member Cissna, who was not able to attend the annual meeting. He discussed contracts, the competitive bidding process and RFP's and specifically mentioned Waste Management for garbage and recycling, Rolling Acres for leaf vacuuming and snow cleanup, and Greensweep LLC for landscaping. Manager Trolling mentioned the Butterfly Garden at Cummings Lane and Brookville Road is already noticeably better. Manager Trollinger also reported that we're in the process of awarding a contract for a Walkability Study, as we want to find ways to make the Village safer and more walkable.

8:25PM Council member Alexander states that Council member Cissna has been instrumental in regularizing our contracts and RFP process. All contracts are bid through Maryland's E bidding procurement service known as the Maryland Marketplace.

8:27PM Council member Krajeck says the Village Charter requires we pass the budget by May 15, and asks if there are any questions on the budget. There are no questions, and Council member Krajeck asks for a motion to adopt the FY 2020 budget, Ordinance 3-19-1, which runs from July 1, 2019 - June 30, 2020. Council member Alexander motions to adopt the FY 2020 budget, Council member Hill seconds, all in favor.

Council member Krajeck asks for a motion on Resolution 3-19-2, to approve levying a tax on personal and real property. Council member Fattig motions to approve, Council member Alexander seconds, all in favor.

Discussion of Fiscal Year 2020 Budget for the Village of Martin's Additions
Arthur Alexander, Treasurer
March 21, 2019

Fiscal year 2020 for the Village of Martin's Additions begins July 1, 2019. The Village charter requires that a budget be approved by May 15 authorizing Village expenditures over the following year. At this Council meeting and over the period until May 15, we offer residents an opportunity to review the budget, discuss changes, and generate an informed response.

Revenues: The Village share of residents' state income taxes is the largest source of Village revenues. In the current year's budget (FY2019), it amounts to 84% of total revenues, up from 74% the previous year. The reason for the jump is that we reduced the Village portion of the property tax paid by residents; whereas property taxes had generated 15% in FY 2018, it dropped to 2% in the current year. Income tax receipts, therefore, are key to our finances. Income tax receipts appear to follow the state of the overall economy, particularly the stock market. This source of income peaked in FY2018 at \$812,000. Based on current flows from the state, we project \$700,000 for this year. We have planned for \$650,000 for the coming year, an amount based on conservative forecasting. Interest on the Village's reserve funds, deposited in accounts guaranteed by the Federal government, have risen substantially, in line with general interest rate increases. For next year, we expect interest to more than double to \$50,000. Altogether, we expect total revenues to be within a few percent of this year's amount.

Expenditures: Several items will be substantially below this year's levels for a variety of reasons. For example, for many years we had planned to renew the office furniture and fittings. Over the last two years, new chairs, tables, desks, and cabinets were purchased, thereby reducing next year's needs. Another example is the geographic information system that was thoroughly updated in the current year; the \$30,000 budgeted for that purpose can now be reduced to \$10,000. The installation of new LED street lights that operate with a fraction of the energy of our old mixed technology equipment will reduce the electricity bill by an estimated \$11,000, an 11-year payback period on the capital investment. Street repaving should reduce maintenance for several years, another example of where capital expenditures can lower current spending. Total planned expenditures are within 1% of this fiscal year's budgeted amount; expected income exceeds planned spending by \$19,000.

Reserves: Our prudent, conservative approach to budgeting coincided with recommendations from our auditors that we formally set aside reserves to cover ordinary expenses in case of an unplanned loss of revenues such as we experienced during the last recession. Consequently, we have introduced a "rainy day" fund of \$1,000,000, equal to 120% of planned annual spending (not including capital expenditures). In addition, we have set aside reserves amounting to \$1,500,000 to cover the capital costs of future street paving, sidewalks and other walkability projects, and other future capital needs.

	<u>FY 18 actual</u>	<u>FY19 budget</u>	<u>FY20 budget</u>	<u>FY20 – FY19</u>
Revenues				
4010 · Permit Fees	9,716	15,000	15,000	0
4020 · Cable TV Franchise Fees	9,445	8,000	8,000	0
4040 · County Revenue Sharing	26,832	26,800	26,800	0
4050 · Highway Users Fees	20,941	23,000	30,000	7,000
4060 · Income Tax	811,748	700,000	650,000	-50,000
4080 · Personal Property Tax	5,078	6,000	4,500	-1,500
4090 · Real Property Tax	160,662	15,000	15,000	0
4095 · Utility Property Tax	15,842	15,000	15,000	0
4100 · Holiday Fund	8,359	8,000	8,000	0
4110 · Interest	23,650	20,000	50,000	30,000
4136 · WSSC - Street Work		100	30,000	29,900
Total Revenue	1,092,274	836,900	852,300	15,400
Expenditures				
5010 · Office Expenses	14,907	15,000	17,500	2,500
5025 · Office Furniture & Equipment	26,998	25,000	10,000	-15,000
5030 · Insurance	5,115	6,500	8,000	1,500
5040 · Printing & Mailing	2,007	5,000	5,000	0
5050 · Dues & Subscriptions/Conference	7,834	10,000	10,000	0
5055 · Storage Rental	3,315	4,000	4,000	0
5060 · Office Lease	30,792	32,000	32,000	0
5065 · Telephone	3,592	4,000	4,000	0
5080 · Holiday Fund	8,359	8,000	8,000	0
5100 · Salaries & Benefits	129,867	155,000	160,000	5,000
5210 · Accounting & Auditing	38,400	39,000	39,000	0
5220 · Building & Permitting	55,403	76,000	81,000	5,000
5230 · Legal	38,015	40,000	40,000	0
5240 · Police	28,406	37,000	50,000	13,000
5244 · Traffic Engineering	6,070	10,000	10,000	0
5246 · Records Retention & Disposal	0	1,500	1,500	0
5247 · GIS Update	0	30,000	10,000	-20,000
5310 · Street Lighting - PEPCO	10,840	16,000	5,000	-11,000
5322 · Street Cleaning - Fall/Spring	14,630	15,000	15,000	0
5324 · Street Maintenance - Other	14,299	15,000	7,500	-7,500
5326 · Leaf Vacuuming	9,971	15,000	20,000	5,000
5349 · Snow Removal Services	26,941	25,000	30,000	5,000
5400 · Waste & Recycling				0
5410 · Waste Collection & Recycling	85,538	153,600	153,600	0
5420 · Leaf Bags	14,025	15,000	15,000	0
5425 · Recycling Bins	504	1,000	1,000	0
5510 · Tree Maintenance	24,082	35,000	30,000	-5,000
5515 · Tree Replacement	10,722	6,000	15,000	9,000
5518 · Right-of-Way Landscaping	4,623	8,000	10,000	2,000
5520 · Community Events	15,097	30,000	35,000	5,000
5530 · Website	5,499	5,000	4,250	-750
5630 · Tree Planting Initiatives		2,000	2,000	0
Total current expenses	635,850	839,600	833,350	-6,250
Revenues – current expenses	456,423	-2,700	18,950	21,650
Designated Reserves				
5805 · Walkability			500,000	
5810 · Streets	500,000	500,000	500,000	
5814 · Other Capital Projects	500,000	500,000	500,000	
5820 · Recommended Reserves			1,000,000	

Ordinance No.: 3-19-1
Introduced: March 21, 2019
Adopted: May 9, 2019
Effective Date: July 1, 2019

THE VILLAGE OF MARTIN'S ADDITIONS

SUBJECT: AN ORDINANCE TO ADOPT A BUDGET FOR FISCAL YEAR
JULY 1, 2019 TO JUNE 30, 2020.

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 5-205, as amended, authorizes the legislative body of each municipal corporation in the State of Maryland to spend money for any public purpose and to affect the safety, health, and general welfare of the municipality and its occupants;

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 in public session assembled on the 21st day of March, 2019;

WHEREAS, the Village Council, after proper notice to the public, considered the following Ordinance at a public hearing held on the day of May, 2019;

WHEREAS, prior to adopting this Ordinance, the Village Council held a public meeting on May, 2019 to adopt tax rates for the forthcoming fiscal year and, by the attached Resolution, adopted the tax rates for the forthcoming fiscal year; and

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 foregoing Ordinance.

BE IT ORDAINED AND ORDERED, this_ day of May, 2019, by the Village Council, acting under and by virtue of the authority given it by the Maryland Code and the Village Charter, that the attached Budget be and is hereby adopted.

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 Village Charter, that:

- (1) Pursuant Maryland Code, Local Government Article, Section 5-205(b)(4), the Village Council may spend money for a purpose different from the purpose for which the money was appropriated or spend money not appropriated in the attached Budget if approved by a two-thirds vote of the Village Council;
- (2) 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
- (3) This Ordinance shall take effect on the 1st day of July, 2019.

ATTEST:

THE VILLAGE OF MARTIN'S ADDITIONS

Susan Fattig, Secretary

Richard Krajeck, Chair
Village Council

Resolution No.: 3-19-2
Introduced: March 21, 2019
Adopted:
Effective Date: July 1, 2019

THE VILLAGE OF MARTIN'S ADDITIONS

SUBJECT: A RESOLUTION TO APPROVE LEVYING A TAX ON CERTAIN REAL AND PERSONAL PROPERTY UNDER THE PROVISIONS OF SECTION 6-203 OF THE TAX-PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED

WHEREAS, Section 6-203 of the Tax-Property Article, of the Annotated Code of Maryland (as amended), grants authority to municipal corporations to levy a tax on personal property, land, and improvements thereon, within the municipal corporation; and

WHEREAS, the Village of Martin's Additions is a municipal corporation within the meaning of Section 6-203 of the Tax-Property Article; and

WHEREAS, pursuant to Section 703 of the Village Charter, the Village Council has the authority to levy a tax on all real property in the Village at the rate determined in accordance with Section 703 of the Village Charter; and

WHEREAS, pursuant to Section 601 of the Village Charter, the Annual Meeting of the residents of Martin's Additions was held on May_, 2019 after due notice and advertisement of the time and place of the meeting and said notice included the proposed budget for 2019-2020 and the proposed tax rates to be levied upon real and personal property; and

WHEREAS, after due deliberation and consideration of all information and testimony presented to the Village Council, the Village Council finds that the proposed tax rates on real and personal property will serve the best interests of the Village.

NOW, THEREFORE, be it:

RESOLVED: That the Village Council of the Village of Martin's Additions, pursuant to the authority granted by the Village Charter and Section 6-203 of the Tax-Property Article of the Annotated Code of Maryland, hereby levies a tax at the rate of five thousandths of a cent (\$.005) per One Hundred Dollars of assessable value (fair market value) on real property subject to taxation by the Village; fifty cents (\$.50) per One Hundred Dollars of assessed value of assessable personal property subject to taxation by the Village; and one dollar and forty-five cents (\$1.45) per One Hundred Dollars of assessed value of assessable utility property subject to taxation by the Village; and be it further

RESOLVED: That the tax levied hereby be certified to the County Council for

Montgomery County, Maryland, and that Montgomery County, Maryland be, and hereby is, authorized and directed to collect and pay over said tax to the Village of Martin's Additions; and be it further

RESOLVED: That the Director of Finance for Montgomery County, Maryland be advised of this resolution.

I, Susan Fattig, Secretary of the Village Council of the Village of Martin's Additions, hereby certify that the foregoing resolution was adopted by the Village Council at its meeting on May, 2019.

Susan Fattig, Secretary

8:31PM Montgomery County Police Department officer Nick Picerno reminds the community to look their car doors. That's the best way to prevent people from getting inside. He also mentioned the armed robbery at the Pharmacy and said that was a significant event.

8:38PM Opportunity for resident comments:

Lynn Welle (Oxford St) requests a no parking spot at Oxford near Quincy, at the stop sign. Council member Krajeck suggests he discuss this with the office staff, and if needed, staff can make a recommendation to the Council. Mr. Welle also says the area by the corner of Quincy and Brookville, near the Welcome to VMA sign, needs sprucing up. Mr. Welle then states when the walkability study is done, it should be mentioned that sidewalks are for walking only. Lastly, Mr. Welle mentions the Waste Management contract, and states that when people put their trash to the curb, it doesn't look good.

8:52PM Council member Krajeck thanks Manager Trollinger for all his hard work managing the Village and for doing a great job.

8:53PM Peter Kahn (Bradley Ln) asks about the dog park on Brookville Road. Council member Krajeck says that years ago, VMA residents donated money to the Village of Chevy Chase with the intent of saving the park. Residents have written letters to the Village of Chevy Chase, asking them to reconsider their possible decision to only allow their own residents to use the park.

8:56PM Margorie Thompson (Shepherd St) talks about the renovation of the house at 3508 Shepherd St. relating to an easement of a shared driveway.

8:58PM Council member Hill motions to adjourn, Council member Fattig seconds, all in favor. The meeting is adjourned.