



**Minutes of the City of Mount Rainier Maryland
City Council Work Session**

Date: 4-15-2014

Place: One Municipal Place, Mount Rainier

Presiding officer: Mayor Malinda Miles

Councilmember's present: Ivy Thompson, Jesse Christopherson, Brent Bolin, Jimmy Tarlau

Councilmember's absent: None

City Hall Staff: City Manager Jeannelle Wallace, City Treasurer Vijay Manjani,

Meeting called to order at 7:00 pm

Agenda

FY2015 Budget

Architectural Overlay Zones

Assistant City Manager Position

Ordinance 3-2013

Announcements

Motion to Approve the Agenda Pending Additions

Councilman Tarlau

2nd Councilwoman Thompson

4-0

FY2015 Budget- City Treasurer Vijay Manjani

The following are predicted amounts.

Railroad and Utility tax is the same at \$2.50 per \$100 = \$72,000

Property tax liens = \$10, 000

Penalties = \$5,000

Shared State Income Tax = \$530,000

Mayor Miles: We have only collected about half?

Mr. Manjani: This is tax return time. This revenue tends to show up at the last minute in June.

\$200, 000 comes right away in June.

Total tax revenue will be approximately \$3.6 million.

License and Permits (more or less the same)

Comcast Peg Money is about the same at \$65,000

CDMA fee increased from \$100 to \$150 = \$23,000.

There is a huge drop in the Residential Rental License from the last fiscal year because the council recently passed an ordinance changing the collection of fees from a biennial to an annual process. The drop is due to the adjustment but does not mean money is being lost.

Comcast Verizon increased to \$110,000 from \$100,000 in FY14.

Total License and Permit fees amounts to approximately \$400,000.

Intergovernmental Revenue

The following numbers are from the state:

State Highway User Fees \$39,500

State Police Aid \$105,000

County Disposal Fee \$22,000

Financial Cops \$6, 500

Total = \$173,000

Charges for Services

Increase in the Parking Meter. The city has collected \$14, 725 and projects \$30,000 in FY15.

The Total will be \$49, 750.

Fines & Forfeitures

Parking Violations \$60,000

Permit Violations \$23,000

Parking Citation Recovery (Old tickets from 2008 and before) \$10,000

Total \$102,000

Miscellaneous Revenue – (Same as FY13 and FY14)

Rent \$26,000

Total \$34,000

Speed Camera Violations

Only \$15,000 is projected because there is only one camera. The City no longer has the second camera on Rhode Island Avenue.

Transfer from Reserves

The City is requesting \$591,000 from Reserves. \$179, 250 will go to bond payment. If the city is able to finish negotiations at the end of FY15, this item will be dismissed because the bonds will be paid off.

\$187, 600 in Operating Expenses

\$225,000 Police Department Expenses (The Police Department budget is approximately \$1.2-\$1.3 million. The City wants to support with \$225,000 from the reserves)

Councilman Christopherson: If we have \$2.3 million and take about \$600,000 out, how does that affect the City's finances?

Mr. Manjani: The best scenario is we do not have to use any of the reserves but because our revenue is not supporting anymore of our expenses because of a drop in the revenue. Since FY2013, we have lost \$148,000 in real property tax revenue. The city is providing the same services and we have not made much changes. The last fiscal year, 2014, the cost and D rate was asking us to increase the tax rate by \$0.13 and \$0.14. We only increased \$0.07. Because of these reasons the cost is never met. In FY15, we are losing \$140,000 dollars, meaning it is not there. The majority of other cities are taking from reserves.

Mayor Miles: It does not look very good when you have to take \$600,000 from reserves to cover what you are not collecting from other revenue sources. Does it negatively impact our budget items we need covered over the next year, probably not very much if we take the money he is proposing. He is also stating that since we did not have to use it last year, it is anticipated or hopeful that we will not have to use the \$179,000 again this year and maybe only a portion of the money we have set aside So it is never good when you have to go into your reserves. But because we are going to be living off a \$400,000 revolving account to pay our bills and expenses, we are still pretty financially sound. Do we want to continue the trend of going downhill? Hopefully not. And we had a discussion last year about that and what things we have to do this year.

Councilman Christopherson: By how much will taking that money out of reserves reduce the interest that we are getting off of those.

Mr. Manjani: There is not much impact because we do not get much interest.

Councilman Bolin is against withdrawing from reserves to cover operating expenses and suggests finding an alternative in addition to balancing the budget.

City Wide Expenses – Department Budget

Mayor and Council Department – Total \$54,500

The treasurer proposes an increase in the Mayor and Council's salary. The last increase was done in 2007. The Mayor adds that the Mayor and Council's salary has to be made by an ordinance and those who make it cannot receive it. Any changes in salary will affect the next elected officials. In keeping the Mayor and Council's salary the same, the \$14,000 increase was taken off of the FY15 budget. More or less the rest of the items in the department are the same.

Legal and Elections- Total \$52,000

Election- \$1,000

Legal Fees- \$35,000

Audit- \$16,000

City Hall -\$635,000

The treasurer proposes a 3% increase in wages and salaries. FY2012, The Maryland State Retirement increased by 2%. Salaries were increased 2%. Employer had to pay a little more out of the pocket because state retirement was calculated on the new salary. So employees saw a little less going in their pocket. In FY13, employee salary was reduced by 2% due to Obama Program that reduced social security tax by 2%. FY14, a 3% increase was proposed. For the last 10 years, this proposal was made across the board for every employee.

Proposed costs are the same or else they were reduced.

City Properties

3601 Bunker Hill (Utility Charges equal \$5,750). The city is supporting the organizations in this building and requesting no rent. Councilwoman Thompson suggests that the city look into getting grant funding to support this facility.

3405 Rhode Island Avenue (expecting \$10,000 expenditure for alarm repair, heat, building and maintenance). The city is receiving rental revenue in the amount of \$7,800 from one tenant.

3409 Rhode Island Avenue (\$8, 250 for library and rental portion). Rental revenue is \$18,000 from two renters in the building.

3200 Rhode Island Avenue (minor fees from Prince George County)

Communication Department

Councilwoman Thompson believes this is an area where the city can possibly see some savings. She suggests that the newsletter be put online and disbursed every other month. Nothing has changed in the last three years. Councilman Tarlau and Bolin agree with her. Councilman Bolin says people he talks to do not look at it and if they do, it is one page. Councilman Christopherson agrees as well and supports delivering the paper on a quarterly basis.

Mayor Miles: How would you suggest dealing with an emergency when information needs to be sent out?

Councilwoman Thompson says an additional mailing should be sent on emergencies

Mayor Miles: ...somewhere we need to have a newspaper record that our information goes in.

Mr. Bryan Knedler: We put legislation in The Message because we stopped paying for it in other papers. For the people who do not have electronic access, you can print out what you are putting on the website and give it to them. However, they would have to request it.

Councilwoman Thompson: Do you want to pay someone to do this or do you want it to be staff driven?

City Manager Wallace points out that in the past when a person was hired to take care of the newsletter, staff still had to write the articles and do the work. The consensus of the council is to reduce disbursement of the letter to a quarterly issue from ten until it is verified in the records that it is allowed. The treasurer proposes \$10,000 on production and \$5,000 on postage. That will reduce the budget by \$5,800.

MRTV

Nothing is proposed in the wages and salary employee benefits because this is an hourly or contractual position. \$26,000 is proposed for this position. Councilman Tarlau and Mayor Miles inquire into why the salary increased from \$18,000 to \$26,000. Mr. Manjani communicates that the last person who was director of MRTV also drove the Call-A-Bus. She worked more hours than were paid for or were documented under Call-A-Bus. He estimates that the position requires about 1,000 hours.

Negotiations with Comcast are still incomplete.

Department of Public Safety- Total \$2,082,800 (more or less the same with reductions where possible)

Councilwoman Thompson comments that every year the council budgets \$6,500 in other services and charges line item and every year it goes over. It should be adjusted. The Treasurer says he will monitor it.

Councilman Tarlau inquires about a Parking enforcement department line item increase. Mr. Manjani says an officer is receiving a salary adjustment to accommodate the transition from part-time to full-time in addition to the COLA increase.

Councilman Christopherson: How much can we save from the budget by leaving the vacant police officer position unfilled?

Mr. Manjani: \$85,000-\$90,000

Councilman Christopherson starts discussion about a \$1,000 request from Chief Scott for a promotion test and options for reducing dispatch costs. The Mayor fills the council in on the status of dispatch and states that the goal is to have Dispatch amount to \$5,500 but the \$6,200 will remain in the budget until an ordinance is made.

Parking Enforcement – Total 85,950; There is only one parking enforcement officer.

Public Works Department - Total \$748,000. No change in staff. Councilwoman Thompson says that another staff has to be added to add more flexibility to the department.

Code Enforcement Department – Total \$155,000; Director of Code Enforcement has been added. Office Equipment Maintenance Contract Fee for the new devices that allow the officers to print from their car.

Call-A-Bus- There is no salary line item which is a significant change. Under the Professional Service Contract the position now pays \$26,750 as opposed to \$39,000. Currently this position has a vacancy. Councilman Bolin suggests that more options should be looked into to reduce this line item and talks about having a local cab company to help reduce some of the use. Mayor Miles gives a few ideas.

Highways Streets- adopting \$80,000 as opposed to the \$90,000 from last year.

Street lights- Last year was \$110,000, This year is \$120,000

Waste Disposal- Remains the same at \$85,000

General Insurance- Last year \$97, 500; This year \$86, 750

Debt Services- Only four debts left. Requesting \$334,750. Councilwoman Thompson says we can eliminate that by signing contract with Streetsense by June 30th. Mr. Manjani says that the sooner we sign the better.

Interest and Payments- Fire Department requested \$1,500 dollars.

City Tax Credit- Paid \$5,000 in FY14 which is why it has increased.

Community Programs

Councilwoman Thompson says eliminate the Farmer's Market, which would be \$2,500. Councilman Bolin says implementation on the bike route needs to be added for \$3,300. The Home Tour and 5K will be hosted next fiscal year. City Manager Wallace brings up the subject of concrete bollards at the end of Perry street to replace the plastic.

The only major change is the Youth Program. The proposal increased to \$10,000 from \$6,000.

Mount Rainier Day is almost the same at \$30, 500.

Bike Coop- \$1,250.

Toolshed- \$750

National Night Out- \$897

Candidacy/ Unforeseen expenditure \$25,000

Capital Improvement- Councilwoman Thompson has a problem with no funding for street work. Councilman Christopherson spoke with city hall staff that alerted him to funding available for street work. He and Mayor Miles drove around looking at the streets. Mayor Miles says if we are going to address these issues, there needs to be a line item in the budget that specifically addresses these issues. There is \$65,000 in CIP to be used.

The council agrees that a comprehensive CIP needs to be created. If the council wanted to put in money, they would have to pull from the reserves. The \$65,000 will be put in the next agenda for discussion.

The City Treasurer will find out what the tax increase will be in order to generate \$254,000 for Street and alley improvements for the next fiscal year and make it a line item for that year.

The issue of not having a leaf blower was discussed and will be discussed further in another meeting.

Architectural Overlay Zones – Bryan Knedler

Councilwoman Thompson: The RFP has been issued and they are in the process of selecting a contractor. The money has been appropriated. The letter that was sent out says that the planning department will work with the City of Mount Rainier and a consultant to prepare and architectural conservation district plan.

Assistant City Manager- Councilman Christopherson

Councilman Christopherson wrote and passed out a memo regarding the topic. The Assistant City Manager is leaving. Councilman Christopherson sees this as an opportunity to restructure the vacant position to an Assistant City Manager/Economic Development Manager position. The position would devote 65% to 70% toward economic development and seek to expand Mount Rainier's tax base by creating a retail development strategy, educating businesses about financing opportunities, interfacing with developers and business owners, coordinating with Gateway CDC, being a lobbying/intergovernmental relations strategy, spearheading annexation efforts, cooperating with code enforcement to optimize commercial area appearance, advising the city manager and/or mayor on zoning and planning issues, creating green space, recruiting businesses and more geared towards sustainable development. The rest of their time would be spent assisting the City Manager.

Former Mayor Fred Sissine talks about how important this position is and how helpful it was in the past with getting outside money for the city.

The City Manager will continue with the posting as is and no hiring will take place until the May 13th Meeting.

Ordinance 3-2013 An Ordinance amending Chapter 3 Building Code, and Chapter 7, Licenses and Permits, and Chapter 11 Refuse, of the Mount Rainier Code. This is for review for the first meeting next month. This ordinance is for the fees in new construction.

Mount Rainier Day

Mount Rainier Day will be held on May the 17th. The parade will start at 10:00 Am. Procession will start from the Nature Center at 11:00 AM. At least one band will be there. The Mayor and council are requested to show up with their significant other and families. The Call-A-Bus will run throughout the festival. A map will be provided to show the routes.

WSSC and Washington Gas

Mayor Miles is expecting a punch list from them. She asks residents to alert her to unfinished work on the streets. They are still planning to repave Bunker Hill Road and 34th St.

Thomas Stone Elementary

There is no full time nurse assigned to Thomas Stone. Additionally, there is no PTA or PTO. The school is requesting for parents to let them know if they are interested in those organizations. They also plan to organize a letter campaign to the Board of Education stating that they need a full time nurse assigned to the school.

The school wants ten recycling bins for their recycling program.

Candidate Cookout- On May 10th from 4:00pm to 8:00pm , a cookout will be held for the candidates at 4517 30th Street.

Annual Better Block Project April 25th 6:00 pm -10:00 pm at Art Lives Here, sponsored by Joe's Movement Emporium, The Mount Rainier Business Association, and Urban Eats.

Motion to Adjourn the Meeting at 11:30pm
Councilman Bolin
2nd Councilman Christopherson