



**Minutes for the City of Mount Rainier
Mayor and Council Work-Session**

Date: 6-19-2012`

Place: One Municipal Place, Mount Rainier MD 20712

Presiding officer: Mayor Malinda Miles

Councilmember's present: Jimmy Tarlau, Ivy Thompson, Brent Bolin, William Updike

Councilmember's absent: none

Staff present:

City Manager Jeannelle Wallace and City Treasurer Vijay Manjani

Meeting called to order @ 7:10

Jan Townsend (Neighborhood Design Center)

I met with Chief Scott and Luther Smith Director of Public Works. Test runs were done with trash trucks. We have had three site visits and the barriers on Perry Street are temporary and effective to a point. The flooding on 31st Street is mostly due to the barriers. They want to create some rain gardens that go down into the alley. If they can intercept the runoff it will help the residents whose homes back to the alley. They want to use permeable paving. There is a storm drain that's in bad condition and we need to contact the county about it. My suggestion is if there is an emergency situation we should be able to open up that area. I am now working with D.E.R. (Department of Environmental Resources).

Treasurer Vijay Manjani:

We were asked to look into residential rental fees. The price has not increased in the past 5or 6 years. We charge \$200.00 every two years \$100.00 per year per unit.

The chart below will show what the new revenue will be for each new dollar amount.

FY 2013

\$200.00—\$215.00 = \$1, 7430.00

\$200.00 - \$225.00 = \$ 29,000.00

\$200.00- \$235.00 = \$ 40,000.00

\$200.00 - \$ 250.00 =\$ 48,000.00

Treasurer Vijay Manjani:

IWIF has increased the police department rate from 10.5 to 14.5 based on claims and risk. That requires an additional \$55,000.00. We keep \$500,000.00 as working capitol.

Councilman Brent Bolin:

The city is in trouble.

Councilwoman Thompson:

We should talk about raising the license fees and have a two cents tax raise and that should fill the deficit gap.

Councilman Updike:

We had a 3-2 vote on removing a code officer and I would like to know if anyone has changed their position on that.

Councilwoman Thompson:

A vote is needed to keep the code officer position and another vote to not fill the current vacant police officer position in lieu of cutting a administration position and I have not changed my position on cutting the code officer position.

Councilman Tarlau:

We did vote to freeze all positions and I feel we need to start discussion in a couple of months on what we will do to deal with the structural deficit. I don't feel rushing into eliminating the position is the right approach. I'm not in favor of cutting the position today. I think we have enough money in the reserves to manage for another year.

Councilman Bolin:

I think we need cuts and revenue enhancements. I feel we are going in the wrong direction and waiting another year won't fix things. We spend more money than we take in to operate the city.

Councilman Tarlau:

Part of our deficit is because of bond payments.

Councilman Bolin:

No, it's a separate pot of money.

Councilman Updike:

For me it would be much more painful to do a 5or 6 cent tax rate all at once than to do some now and some later.

Councilman Bolin:

I'm in agreement with Councilwoman Thompson to do both.

Councilman Updike:

We could consider a 1 cent raise on real property taxes and a raise on license fees to \$235.00 and that would get us to the same place as a 2 cent raise on property taxes.

Mayor Miles:

We haven't spoken about the money for pensions which are going up and we haven't touched on negotiations.

Councilwoman Thompson:

Raising the rental fees for the apartment buildings is the cost of doing business and they will pass it on to their renters.

Commercial Resident Larry Solomon:

I suggest furloughs for the staff.

Councilwoman Thompson:

Furloughs would be more of a burden and do we cut services that people are use to having. I think a two cent increase is not to much ask for us to maintain what we have. As long as we don't go above the constant yield tax rate of .81 we don't have to do anything but if we go beyond that then we have to advertise and have a hearing.

Treasurer Vijay Manjani:

If the city maintains the same tax rate @ 0.79 that will be the same collection as it will be in 2013. The taxes will go down. In year 2013 the assessments are going down.

Straw Vote

Councilwoman Thompson:

Moves to raise the license fees to \$235.00 and raise the real property tax two cents which will make it .81 cents.

Second Councilman Bolin

No vote taken

Councilman Updike:

I want to move forward with capital improvement plan and dedication some money to that fund.

Councilwoman Thompson:

I move to increase the real property tax rate by two cents and increase residential license fees to \$235.00.

Second Councilman Bolin

No vote

Councilman Updike:

I think we should cut code enforcement and have Mount Rainier Day every other year.

Councilwoman Thompson:

I think we should cut Mount Rainier Day and tax credits to seniors.

Councilman Bolin:

Our revenues are going down and expenses are going up and we are going to need to cut and raise some things.

Councilman Updike:

Motion to cut code enforcement officer position

Second Councilman Bolin

Vote4-1 PASS

Councilman Tarlau:

Motions to approve the budget with the amendment of cutting the Code Enforcement position.

Second Councilman Updike

Vote 4-1

Treasurer Vijay Manjani:

Employee benefits and leave pay will be reduced by \$60,000.00 and code enforcement will be reduced by \$40,000.00. The total number of employees is now 37.375

Councilwoman Thompson wants to go on record to say she is oppose to the action taken by Council and wants the public to know how it affects them.

Councilman Tarlau:

I feel comfortable about the cut of the two positions.

Councilman Updike:

I was and still am in support of cutting the administrative position on the police department. It's more important to have boots on the ground and less administrative positions.

Councilwoman Thompson:

There are more programs we can cut that will total to the \$50,000.00 we need to keep staff positions. We need to cut programs as well to show we are serious about cutting fat from our budget.

Motion to adjourn into executive session.

4-0

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