

**PUBLIC HEARING
FY 2019 BUDGET
TOWN OF INDIAN HEAD
Thursday, April 12, 2018
Village Green Pavilion**

The Public Hearing commenced at 7:00 p.m. Those in attendance were:

Brandon Paulin, Mayor
Ron Sitoula, Vice Mayor
Curtis Smith, Councilman
Ryan Hicks, Town Manager
Andrea Brady, Town Clerk
Ginger Foster, Finance Director

NUMBER OF CITIZENS AND GUESTS IN ATTENDANCE: 2

The purpose of the Public Hearing was to receive feedback/comments from Town residents on the FY 2019 Budget. The budget ordinance 04-02-18 was introduced. The budget ordinance will be adopted at the May 7, 2018 Town meeting. The Town Manager gave the presentation of the FY 2019 Budget with his message and introduction of the numbers. The General Fund Revenue is \$1,408,715; the General Fund Expenditure is \$1,408,715. Property tax rate will remain the same at \$.30 per \$100 of assessed value as well as the Capital contribution fee. All utility rates/fees remain the same. Objectives include repairing and replacing aging infrastructure, including repairs to well #3 and the WWTP and to add a new well. Set fees for water, sewer and trash at levels needed to sustain and improve the level of services provided and be fiscally sound operations. Balance revenues and spending. Allocate costs among the various funds. Look into the future and prepare for major capital projects in the years ahead including WWTP, well repair, trash truck purchase, improvements to Town facilities, Pavilion, Senior Center and the Town Hall. Increase police presence in Town. Continue and expand on the Town's Community and children's activities along with Parks & Rec. Also looking to create a Youth Recreation Center in Town. Provide the citizens of the Town will well trained/educated employees including OSHA and CDL training, while expanding our use of the software system. Setting aside funds for the 100-year celebration. Online bill pay is now operational and the Town is looking to expand on the system. To summarize the budget, property tax rate remains the same and water, wastewater and trash rates remain the same. Capital contribution fee remains the same at \$9,685. Projects to begin soon include the Boardwalk on the Potomac, restrooms on the Village Green and blower replacement at the Waste Water Treatment Plant. The Town has been implementing grant funded projects with funds awarded in recent years and the Town has successfully sought additional grant funds for projects to be carried out over the next couple of years. The Town has also been upgrading public facilities, as well as infrastructure improvements as part of a movement to encourage private growth.

Town Manager Hicks opened the floor for any questions or comments. Vice Mayor Sitoula asked on behalf of Town residents what would be the lump sum for the budget since there are various categories of funds. Town Manager Hicks explained the reason for keeping enterprise and general funds separate and all money generated for water and wastewater is used strictly for water and wastewater. Finance Officer Ginger Foster said the lump sum for the budget is 3.778 million. Councilman Smith discussed that each year the Town has to transfer money from another fund to support the Pavilion and he is hoping to eventually find a way for it to be more self-sustaining. Town Manager Hicks explained that hopefully that amount will begin to lower, but there are currently small projects boosting the percentage for example the floor, painting the

walls, replacing the doors, repairing the exterior, but he doesn't feel it will ever fully cover itself. Vice Mayor Sitoula asked what are some long-term projects Mr. Hicks feels the Town's relations with the County could help with. Town Manager Hicks would like to have assistance with the Senior Center and Youth Recreation Center. Vice Mayor Sitoula discussed that historically ancient cultures centered around a source of knowledge and he feels our society needs to revolve around something to give them access to that type of knowledge such as a library. Vice Mayor Sitoula stated that with La Plata getting a library, shouldn't the Town of Indian Head be next. Town Manager Hicks explained that while he cannot speak on someone else's budget decisions, something like that could be included into the Youth Recreation Center down the road. Currently the funds and the facility are not present. As the Youth Recreation Center expands to a Family Success center perhaps it could be a satellite location for a library.

Mayor Paulin thanked Ryan for his presentation and opened the floor for public comment. Councilman Smith stated that the tax rate has not increased in about 25 years and the current rate is at .30 per \$100, how would raising it impact the Town's ability to deliver services. Town Manager Hicks explained that even a .01 increase equates to around \$35,000 which could be another employee, equipment purchases, take care of some of the ills at the Town Hall, or expand the software system when we currently do not have the funds to do so. While \$35,000 doesn't sound like a lot to some it would be a big difference to our budget. Councilman Smith asked what Town Manager Hicks would be able to do with \$35,000 towards road and sidewalk repair. Town Manager Hicks explained that \$35,000 would not do much for roads, the Town relies on HURs for that, but it would help with sidewalks. Vice Mayor Sitoula discussed his feeling that even if the Council does not raise the tax rate, the citizens will still eventually get taxed by the Town having Bonds that need to be paid back since that comes out of the tax payer's money so he feels they are still paying for the service. Town Manager Hicks said a fee can be called a tax, but the Town needing such a large bond is due to the fact that the taxes have not gone up in so many years and it is preventing the Town from keeping up. The Town has the same things to take care of that towns such as La Plata has to do, but we are falling behind because of a lack of funds since we are not raising our rates. Staff at the Town Hall alone is down 40%. It is not a sustainable situation. Town Manager Hicks explained that you have to really like your job when you could go somewhere else to do less and make more. Mr. Klaas stated that at the County budget hearing it was mentioned that Indian Head was going to change the way they collect stormwater fees and he asked if that was incorporated into this budget. Town Manager Hicks explained that it is not into the budget at this time. It will be a budget amendment because the Town is going to set the fees, the same fees the County is collecting now and using is going to be a wash, but the work will be in Indian Head. Mr. Jackson will collect it for the Town then forward it the same as taxes and the funds will be used within the Town on stormwater projects such as MS4. Vice Mayor thanked the staff for their excellent work and meeting the demands to do more, and that their service is appreciated.

With no further questions or comments, Mayor Paulin closed the Public Hearing at 7:21pm. Brandon motion to close the hearing. Curtis seconds the motion. The Public Hearing was closed and the meeting adjourned at 7:21pm.


Andrea Brady
Town Clerk

5/7/18
Date