

# University Park Newsletter

TOWN OF UNIVERSITY PARK, MARYLAND

MARCH 2009

OFFICIAL NEWSLETTER

VOL. XXXIV, NO. 3

## **TOWN MEETINGS AND SPECIAL DATES**

MAR 2 - COUNCIL WORK SESSION

MAR 4- NEWSLETTER Deadline for  
April, 12:00 NOON

MAR 8 - Daylight Savings Time begins

MAR 16 - COUNCIL MEETING

Town meetings begin at 7:30 PM at University Park Elementary School. All interested residents are encouraged to attend. Interpreting services can be provided with a request made ten days in advance. Agenda for Council Meetings is posted on the Town's website as well as on the bulletin board outside the Town Hall on the Friday before each Meeting.

## **FROM THE MAYOR**

JOHN ROGARD TABORI

As many of you are aware, there has been considerable discussion around Town about the Budget, the proposed pension plan, and property taxes. Frankly, some of the discussion has been confusing, contradictory, and, in some cases, wildly inaccurate. Given the state of the American economy and the understandable desire of a number of our

Town residents to receive property tax relief, it might be useful to begin with some basic information about the Budget, the Town's fiscal assets, and the Council's current issues.

**The Town Budget:** Most of the confusion centers around the Budget and the fiscal shape of the Town. Two of the most misrepresented myths about the Budget are that it totals nearly \$4 million dollars and has increased by more than 50% since 2004! Added to other claims, these myths imply that the Town is wildly extravagant and in fiscal danger. Not one of these claims is accurate. First, the Town's operating Budget for this fiscal year was about 2.8 million; its expenditures will be about 2.62 million. This will leave the Town with a surplus of about 138 thousand, and with reserves of about 1.35 million. Second, since FY 2004, the operating budget has grown by 23% in nominal dollars, but by only 5.9% in inflation-adjusted dollars -- inflation was 17.1% during that same period. Finally, it is well worth noting that a Budget in the range of 2.5 to 2.8 million is ideal for a town the size of University Park, which provides the amazing mix of services that our Town offers.

An internal cost review of the UP Police Department showed that its per/hour per/officer cost to maintain 24/7 coverage is among the lowest 5% in Prince George's County! During the past 2.5 years, University Park has reorganized its Public Works Department, reducing staff by one person and implementing single-stream recycling. At least

two thirds of the Budget surplus for the past two years was a result of this reorganization. Now, UP is in the process of reorganizing the Mayor's Office, which should lead to improved transparency and efficiency, financial controls, and long-term cost reductions.

**The Town Reserves:** A number of individuals have asked why UP maintains a "large" Budget reserve. Before that question is answered, you must understand how the Town both manages and uses its reserves. The "reserve funds" represent the Town's cumulative surplus; they consist of two types of funds: undesignated and designated. **The undesignated funds, currently about 650 thousand dollars,** represent a cash reserve that may be used for emergencies, and ensures that the Town does not have to borrow money to pay wages, salaries, or immediate bills (as some of our neighboring municipalities have had to do). The general recommendation is that undesignated reserves should equal about 25% of one's operating budget, which this year will come in at around 2.62 million. **The designated funds, currently about 613 thousand dollars,** represent cash reserves that are set aside for capital purchases and infrastructure repairs (which include the purchase of Town vehicles; Town street, curbs and gutters, and Park maintenance; and public tree canopy expenses). By having these reserves (i.e. planning ahead), UP has been able to reduce its expenses significantly. We have been able to purchase our assets outright; other jurisdictions have had to borrow to purchase the same items. The size and health of our Budget reserves also has allowed us to maintain a AAA m-bond rating, which has lowered our borrowing costs considerably, when we have had to go that route. The availability of Town Reserves will make it possible for us to contemplate the next few possibly-very-tumultuous years with some sense of composure and to be able to manage any Budget problems associated with potential tax revenue losses.

**The Town Revenues:** University Park receives revenues from four sources: real property taxes, state income taxes, revenue "sharing," and miscellaneous taxes and fees. Of these, **the real estate taxes are the most important.** Currently, they account for about 78% of the Town's revenue (FY 2009). The primary reason for the importance of the real estate taxes in our Budget is because University Park is a residential community; it levies no commercial property or sales taxes. For a number of years now, the Town has taxed real property at 60 cents for every 100 dollars of assessed value. Because this is a fixed rate (similar to a sales tax), as the value of your property goes up, the absolute level of your taxes increases. However, as a consequence of the "Homestead" exemption, with some exceptions, your property taxes should not increase by more than 10 percent/per year, as long as your home remains your prime residence.

Real property assessments occur in three-year cycles. University Park is in the last year of the cycle and your Town property taxes will increase if the tax rate is not lowered. Before you rush to your phone or get on the Internet, **please know that we intend to lower the tax rate to the so-called constant yield level, which will assure that, at a minimum, your Town real estate taxes do not increase.** A change in the Town's real property rate will not affect your County or State taxes, which may rise. It is worth noting that, currently, about one third of the municipalities in Prince George's County levy a property tax rate higher than we do. If UP drops its tax rate to the constant yield level, which the Council is contemplating, we will fall to the middle of the scale.

**The Pension Plan:** As many of you are aware, the Town has been investigating the possibility of joining the Maryland State Plan to provide our employees with a defined-benefit pension plan. This plan would replace our current 401(k) plan. The operating costs

of the State plan would be almost the same as the current 401(k) plan, but would offer greater benefits to our employees and reduce the risk of exposing them to the ups-and-downs of Wall Street. The difficult issues that must be addressed in considering the State Plan are (1) the cost of funding the back contributions for the employees' prior years of service, which could be as much as 1.7 million if we fund them at the 100% level, and (2) the risks associated with possible increases in our contributions.

While there are a number of risks, assumptions, and cost items that must be weighed before a decision is made to join the State plan, it must be understood that a defined-benefit pension plan and a 401(k) plan are not comparable, except at a macro level. The financial risks to an employee with a 401(k) plan are far higher than to one with a defined-benefit plan. Also, death and disability benefits are lower or non-existent. Only if the Town doesn't factor in the additional costs associated with purchasing a comparable disability and death-benefit plan could the defined-benefit plan be considered riskier for the Town.

The annual percentage contribution that UP would need to make may vary as much as 2% from year to year. However, if the Town decided to purchase an equivalent disability and death-benefit package on top of the current 401(k), the expense might significantly exceed any costs of the state-defined benefit plan. When Town staff retire or leave for other jobs... without an improved pension plan, it will be very difficult to recruit and retain high quality personnel. The Police Department already has encountered this difficulty and, during the next few years, it's expected to become a significant problem for the Public Works Department also (as a majority of the PWD staff approach retirement age).

Building a 1.7-million-dollar cost into the Budget (to fund back contributions at the 100% level) will be a major problem. If the Town is to avoid placing a special levy on its

residents -- an unforgivable bit of idiocy at this time -- it would need to float a bond or obtain a loan. Interest rates are very low at this time, so it would be a good time to borrow money, either directly or through a bond. However, **in order to justify the initial costs and annual expenditure associated with a loan or bond, it is important to show that over the life of the loan or bond, sufficient long-term savings would be gained from switching to a defined-benefit plan. This will be the most difficult part of the analysis, and one that everyone should review and assess.**

All of the above factors will be weighed carefully and presented at the **February 23rd Town Meeting** as well as at the **March 2nd Meeting**. The full analysis of the MD State Pension Plan, including costs and benefits to Town employees and residents, will be available on the Town web site in the form of a \*.pdf file; likewise, the \*.pdf file also will be available on a diskette, CD-ROM disk, or on paper, although for reasons of expense, the Town would prefer to avoid the latter.

*"Here's hoping that everyone is looking forward to the first signs of spring."*



**FROM THE CHIEF**  
MICHAEL WYNNYK

**CRIME:** With the economic downturn, increased home foreclosures, unemployment on the rise, financial uncertainty, business closings, and development stagnating, some individuals in our society have taken the drastic step of resorting to criminal behavior. Criminals still represent a minute percentage of our population, yet are responsible for the majority of crimes committed. And once someone is a part of the criminal justice system, recidivism rates indicate that these individuals have a difficult time leaving a lifestyle of crime behind. The good news is that we, as individuals and collectively as a community, easily can take a few steps to protect ourselves and our property:

♣ **Be aware of your surroundings.** This includes your home. How many of you know the neighbor on each side and to the rear of your home, regardless whether the neighbor is a short-term rental or a long-time resident?

♣ **Stay alert** when walking, biking, jogging, or doing any outdoor activity, especially if you are doing it alone. Remember, headphones can be a great distraction, and criminals know that all too well.

♣ **Always lock your car doors** and do not leave keys or other valuables inside your vehicle. "Thefts From Auto" have become increasingly popular, not only in UP but also in all our surrounding jurisdictions.

The University of Maryland recently sent out the following information to the students returning from their winter break:

*"Thefts from Parked Vehicles: This has been a nationwide trend and is not solely a campus problem. Please remember that motor vehicles are vulnerable, anywhere, when left parked and unattended. Electronic equipment or other items left in plain sight inside the vehicle make your car a more attractive target for theft. GPS devices usually are mounted in the front window and are clearly visible to opportunistic thieves. Merely the ring left on the windshield by a GPS mount could trigger a break-in of your car. Motor vehicle windows are easily broken and these smash-and-grab-thefts only take a few seconds to complete. All loose items in your vehicle should be secured out of sight or removed from the vehicle. Make yourself less likely to be a victim of crime: secure or hide all loose items in the trunk, lock your doors, leave your windows tightly closed, and report all suspicious persons or activities." Well stated!*

During the past three years, the UPPD has provided over 200 steering wheel clubs to Town residents for auto theft prevention. As I drive around Town each day, I see very few being used. They do work, but not in a trunk. They also act as a visual deterrent by sending a message to the thief walking by, that this car owner has taken extra safety precautions.

University Park is a safe place, but complacency in locking doors or using clubs or putting away bicycles and other valuables provides an opportunity that thieves find too easy to resist. **Vigilance is the enemy of the criminal.**

Crime prevention must be everyone's business. If you know who is committing the thefts in UP, please report it to the Police Department; your name always will be kept confidential. Residents, please familiarize yourself with your neighbors so you easily can recognize a stranger in your area and report it. As you travel through Town, take an interest in noticing the unusual and report any suspicious activity to the UPPD as soon as possible. **Preventing crime takes the cooperation of everyone of the community, and the result is an improvement in the quality of life for the whole Town and all its residents.** Together we can keep our Town safe.

**THE UPPD E-LIST:** This e-mail service gives residents crime alerts for incidents soon after they happen. To be added to the E-List, please provide the UPPD with your name, address, address, and a contact phone number. After doing so (by mail, e-mail, or telephone), you will be added to the UPPD E-List.

**CLUBS:** A limited number of steering wheel clubs have become available for **FREE** from the Auto Theft Prevention Council. Help deter your vehicle's theft by contacting the UPPD to get one, while they last.

**REGISTRY OF SEXUAL OFFENDERS:** There are registered sexual offenders in our zip code. The State of Maryland has a free sexual offender notification service for any resident; call 1-866-559-8017 to be put on the call list or go online at the following website: <http://www.dpscs.state.md.us/onlineservs/sor/>.

UPPD, 6724 Baltimore Ave., UP, 20782 (301-277-0050 or cell: 240-375-1077; or call the P.G. County Dispatch: 301-333-4000 and ask for a UP officer to respond). For Chief Mike Wynnyk, contact [upchief@upmd.org](mailto:upchief@upmd.org) or 301-277-0051. **ALL EMERGENCIES: dial 911.**

**CRIME STATISTICS (Jan 1st to Jan 31st)**

DATE	CRIME	BLOCK/STREET
Jan 1-2	Theft	4400 E-W Hwy
Jan 4th	Theft	4400 Tuckrnm
Jan 4th	Theft from Auto	4300 Underwd
Jan 5th	B & E	6600 QC Road
Jan 12th	Rcvd Stolen Auto	3900 VanBuren
Jan 18th	Rcvd Stolen Auto	6700 40th Ave
Jan21-22	Theft from Auto	6400 QC Road
Jan21-22	Theft from Auto	4300 Clagett
Jan21-22	Theft from Auto	6700 41st Ave
Jan22nd	Theft from Auto	4100 Underwd
Jan 23rd	Robbery	6900 Balt Ave

**Theft** – Between 10 AM on the 1st and 10 AM on the 2nd, suspect/s stole a ten-foot section of copper downspout from the S-W corner of the residence. Also stole 2 sections of aluminum downspout, but discarded them at the edge of the driveway. No suspect/s were located. The investigation is ongoing.

**Theft** – Between 3:30-4 PM, the pastor advised that someone **had entered the church**, stolen money from the collection bin, and a purse containing assorted credit cards that had been in the immediate area of the collection bin. No suspect/s were located. The investigation is ongoing.

**Theft From Auto** - At 4:35 AM, the UP Police Officer on duty noticed the front passenger side window of a 2008 Honda Pilot had been shattered. The vehicle owner was notified and it was determined that a First Aid kit (resembling a briefcase) was the only item stolen. No suspect/s were located. The investigation is ongoing.

**Breaking and Entering** - Between 9 AM and 4:30 PM, upon arriving home from work and opening the front door, the homeowner noticed the living area was in disarray and the television was missing. The UPPD was contacted and the home was searched for possible suspects. After checking the home thoroughly, it was determined to be safe. Further investigation revealed that suspect/s broke a rear basement door to gain entry into the home. The residence was ransacked and the only property determined to be stolen at

this time was a "Sony" flat panel television. The UPPD dusted the scene for fingerprints, searched the area for suspect/s and witnesses and notified local jurisdictions of the incident. The investigation is ongoing.

**Recovered Stolen Auto** - At 1:10 PM, a 2004 Infiniti Q35 was checked for a parking violation and found to have been reported stolen in Montgomery County on January 8th. The ignition was not damaged and forced entry was not evident. The owner was notified. No suspect/s were located. The investigation is ongoing.

**Recovered Stolen Auto** - At 5:45 AM, a 1995 Honda Accord was found to have struck the drivers side of a parked and unattended UP Police vehicle. The owners of the Honda were contacted and said that they were not aware the vehicle was missing from their Hyattsville address. The vehicle was returned to its owner and the Hyattsville City PD wrote a stolen auto report. No suspect/s were located. The investigation is ongoing.

**Theft From Auto** –Between 7 PM and 7 AM, suspect/s pried open the driver's side window of a 2001 Dodge Caravan and stole approximately \$3.00 in change. No suspects were located. An investigation is ongoing.

**Theft From Auto** –Between 8 AM and 7 AM, suspect/s entered an **unlocked** 2007 Mini Cooper and stole an MP3 player. No suspects were located. An investigation is ongoing.

**Theft From Auto** –Between 8 AM on the 21st and 1 PM on the 22nd, suspect/s forced open the driver's side window of a 1997 Dodge Caravan and stole approximately \$2.00 in change. No suspects were located. An investigation is ongoing.

**Theft From Auto** – Between 1-6:30 AM, suspect/s forced open the driver's side window of a 1999 Honda Civic and stole an aftermarket JVC /AM/FM DVD player and the center dash section containing the heater controls. No suspects were located. An investigation is ongoing.

**Robbery** - At 1:10 AM (in the alley known as the Mews), two University of Maryland male students were walking home, south-

bound on Route 1 from College Park. A white SUV-type vehicle approached and asked one of the victims if he had any weed. Two adult male suspects were in the vehicle and one of them pointed a dark-colored handgun at the victims and told them to "get in." One of the suspects entered the vehicle and the other ran away. The suspect demanded the victims' property. The victim gave them his wallet and a cell phone, then exited the vehicle. The suspects left the area in an unknown direction. The UPPD and other area jurisdictions responded and searched the area. Suspects were not located. Prince George's County Police Robbery Suppression Unit is conducting a follow-up investigation. No suspects were located; investigation is ongoing.

Anyone with information concerning these or any crimes committed in University Park should contact the UPPD immediately; all information will be kept strictly confidential.

♣ **PLEASE:** Remember to keep all your serial numbers, and to ID all your valuable property.



### **ATTENTION ALL DOG OWNERS**

Do you or does one of your neighbors own a fairly-large black and brown German shepherd type dog and/or a light brown older spaniel type dog about the same size with long-haired wavy fur? **These two dogs were roaming loose together** on Saturday, January 24th. On that day, a Forest Hill Drive resident and her husband were taking their daily walk for exercise in the area of the 6900 block of 40th Avenue. At about 1:30 PM, **the younger black-and-brown dog approached them and bit the woman in the thigh, tearing her clothing and chaffing her skin!**

It is a blessing that this unfortunate situation happened to an adult who was able to keep calm and had a partner to help her.

Imagine what might have happened had it been a child walking alone who might have tried to run or who had fallen down or cried, any of which might have caused the dog to react even more offensively. As it was, the incident left a law-abiding Town resident angry about the time she had to take to be examined by a physician and about the loss of clothing she just recently purchased. On that same weekend, **a resident reported a different very large dog with dark fur running loose in the Tennyson Road and 40th Avenue area.**

**To the owner/s of these dogs:** If they escaped accidentally, you MUST be more vigilant about keeping your dogs under control in the future. If you think it's just easier to let them run about and do their business rather walk them to a public area, pick up and bag their waste, and dispose of it in your own trash, then not only are you giving all dog owners a bad reputation, but you are breaking the law and quite possibly putting your neighbors at risk!

**To those dog owners in Town who choose to allow their pets to walk through Town unleashed beside them** (because they are old, or well-trained, or wouldn't hurt a flea, etc.): You too are breaking the law and are a thoughtless neighbor. Besides the fact that no dog can be guaranteed as predictable as a dog owner might wish, there are many adults and children in Town who experience varying degrees of discomfort around dogs, leashed or not. **For a dog owner to walk around Town with an unleashed dog, or worse, to allow the pet to roam loose, is inexcusable, thoughtless, and illegal.** If the loose dogs mentioned here are your dogs or if there is a resident who might be able to help identify these dogs, please contact the UPPD as soon as possible; all information will be kept strictly confidential.

♣ HALF OF LIFE IS IF ♣

## ITEMS TO NOTE

♣ **PLEASE REMEMBER!** In University Park (and according to Prince George's County law), **all dogs and cats must be "on leash"** when away from their owner's property. Also, dog walkers of all ages (kids to seniors) are required to **bag their pup's droppings**. These bags should be disposed of only in the pet owners' trash receptacles after they have returned home.

♣ **PERMIT PROCEDURE REMINDER:** It is standard operating procedure for all UP residents planning to initiate **ANY** construction projects on their property to check first with the Town Hall to determine whether a Town permit is necessary. And remember; without exception, **Town building permit applications and stamped County plans MUST be received in the Town Hall no later than 10 days before a Council meeting**. This allows time for your Ward CM to inspect the project.

♣ **NOTICE TO UP LANDLORDS:** A rental license must be obtained by anyone intending to rent or lease any residence in University Park. Owners who reside in their house and rent to no more than one other person are exempt from this requirement. The rental license cost is \$250.00 per year. Rental license fees are used to pay for an annual inspection program for every licensed rental property in the Town. If you have questions about this law, please call the Town Office (301-927-4262).

♣ **HELP STOP CRIME:** Get your blue and white "UP" car sticker/s FREE at the Town Hall. All Town residents are asked to display one of these "UP" stickers on the driver's side of either their car's back bumper or low on the back window. These stickers are important to our Neighborhood Watch program. **They enable our Town police officers and other residents to recognize a UP vehicle immediately**. Town Hall hours are from 9 AM until 5 PM, Monday-Friday.

♣ **YARD WASTE:** As of September 8, 2008, **Monday** is the day designated for all yard waste collection in UP. Since yard waste is composted rather than taken to the landfill, it is important to **keep it free of trash, rocks, and other debris** that might damage the machinery. **NOTE: Bamboo, vines, and ivy are considered trash** and should be put out with your Tuesday/Friday trash collection. To keep our Town looking beautiful, **put yard waste out only the evening before collection**.

♣ The **TOWN FIELD HOT LINE** is in service. Interested individuals may call **301-927-4262x600** to hear Field status updates.

♣ A **TOWN BUS HOT LINE** is now available. Interested individuals may call **301-927-4262x601** for general Town Bus info.

♣ **BULK TRASH:** Visit [www.upmd.org](http://www.upmd.org) and click on "*Town Info*" and "*Contact Us*" to arrange for your Tuesday or Friday pick-up. Please wait to put items at the curb until your designated day. **NOTE:** A \$20 fee is assessed on each item that contains Freon, i.e. refrigerators, air conditioners, freezers...

♣ **BLUE RECYCLING TOTE (Thursdays):** The bright blue wheeled tote for single-stream recycling is used to collect all types of mixed paper (telephone books, magazines, boxes, envelopes, aseptic milk/juice cartons, newspapers, etc.), some metal (aerosol cans, aluminum foil, and food/beverage containers of aluminum-bimetal-ferrous/iron-steel), most plastics (grocery bags, bubble wrap, shrink wrap & stretch film (collected in one bag), drinking glasses/cups & dinnerware, narrow-neck containers #1-7, all wide-mouth containers, flower pots, and Rx containers), all glass, and all hangers. Recycling should be ready for **COLLECTION EACH THURSDAY at 7 AM** in the same manner and place as your trash cart. **NOTE: Rinse** all food & beverage containers.

We can **NOT** recycle: Light bulbs, broken glass, windowpanes or mirrors, any auto parts, motor oil or antifreeze containers,

hazardous waste products or medical waste items, or any (hard or soft) **STYROFOAM**.

♣ **TRASH AND RECYCLING TOTERS:**

Remember not to put out these items earlier than the night before your scheduled Tuesday/Friday and Thursday pick-up days. Likewise, it is the responsibility of each resident to return these items from the curb on the same day following the pick-up time.

If stored outside, toters must be placed out of view from the street at the side or back of one's home. If the most convenient place to locate your toters is a visible one, consider installing an attractive wooden surround, barrier wall, or lattice with plants or vines to block its view.

To dispose of your unwanted blue or yellow bins, please mark them with a large black "X" and set them out "empty" beside your recycling tote to be collected on any Thursday Recycling Day.



**UP BUS SERVICE & METRO SHUTTLE**

Free door-to-door wheelchair-accessible bus service is available for Town senior citizens and handicapped residents who would like transportation to doctors' appointments, shopping, banking, Library or Community Center visits, club meetings, or to visit a neighbor across Town. Reserve your pick-up and return times on week days between 10 AM and 1:30 PM. Small Town groups also may use the bus for occasional excursions. **NOTE:** Please try to make bus reservations one week in advance so the driver's schedule may be arranged accordingly. Remember, destinations should be within about 5 miles of University Park.

Each Tuesday at 10 AM, the Town Bus makes a trip to the Giant grocery store on East-West Highway across from the Plaza. Senior or handicapped residents interested in

this **FREE door-to-door service** simply need to notify the Town Hall (301-927-4262) by Monday, the day before you wish to shop.

A UP Metro shuttle service runs on the half hour each weekday morning and afternoon from numerous stops in Town to and from the PG Plaza Metro Station. There are seven morning runs from 6-9 AM & eight afternoon runs from 4:05-7:35 PM. A map with the stops is available at the Town Hall.

**HAVE A "BALL" RECYCLING!**

If you have not begun to use those colorful reusable handled bags (available at Moms, Giant, & Safeway for 99¢, and SFW for 89¢), you need to recycle a LOT of plastic bags.

Collect ALL types and sizes of PLASTIC BAGS, plus bubble/shrink wrap, stretch film, etc. in one plastic bag until it becomes VERY full but the handles still can be knotted together to form a big plastic ball. Single-stream ONLY accepts plastic bags etc. recycled collectively in bag balls.



➔ **IMPORTANT REMINDER** ←

Be **SURE** to mark "University Park" on your Maryland income tax forms. Your Town services such as sanitation and police are paid for partly by a share of our State taxes. The State only provides us with this share, however, if University Park (and not Hyattsville) is designated as your residence.

## NOTICE OF ELECTION

An Election  
for the  
Town of University Park

For the Office of

**Council Member**

for

**Wards Two, Four, Five, and Six**

will be conducted on

**TUESDAY, MAY 5, 2009**

8:00 AM to 8:00 PM at  
Riverdale Presbyterian Church  
6513 Queens Chapel Road

**DEADLINE**

**TO FILE AS A CANDIDATE**

or

**TO REGISTER AS A NEW VOTER**

is

**Monday, April 6, 2009**

NOTE: Residents wishing to vote in the upcoming election must be:  
(1) a citizen of the United States,  
(2) eighteen years of age or older on the date of the election, and  
(3) a resident of University Park.

TO REGISTER: Please contact the UP Town Hall at 301-927-4262

CANDIDATES: Contact the Town Hall for candidate packet .



*[Ed. NOTE: "Highlights" of the minutes from monthly UP Council Meetings and Work Sessions are not complete official records. Residents always are welcome to review the complete Council minutes after they are typed and returned to the Town Hall. Please call 301-927-4262 for more information.]*

## **HIGHLIGHTS OF THE JANUARY 5th COUNCIL WORK SESSION**

Present were Mayor Tabori; all Council Members (CMs); and Chief Wynnyk.

Mayor Tabori reported that: (1) Letters were sent to residents of Clagett Road and Clagett-Pineway re the street-name confusion experienced by the fire department. Town Hall is researching the process for street renumbering and name changes. (2) Mayor Tabori thanked all Town residents for their generous contributions to the Town Employees' Holiday Funds. (3) Re the Town clock: There has been no further contact from the private group initially interested in sponsoring the clock. CM Dudinsky is in contact with the school system, which has agreed in principle to install it. (UP would donate the clock to the school system provided the clock remained in UP. UPES would install it and handle the electricity and maintenance.) (4) Re the authority to sign Town checks: After discussion with the Town's Auditors, the Mayor's understanding was that the Town had been following good practices in managing check-signing authority, but had not established a written policy codifying those practices. After researching many surrounding municipalities, he found only one which had a check-signing policy in either its ordinances or charter. Usually, procedures are documented in written policy that's approved by the municipality's Council. *[Ed. NOTE: Mayor Tabori will present a policy proposal, by the end of the fiscal year, to be adopted by the Council.]* The Mayor added that purchase orders only are signed by the Public Works Director or the Mayor, never by the Town Treasurer. Having two people available to sign a purchase order effectively prevents one person having to handle both ends of a financial transaction. He also informed the Council that he had been very specific in requesting further information from the Town auditors on this topic. (5) Re CM Dudinsky's request to change the Town zip code from 20782 to the Riverdale Park zip code (20737), the Mayor will meet with him to discuss the idea further.

A Consent Agenda item was approved unanimously to **replace a section of concrete driveway at 4201 Tuckerman Street.**

**Re discussion of Town employees pension plan:** The Mayor and CMs discussed the actuarial valuation of the MD State Retirement Plan (MSRP). A letter from Cherion contained preliminary valuation information with 100%, 50%, and 33% recognition of past service for all participants. The letter provided cost figures based on data provided by the Town for its current 25 employees. *[Ed.NOTE: These details may be viewed online on page 4 of the January 5th minutes.]*

The Mayor's two main reasons for changing from the current 401(k) plan with an employer match were (1) There would be a **defined retirement benefit for the employees** instead of the random fluctuations currently experienced; and (2) If the (MSRP) is funded at the 100% service level, **the Town would not have to request a resolution from the MD State Legislature** (though at less than 100%, it would). The Mayor explained that the 50% and 33% levels were not being considered because of the need for legislative action. Due to the timing of UP's Budget cycle, there wouldn't be time to seek legislative action before the Budget must be approved. However, the Mayor added that he will present the budget implications for funding at 0%, 33%, and 50% at the next Council Meeting; but for 2009, May 15th remains the key date for whether or not to participate. It also was mentioned that the Town's 401(k) matching percentage had risen over the years from an initial 3% of salary with a 1% match to the current 4% of salary with a 3% match. **The Mayor concluded by saying he would present the FY 2009 Budget in March to meet the timelines in the Cherion letter and would include an analysis of the impact of the pension proposal.** He added that he was not planning on expending funds for the analysis, but would use Town staff to support it. If this proved inadequate, he would request an approval for funds from the Council in order to hire a financial consultant.

A Motion was passed (with McPherson, DeSaussure, and Winton opposed) to **proceed to analyze the budget implications of the Alternate Contributory Pension System (ACPS) at the 100% valuation level and make a decision on whether or not to proceed by May 15, 2009.**

A Motion was passed unanimously to **approve an application for a 6-month on-street, parking waiver for up to three vehicles at 4018 Beechwood Road.** The meeting adjourned at 10 PM.



## **HIGHLIGHTS OF THE JANUARY 26th COUNCIL MEETING**

Present were Mayor Tabori; Council Members (CMS) DeSaussure, Dudinsky, Lucas, Mallino, McPherson, and Winton; Treasurer Baden, Chief Wynnyk, Attorney Ferguson, and Director Beall; and Guest Sherlynn Matesky, Legislative Administrator for the Maryland State Retirement Agency.

**Ms. Matesky** addressed the Mayor, Council, Town employees, and Town residents to describe the details of the MD State Retirement Plan (MSRP). The current 401(k) is a defined contribution plan; MSRP is a lifetime defined benefits plan that allows benefits to be paid out in six ways, and retirees to designate a beneficiary. Ninety percent of Maryland municipalities have opted into the plan.

Responding to questions, Ms. Matesky replied that (1) employees could continue their 401(k) plans, without the municipal matching; (2) it is not easy to opt out of the plan and the Town would be in it for the long haul...10, 20, 25 or more years; (3) the Town could choose not to join the plan; and (4) most Towns opt in at the 100% level.

She said most MSRP members have a mandatory contribution of 5% of their pre-tax

salary, and retirement eligibility is after 30 years of service at any age, or after 5 years of service at age 62. All benefits are monthly and calculated as: 1.2% (of the average of one's 3 highest years of salary) for years of service to 1998 plus 1.8% (of the average of one's 3 highest years of salary) for years of service after 1998. Also, once one is retired one full year from July, a cost of living adjustment (up to 3% compounded) is added to the retirement benefit. MSRP offers this coverage in addition to a death benefit (of one year's salary, plus any employee contributions to the Plan, plus interest earned on the employee's contributions at a 5% interest rate).

Ms. Matesky commented that currently UP does not offer short or long term disability. MSRP offers accidental or ordinary disability for job duties, for life. Accidental is 66% of one's salary; ordinary is calculated as if the employee were 62 years old, then according to the retirements benefit formula. ***[Ed.NOTE: Please consult pages 2 and 3 in the January 26th minutes online for even more details about the MSRP Plan.]***

There was some concern about UP having to raise taxes to account for the increase in the contribution rate (MSRP current rate is 7.56% base salary; the Town's rate under the 401(k) is 7%). There was discussion about how municipalities have funded the one-time buy-in for employee years of service. *Treasurer Baden noted that when the City of District Heights opted in at the 100% level, they chose to take a commercial bank loan and pay it off over a shorter time frame than the 25 years at 7.75% offered by the State.* CM Lucas spoke from his 32 years of experience with the Steamfitters' Union's retirement plan. A study conducted in 2005 found that out of 2,500 people, only 7 had made a profit under the 401(k) plan.

**Under public comment:** (1) A Ward 4 resident ascertained that the MSRP would be in lieu of the existing 401(k) plan, and that, effectively, the \$1.7 million to buy the back years of service would be a lump compensa-

tion (since employees would retain any monies in their 401(k) plans). He then stated that **with the current tough financial times, the additional lump sum would be difficult to accept.** (2) A Ward 5 resident was concerned that the **Town was reaching for an additional benefit just when residents were having trouble paying property taxes.** The Mayor discussed the trade-offs between salaries for employees who tended to stay employed longer at higher salaries, when retirement benefits were low -- versus employees who retire sooner and open the opportunity to hire newer employees at lower salaries. (3) Recently, CM Lucas had attended a UM zoning meeting. An MNCPPC attorney had noted that applicants must have the support and backing of their County Council representative to succeed with their application. He also had called Eric Olson's office and the MD Department of Environmental Resources to ask about parking in an R55 zone.

**Mayor Tabori requested** the Council agree to holding the February 2nd Council Work Session as a legislative Council Meeting (in addition to the normal Council Meeting on February 23rd). Council agreed.

**Mayor Tabori reported** (1) that **Route 1** now is high on the priority list for State Highway Administration repair funding (for the section between Albion Road and East-West Highway) -- a consequence of the new national administration's stimulus package. Also, in the near future, WSSC will come before Council to modify their pipeline replacement permit to include repairs along Route 1. (2) Mayor Tabori discussed the **Budget schedule**, located on the back cover of this NEWS-LETTER. He said the draft Budget would be presented to Council on March 16th. The "rate hearing" announcement must be published 7-21 days before the hearing. The proposed schedule would satisfy all legal requirements for the budget and rate hearings. May 15th would be the dead-line for Council to take an up-or-down vote on the Budget, and the May 4th Council Meeting was the last one planned before May 15th.

The Mayor and Council discussed how and when to have a public meeting on the implications of changing the Town's pension plan. CM DeSaussure proposed March 2nd for a public forum to discuss the pension plan. CM McPherson was concerned that with the pension issue carrying such a large financial implication for the Town, Ms. Matesky's presentation was oriented more to Town employee benefits than to a discussion of the financial risks to the Town; it did not fully address Council's questions and concerns.

The Mayor and Council agreed that a discussion of the pension proposal would be a dedicated agenda item for the March 2nd Work Session. It was agreed that both optimistic and pessimistic implications of the pension costs should be discussed thoroughly before any resolutions were reached.

The Mayor reported that he met with Treasurer Baden, Director Beall, and Town Auditor Jim Lindsey to correct the weakness identified in the auditing letter. The Mayor's Executive Order, in combo with current Town check-handling practices and financial statements, would resolve the weakness once it was enshrined in a Council-approved accounting manual.

A Consent Agenda item was approved unanimously to replace an existing 4-foot fence at 6507 Queens Chapel Road.

**Legislative Resolution 08-06** (to designate the position of Town Clerk/Treasurer as two separate offices) was approved unanimously. *(Second Reading)*

**Legislative Resolution 09-O-01** (to increase violation fines to \$50.00 for failure to obey parking, traffic, and speed limits) was approved unanimously for introduction.

Two motions for permit applications were approved unanimously for (1) construction of a 27.3'x12' 1½-story rear addition at 4406 Sheridan Street. *(There will be a brick foundation; the exterior siding will match the*

*home's existing materials; and the addition would provide a kitchenette and a child's playroom.)* and (2) construction of a 5'x5'x12' portico (side porch with roof) at 4216 Underwood Street. *(Because of it's convenience to the driveway, a side door is used most often to enter the home. But with 3 steps to the side door and no platform to stand on, opening the storm and solid doors presents a safety issue. The proposed addition would solve these problems and the roof would offer protection from the weather.)*

Two **budget transfer motions** were approved (with CM Mallino opposed to both) to (1) transfer \$8,000 from Bridge Replacement line item to Recycling Cost line item, and (2) transfer \$15,000 from Landfill line item to Public Works Vehicle Maintenance line item. *(1st Reading)* The meeting adjourned at 10 PM.



## LEGISLATION INTRODUCED

On January 26, 2009, Legislative Resolution 09-O-01 was introduced. This Ordinance would increase the fines to \$50.00 for violation of various sections in Articles 1 and 2 of Chapter 9 including **parking and storage of vehicles, noise limitations, traffic signs and speed limits.** The meeting set for March 16, 2009 is the first meeting at which the ordinance could be adopted.



## COMMUNITY WISH LIST

♣ **Attention Ward 6!** CM Peggy Winton ([ward6@upmd.org](mailto:ward6@upmd.org) or 301-699-1610) reminds all Ward 6 residents that she would be delighted to give prospective Council Members the straight scoop on the position's responsibilities. She also would enjoy mentoring the new Council Member through the first few months of his/her beginning term.