

*WORK SESSION OF THE GREENBELT CITY COUNCIL held Wednesday, January 19, 2011, for the purpose of a City Manager update and pre-Budget briefing.*

*Mayor Davis started the meeting at 8:00 p.m. It was held in the Multi-Purpose Room of the Greenbelt Community Center.*

*PRESENT WERE: Councilmembers Konrad E. Herling, Emmett V. Jordan, Silke I. Pope, Edward V.J. Putens, Rodney M. Roberts and Mayor Judith F. Davis. Council Member Leta M. Mach arrived later in the meeting.*

*STAFF PRESENT WERE: Michael P. McLaughlin, City Manager; Jeff Williams, City Treasurer and David E. Moran, Assistant City Manager.*

*ALSO PRESENT WERE: Thomas White, News Review*

#### *Pre-Budget Briefing*

*Mr. McLaughlin reported on the December financial update. He indicated that revenues were slightly below historical averages. He anticipated ending FY 2011 with a 2% gap in revenues. He indicated that so far there were no big ticket abatements. Mr. McLaughlin reported that hotel/motel taxes were a bit higher than budgeted.*

*Mr. McLaughlin stated that the City was on target with FY 2011 expenditures, but reported that due to a mistake during budget preparation the deferred compensation line item was short by \$180,000. Mayor Davis and Mr. Putens expressed concern about this mistake. Mr. McLaughlin reported on Workers Compensation Insurance cost increases due to several serious accidents. Council asked for a report on accidents.*

*Next, Council reviewed revenue projections for FY 2012. Mr. McLaughlin noted that abatements had been cut in half for FY 2012. He noted that the total revenue for FY 2012 was projected to be \$300,000 higher than the FY 2011 budget.*

*Mr. Jordan asked about the Corporate Personal Property Tax line and how staff arrived at the estimate. Mr. Williams responded that he looked at the largest taxpayers for FY 2010 and factored in the FY 2011 reductions so far.*

*Mr. McLaughlin summarized the Budget Update memo. He asked for guidance from Council on the FY 2012 budget.*

*Mr. Putens asked if the City could offer buyouts and then freeze positions for two years. Mr. Roberts believed that buyouts would not work that well for the City. Ms. Pope suggested that City look at increasing the rental licensing fee. Mr. Herling suggested the City look at restructuring departments. He suggested just one assistant director in Recreation. He also wanted to look at ways to raise revenue.*

*Mr. Jordan asked about the timing of refinancing the City's debt. Mr. McLaughlin agreed that*

*refinancing needed to occur soon to take advantage of lower interest rates. Mr. Roberts responded that financing the Public Works facility debt required voter approval so this would put it past November. He favored paying down the City's debt and adopting a pay-as-you-go strategy. Ms. Pope did not favor adding nine additional years to the City's debt. Mr. Putens suggested an economic development approach utilizing the Four-Cities Coalition.*

*Mr. McLaughlin reviewed the questions outlined in the Budget Update memo and requested Council's guidance. Under the tax rate question, Mayor Davis, Mr. Putens, Ms. Mach, Mr. Roberts, Ms. Pope, Mr. Jordan did not want to see a tax increase. Mr. Herling believed it was key to maintain City services. He favored raising non-property tax revenues.*

*Council expressed willingness to look at the Health Insurance contributions and possibly reducing the contribution from 85% to 80%. Council did not favor furloughs or layoffs.*

*Council was not in favor of deferring the theater project. Mr. Putens expressed concern about the operating agreement for the theater.*

*Under program reductions, Mayor Davis suggested the City look at Recreation and possibly cut camps.*

*There was discussion about Capital Projects funding. Ms. Mach suggested citizen volunteers to do landscaping and flower maintenance.*

*Mayor Davis suggested that Council needed an opportunity to provide Mr. McLaughlin with suggestions for management objectives. Mr. Jordan expressed concern that Council had not held a strategic planning session. Mayor Davis requested a Saturday work session be scheduled to discuss these items.*

#### *Management Objectives*

*Mr. McLaughlin reviewed the management objectives with Council. Council commented on a few items.*

*Mr. McLaughlin updated Council on the Greenbelt Lake Dam project.*

*The meeting ended at 11:06 p.m.*

*Respectfully submitted,*

*David E. Moran  
Assistant City Manager*