

**Town Council of Centreville**  
**Budget Work Session**  
**March 21,2024**  
**5:30 p.m.**  
**MINUTES**

The March 21, 2024 Town Council budget work session was called to order at 5:30 p.m. by Vice President Eric B. Johnson, Jr. at the Liberty Building, 107 N. Liberty Street, 2<sup>nd</sup> floor meeting room. The following members and staff were present: Eric B. Johnson, Jr., President; Daniel B. Worth, Jim A. Beauchamp, and Jeffrey D. Kiel, Members; Carolyn Brinkley, Town Manager; Karen Luffman, Finance Officer; Chief Robert Hobbs, Centreville Police Department; Gary Phillips, Acting Director of Public Works; Krystal Ebaugh, Human Resources Manager; Ashley Russ, Finance Specialist; Jacki Payne, Administrative Assistant; and Gaye Adams, Town Clerk.

Citizens Forum

No citizens were present to offer comments.

Ms. Luffman presented the Operating and Capital Budgets and reported in the FY2025 budget, there is a transfer to fund balance in the General Fund of \$118,282. The transfer of fund balance in the Enterprise Fund is \$37,963. These two funds are inclusive of the Capital projects requested. Mr. Beachamp clarified that at the April 4<sup>th</sup> meeting, there will be a discussion of the Town's fund balance, where it stands, and how it has evolved. Ms. Luffman agreed.

Ms. Luffman then presented the Operating Budgets. Mr. Beachamp pointed out significant increases in the Licenses and Permits line 4430. This revenue is generated from the State of MD to the Town of Centreville. Ms. Luffman stated that the activity listed is for one quarter therefore the revenue could be much higher. No breakdown is given to the Town from the State currently. Ms. Luffman said she would call the State and try and get a breakdown as to the increase.

• Department Budgets

- A10 – Legislative Budget.
  - Increased by \$1,487 This increase comes from the Volunteer Dinner and a MML dues increase.
- A70 – Planning Commission.
  - Increased by \$2,800 from an increase in MDIA fees.
  - Mr. Johnson asked if the QATV line was used? – Ms. Brinkley stated no as the Planning Commission meetings are held the same night as the Board of Education meetings.
- A81-105 N. Liberty Building.
  - Increased by \$6,497 due to an increase in property valuation for property taxes and repairs and maintenance.
- A92- Administration.
  - Increase \$277,000 inclusive for new positions. Administrative Assistant, HR admin and a Public Information Officer, YMCA members and family memberships, as well as software costs and equipment.
  - Mr. Johnson asked where the grant writer falls in the budget. Ms. Brinkley noted a reduction to the FY25 budget for that line item since the Town has an in-house grant writer now. This line item is for additional help with federal grants.
  - Ms. Luffman addressed the HR Specialist position request, stating that position is being pulled from the budget request. Staff will monitor the efficiency of the new HR system in streamlining the HR process.
  - Regarding the PIO position it was decided to reach out MML, (Maryland Municipal League) and look at contracting a part time position.
  - Mr. Beachamp noted that the salary and benefits line items as shown in the budget are aggregated. Even with the provided supplemental information it is difficult to reconcile them with the salaries of the possible new hires. Mr. Beachamp asked Ms. Luffman to provide the council with a table schedule showing last year versus FY25.

- Ms. Brinkley asked Mr. Beachamp what number he would like to see an aggregated breakout of. Mr. Beachamp clarified he would like a breakout of the \$936,150 number. Ms. Luffman and Krystel will work together to put that information together. Mr. Johnson agreed that this breakout will help future councils.
- The Administrative position was discussed. Ms. Brinkley clarified that the position is to focus on customer service, as current staff are working overtime or weekends to complete tasks.
- Mr. Beachamp is not in favor of the YMCA membership. After council discussion, Mr. Beachamp has asked to see a breakdown of employee engagement. Ms. Ebaugh offered to create that survey. Mr. Beachamp has asked that we create a program structure and then create a survey. The council has asked to see the survey before it goes out to employees.
- Chief Hobbs asked if having the YMCA membership was a benefit to our Healthcare premiums.
- Ms. Ebaugh stated that filing less claims due to improved health will reduce claim costs. Mr. Johnson closed the discussion by stating no one has strong feelings against pursuing the YMCA package as it stands, but with the understanding the council would like to see the metrics, and options for a payroll deduction.
- B10- Police Department.
  - Decrease by \$57,776 from the pension line. A few slight increases were added for the new K9 line and software for Lexipol/IAPO.
- B22- Goodwill Fire Department
  - Zero increases
- C11- Street Department
  - The increase of \$7,978 is due to supply cost increases. Ms. Luffman will add a footnote in regard to safety, education, and training. That line item used to be split among three departments, it is now solely in C11, Streets.
- C22- Landfill Waster Removal
  - Increase of \$28,531 due to contract cost.
  - Ms. Brinkley elaborated on the increase stating the Town is currently in an option year and if the Town went out to bid but ended up wanting to stay with the current contractor, the current contractor has the right to say no. It was decided to go out to bid next year when the contract ends.
- D10- Parks Department.
  - The overall increase of \$11,542 is due to street decorations and an increase in contractor costs.
  - Mr. Beachamp asked how the cost was determined to increase holiday decorations. Ms. Luffman stated it was based on cost. Street decorations will be a recurring expense.
- H40 Centreville Main Street.
  - Ms. Luffman stated that there are no changes.
- H60- Cemetery Budget
  - Increased by \$6,978 due to an increase in landscaping and burial services.
  - Mr. Beachamp asked if the burial costs are variable, and Ms. Luffman confirmed they are.
- H90- Watershed
  - Increase of \$4,435 due to equipment repairs and replacements. Mr. Johnson expressed concerns about projected revenue due to building new county offices, abandoning old and the progress of our water treatment plant.
- C21- Sewer
  - Increased \$78,369 due to chemical costs and an increase in the contractor's operation cost. ARPA covers half of this budget, and the other half is in C24. The other half will not be reimbursed unless it is contracted. If the Town does renew the contract, that will be a savings for FY25.
- C24- Water Department
  - Increase of \$9,854 due to year two wastewater treatment plant operations.
  - Decreases in this department were noted as some costs were moved to C11 (Streets Department) regarding training and travel.

- C25-Reuse Farm
  - Increase of \$24,998 due to equipment repairs.
  - Ms. Luffman stated that based on trend, the Farm is over budget every year.
  - The FY25 budget was increased to make necessary repairs as well as not having to ask for a budget amendment at the end of the year.

### Capital Budget

Mr. Beauchamp commended the staff for providing a great budget. This budget has provided for great discussion. Ms. Luffman provided a summary sheet at the front of the Capital Budget section noting that all the spending requests have been included into the balanced operating budget already. Changes can be made to these requests.

### Capital/General Fund

- A81- N. Liberty St.- Roof /Chimney and Facia Repair to the building.
  - This is the year to make a few upgrades.
  - Mr. Johnson asked Mr. Phillips what other improvements need to be made to that building in the future. Mr. Phillips responded that as of right now this number reflects what must be fix now.
- A92- Administration
  - Request for a class and comp study for \$25,000.
  - Ms. Ebaugh clarified this is for all employees and all positions to conduct a professional study with an outside agency to review classification and compensation for employees. This study was conducted four years ago.
  - Mr. Johnson stated this would provide a good foundation and will help with recruiting good town employees.
  - ESRI GIS system and asset implementation. Mr. Beachamp asked what data layers this system would cover. Ms. Brinkley stated it would be utility lines, streets, clean-out, storm drainage.
  - Mr. Phillips elaborated that it is to get proper documentation of all utilities.
  - Mr. Beauchamp asked if all utilities as well as the recycling containers will be mapped out through this program? Mr. Phillips stated it could be.
- B10- Police Department
  - Request for two vehicles as part of the replacement program to keep all vehicles from going beyond 7 years old.
  - Request for funding for ballistic vests as part of the replacement program.
  - Chief Hobbs was asked by Mr. Johnson to keep an eye out on trends that may increase costs to vehicles etc. in the upcoming year.
  - Lexipol software system for \$14,747 is for both the first-year cost and implementation cost.
  - Portable radios as part of the replacement program, \$14,000. This will cover two radios that are currently 14 years old.
  - Axon Body Cameras- right now there is enough for everyone, but no spares. This will allow two spares if one of the other cameras stops working.
  - Mr. Johnson asked if radios are ordered through the County's radio program would it be a lower cost. Chief Hobbs agreed it would.
  - Mr. Johnson asked Chief Hobbs to clarify if the \$7,000 cost per radio would be an anticipated line-item year after year. Chief Hobbs said that it is a start.
  - Mr. Johnson suggested he would like to purchase one camera in the FY24 budget. Mr. Kiel suggested buying both in the FY24 budget. Mr. Johnson would not like to wait. Mr. Johnson feels this is a vulnerability to the police force.
  - By consensus, the Council approved the purchase of two body cameras in FY24 and keep the same line item for two more in the FY25 budget.

- C11- Streets
  - Mr. Beauchamp asked what on-call pay is. Ms. Luffman stated that on call pay is a weekly on call flat rate that would be alternated each week among staff.
  - Request for a Batwing mower. Split this between the Streets department and the Farm. \$30,000 total
  - The last request is a slide in salt spreader for \$12,000.

Ms. Luffman concluded the total for the Capital request for the General Fund is \$362,147.00 and that it is inclusive of the budget. This keeps the General Fund in the black with a little over \$100,000.

#### Enterprise Fund Requests

- C21-Sewer- Wastewater Requests
  - The Utility Rate Study will allow the Town to charge for actual usage and not a minimum cost.
    - Ms. Luffman provided background for the request stating the Town switched to Munibilling because of the more customer friendly portal. Customers can now see their usage, but the problem comes with the tiers that had to be created to cover how the Town's billing structure is set up; requiring about 20,000 lines that would have to be changed every year when the rates increased 5%. A report was completed that concluded that approximately 30% of our customers use less than 6000 gallons but pay for 6000 gallons. This system brings a more up to date utility system to the town.
    - Geo Locator- to find the water mains easier.
- C24- Water Requests
  - Fire Hydrant replacement program- one per year. Cost has increased to \$12,000 per hydrant.
- C25- Reuse Farm – Requests \$90,000.
- Spray irrigation improvements \$75,000.

Ms. Luffman concluded that the total Enterprise Fund requests are \$218,700. It is inclusive of the summary budget. Next meeting Ms. Luffman suggested getting approvals on some of these items discussed.

Mr. Johnson summarized the meeting stating for the April 4<sup>th</sup> budget work session the Council would like to have non aggregated detail for the new position requests, data collection for the Y program, continue to add footnotes for future councils especially on wilder swings, spend time on ARPA opportunities, continue to work with the County on buildings they are leaving behind due to new construction. Lastly, to discuss the fund balance, holiday decorations, and the plateau of operating versus capital investment.

#### Citizens Forum

No citizens were present to offer comments.

#### Motion to Adjourn

Mr. Johnson motioned to adjourn the March 21, 2024, Town Council budget work session. Mr. Worth moved and Mr. Beachamp seconded the motion. The meeting adjourned at 6:50 p.m.

Respectfully submitted,

Gaye Adams  
Town Clerk