

The Council Report

SEPTEMBER/OCTOBER 2003

News from the Friendship Heights Village Council—the elected governing body of the Special Tax District of the Village of Friendship Heights



MELANIE ROSE WHITE, *Mayor*
FRANCIS R. VALEO, *Chairman*
MAURICE J. TREBACH, *Vice Chairman*
ELIZABETH DEMETRA HARRIS, *Secretary*
ALVAN M. MORRIS, *Treasurer*
ROBERT M. SCHWARZBART, *Parliamentarian*
LEONARD E. MUDD, *Historian*

Renovation of Humphrey Park is complete



Our famous statue is back in her familiar spot.

The renovation of Hubert Humphrey Park, the Village's largest capital improvement project since the building of the Village Center in 1986, was completed in mid-October. Although work was delayed significantly due to poor weather, the final result was well worth the wait.

The centerpiece of the park is a beautiful new fountain with polished granite coping, fiber optic lighting, and a granite border around the base that matches the granite stairs along the walkways. Pavers have been replaced throughout the park, using the durable Bethesda standard subbase. New lightpoles around the inner circle provide increased lighting and an updated look and are complemented by new benches, trash cans, and stainless steel handrails.

Special thanks go to Councilman Chip Mudd for his time, effort, and wisdom in seeing this project through from the beginning, as well as to the general contractor, William F. Klingensmith, and their project manager, Al Musgrove.

We greatly appreciate your patience throughout the construction process, and we hope you will enjoy the new Hubert Humphrey Friendship Park for many years to come!

Income tax revenue below expectations

At the September 8 Village Council Meeting, Council Treasurer Al Morris reported that we had not received an expected income tax distribution in August. We did not know at that time whether it was simply a timing issue or an omen that income tax revenue would be dropping. Now we know, and Dr. Morris reported at the October 14 meeting that income tax revenue will be down substantially this year.

According to state officials, income tax distributions to local governments are estimated based on prior year information. In

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MVA Mobile Office—Monday, November 24, 10 a.m. to 2 p.m.

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FY2003, the Village was given distributions based on calendar year 2001 filings. As of September 1, 2003, actual state tax liability for calendar year 2002 was down over 36% from the same period the prior year, leaving the Village \$92,610.42 over distributed. Consequently, we did not receive distributions in either August or September. For those two months in 2002, we received over \$280,000. Regular "quarterly" distributions (November, February, and May) are based on expected revenues. Last year we received approximately \$190,000 in each of those months. This year we will get \$150,000.

The Council budgeted \$900,000 in income tax revenue (cash basis) for FY2004. This was a supportable, and even

conservative number based on the prior two years. As a worst case scenario, we will get only \$463,000. If enough additional income tax is received by the end of December (when final numbers are known) to wipe out our over-distribution, we may see as much as \$550,000 (plus or minus based on interest and penalties).

In all likelihood, we will go into our reserves this year. Fortunately, when times were good we didn't spend all our money, so we remain in very solid financial shape. There will, however, be some important issues for the Council to consider when the FY2005 budget is prepared.

—**Melanie Rose White**
Mayor

Council actions

September 8, 2003 meeting:

- Adopted Health Care For All resolution in support of universal health care in Maryland;
- Appointed Alfred Muller, M.D., and Toby Alterman to serve on the Community Advisory Committee.

October 14, 2003 meeting:

- Approved distribution of \$35,000 to Montgomery Municipal Cable TV station from grant received from Montgomery County for cable purposes.

Chevy Chase Center development to begin this fall; Giant to close next summer



An artist's rendering of the new Chevy Chase Center, as seen from Wisconsin Avenue near Wisconsin Circle. The Clyde's restaurant is in front on the left, with a new park next to it. The nine-story office building is further back, behind which will be the new 30,000 square foot Giant grocery store and pharmacy. Not shown in this picture are the two new retail buildings that will be further up Wisconsin Avenue (across from Highland House).

The Friendship Heights Village Council
4433 S. Park Avenue
Chevy Chase, MD 20815
301-656-2797

E-mail: friendshipstsvillage@erols.com

Website: www.erols.com/friendshipstsvillage

