Town Council
Regular Meeting
March 18, 2025, 6:00 PM

Agenda

1. Call to Order

    1.1. Call to Order

    Attendees, please use meeting courtesy. Virtual attendees are asked to mute microphones when joining the meeting. Participants may be muted by the Town Clerk and meetings will be recorded.

    In accordance with the Open Meetings Act, the public has the right to view/listen to the discussion only. At their discretion, the Town Council may allow participants to voice questions or provide comments on the topics under discussion. Written comments may be submitted via email to Legislative@townoflaplata.org. Individuals wishing to address the Town Council may sign up in advance on the Town's website (Public Communications) or on the meeting sign-up sheet.

    Join on your computer, mobile app, or room device.
    Join the meeting now
    Meeting ID: 273 482 016 68
    Passcode: sz2Wx77A

    In accordance with the Code of Maryland, General Provisions, Section 3-302 (Open Meetings Act), notice is hereby given that a portion of this meeting will be held in closed session.

    1.2. Roll Call

    1.3. Pledge of Allegiance

    1.4. Approval of the Meeting Agenda

2. Approval of Minutes

    2.1. Approval of minutes from Regular Meeting on February 25, 2025, and Regular Meeting on March 11, 2025.

3. Petitions, Communications, Appearances and Public Comment

    3.1. Public Comment

    3.2. Finance Committee Report (Williams)

4. Matters of Council Discussion

4.1. Budget Discussion - General Funds (Larsen)

5. New Business

5.1. Reports from the Mayor and Town Council

6. Motion for a Closed Session

6.1. Statutory Authority to Close Session: General Provisions § 3-305(b)(3) consider the acquisition of real property for a public purpose and matters directly related to the acquisition;
Topic: Parameters to negotiate terms of a specific acquisition

7. Adjourn

7.1. Adjournment

LaPlata Finance Committee Recommendations

March 18, 2025

Recommendation 1: Adopt a 457(b) deferred compensation plan for all employees instead of funding a custom municipal pension for police officers and eligible public works employees.

Key Benefits for Employees

1. **Increased Flexibility and Control**: Employees gain greater control over their retirement savings, allowing for more personalized investment choices.
2. **Tax Advantages**: Contributions are made with pre-tax dollars, reducing employees' current taxable income.
3. **No Early Withdrawal Penalties**: Employees can access funds without facing penalties for early withdrawal, unlike many other retirement plans.
4. **Portability**: Employees can easily transfer or roll over their 457(b) funds if they change jobs, offering better portability than many other retirement plans.
5. **Automatic Contributions for Police and Public Works**: The town can choose to make an additional automatic percentage contribution for police and eligible public works employees, enhancing their retirement benefits.

Recommendation 1 (cont'd) : Adopt a 457(b) deferred compensation plan for all employees instead of funding a custom municipal pension for police officers and eligible public works employees.

Key Benefits for the Town

1. **Inclusivity**: Unlike traditional pension plans that may be limited to specific groups (e.g., police officers, public works employees), 457(b) plans are available to all employees.
2. **Lower Administrative Burden**: The 457(b) plan places a significantly lower administrative and financial burden on the town compared to a custom-built pension plan.
3. **Reduced Fiscal Risk**: The plan lowers the town's fiscal risk while ensuring better retirement security for employees.

A 457(b) plan is the more prudent choice for LaPlata's financial stability and employment retirement security.

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Strengths

- No early withdrawal penalty (even before age 59.5)
- Tax-deferred growth and reduced taxable income for contributors
- Lower administrative costs for municipalities
- Budget predictability
- Portability for employees changing jobs
- Inclusive of all town employees

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Weaknesses

- No guaranteed benefits (dependent on market performance)
- Limited employer contributions (counts toward employee caps)
- Risk of insufficient savings due to employee reliance

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Opportunities

- Cost savings for municipalities (predictable budgeting)
- Providing robust financial education to employees
- Structuring the plan to include an employer match (proposed 3% match for all employees with an additional 2% automatic for police and eligible public works employees)
- Careful selection of investment options and negotiating for low fees

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Threats

- Market downturns could devastate retiree savings
- Employee financial literacy gaps may lead to poor investment choices

Recommendation 2: Hire a dedicated project manager to manage town projects funded.

Current Situation & Risk Assessment

LaPlata currently has $1.5 million in secured and pending grant funding for:

- New police station
- Dorchester Community Center

Despite securing these valuable grants

- 4 years of delayed implementation
- No dedicated resource is managing implementation
- Grant deadlines continue to approach

Meanwhile, additional projects from the latest Comprehensive Plan (2020) remain incomplete.

The Cost of Inaction

Without immediate action, LaPlata faces:

- Complete loss of $1.5 million in secured funding
- Reduced eligibility for future grants
- Missed economic development opportunities

Benefits of a dedicated project manager

Project Management ROI	Economic Impact of Successful Implementation
A dedicated project manager represents a high-return investment: • Project management typically costs 5-15% of total project value and is within scope of grants • For $1.5 million in projects, management costs are minimal compared to potential loss • Professional oversight often identifies cost savings that exceed the position cost • Effective management ensures maximum community benefit from each dollar spent • Research consistently shows that projects with dedicated management are significantly more likely to be completed on time and within budget	Timely execution of these projects would deliver substantial benefits: • Direct employment opportunities during construction • Enhanced quality of life for residents • Strengthened public safety infrastructure • Community center programming opportunities • Multiplier effect as project spending circulates through local economy

Recommendation 3: Postpone budgeting and funding the planned $90,000 land survey until a Town Planner is hired.

- No Town Planner is currently in place to direct survey specifications
- The town lacks clearly defined objectives for how survey data will integrate with comprehensive planning and its Strategic Plan
- Without expert guidance, we risk collecting data that may not fully support LaPlata's specific development needs
- The survey represents a significant financial investment that should be carefully targeted
- A Town Planner would significantly enhance the value of our land survey
- Research consistently shows that effective urban development relies on close collaboration between planners and surveyors
- Postponing the survey until after hiring a Town Planner offers significant financial advantages