

BOARD OF COUNTY COMMISSIONERS
FOR SOMERSET COUNTY
TUESDAY FEBRUARY 14, 2012

At 2:00 p.m., the Board of County Commissioners for Somerset County met in regular session with Commissioner President Rex Simpkins, Commissioner Craig N. Mathies, Sr., Commissioner Jerry S. Boston and Commissioner Randy Laird. Commissioner Vice President Fisher was absent.

Executive Aide, Cynthia R. Ward and Executive Secretary, Lory E. Ebron were also present. Ms. Ward conducted today's meeting on behalf of County Administrator-Clerk, Ralph D. Taylor who was absent at today's meeting due to the passing of his mother on Sunday. Ms. Ward offered our prayers and thoughts to Mr. Taylor and his family.

President Rex Simpkins called the meeting to order, and asked Commissioner Mathies to lead those attending the meeting in repeating the Lord's Prayer and the Pledge of Allegiance.

Upon a motion made by Commissioner Boston, seconded by Commissioner Laird, it carried unanimously to dispense with the reading of the Minutes of the meeting held on Tuesday, January 31, 2012 and approve the minutes as presented.

Mr. Herbert J. Geary III, CPA and partner from the auditing firm TGM Group, was present before the Board to present the FY2011 audit. Mr. Geary thanked the Board for inviting him to attend the meeting today. Mr. Geary explained that the annual financial report consists of four sections; the auditor's opinion, the basic financial statements, the supplementary information and supplementary information for federal programs. Additionally, the audit includes the financial statements of the following component units; the Board of Education, Library, Liquor Control Board and the Sanitary District.

Mr. Geary stated that the County and included component units have approximately \$161 million in assets and approximately \$93 million in revenue. The governmental fund balance, which included all components with the exception of Great Hope Golf Course, totaled \$16.7 million at the end of FY2011. Mr. Geary compared Somerset County performance of their operating budget to other lower shore counties, noting that Somerset County is in line with the other counties. Total debt obligations for FY2011 were at \$24 million, with the total debt to total fund balance noted as a ratio of 1.44 to 1. Mr. Geary noted that 2.0 to 1 ratio or lower is normal, so Somerset County is in line with regard to total debt obligations. The results of operations of the General Fund for FY2011 showed an overall decrease of

\$443,000. Actual revenues totaled \$36 million, which included \$2 million of loan proceeds. Actual expenditures totaled \$36 million, therefore coming in under budget by \$10 million.

Mr. Geary then presented the results of operations for the Roads Board for FY2011, which showed an overall increase in fund balance of \$667,000. Actual revenues totaled \$3.9 million, and were under budget by \$1.5 million. Mr. Geary continued, explaining that actual expenditures for the Roads Board totaled \$3.2 million and were under budget by \$2.3 million.

Commissioner President Simpkins asked Mr. Geary if he could offer any predictions for the upcoming year. Mr. Geary replied that he could not, however the County is in a good position to weather a storm or two. Mr. Geary also discussed the Letter of Audit Communications with the Board and noted that there were no significant audit findings. Commissioner Boston thanked Mr. Geary for his report of the FY2011 audit.

Ms. Ward began review of correspondence received since the last meeting.

A letter from the Department of Agriculture was reviewed that advised the Board that because the State is facing another budget gap in the upcoming year, the Mosquito Control Section will be forced to share in the burden deficit, and county and local governments will be asked to bear a great portion of program costs for the mosquito spraying program for FY2013. Commissioner Laird asked Ms. Ward if there has been any word regarding Mr. Barnes replacement in the department. Ms. Ward stated that we have not heard about a replacement of the position as of yet.

Ms. Ward next shared a request presented by the University of Maryland Extension Office which requested a reallocation of salary savings funding in the amount of \$1,566.00. Ms. Karen Reddersen, Area Extension Director, advised in the letter that upon the retirement of Ms. Jeanette Morgan, a salary surplus was left remaining, and she would like the Boards permission to use those funds to purchase a laptop, docking station and other related items for Amanda Chesser, 4-H Faculty Member. After consideration, President Commissioner Simpkins asked the board for a motion to approve. A motion was not made, and therefore the request was not approved.

Mr. Charles Cavanaugh, Director of Solid Waste and Maintenance, was now before the Board to present his recommendations for Tipping Fees for FY2013. Mr. Cavanaugh began by reviewing the FY2011 Annual Report. Total expenses were reported to be \$3,216,474.74 and total revenue as \$1,360,120.44. Mr. Cavanaugh noted that Debt Service Westover Closure in the amount of \$142,734.46 and Cell 4 Pre-Construction in the amount of \$1,040,732.26 should be deducted from the total as the projects were postponed until next year. Next, Mr. Cavanaugh reviewed projected Transfer

Station and Landfill Tipping Fees for FY2013, noting that the projected revenue is \$1,287,700 if fees remain the same. Commissioner Laird questioned the Crisfield Transfer Station numbers remaining close to last year's numbers, stating he would have thought there would be an increase due to the changes made by the City of Crisfield. Commissioner Boston asked if the number of permits had gone up or down. Mr. Cavanaugh stated that the number of permits is about the same. After discussion, it was decided to table the issue until the next scheduled meeting so that each Commissioner would have time to review the information in greater detail before a decision is made.

Next, Mr. Cavanaugh presented the Proposed Maryland Environmental Service Operations & Maintenance estimated FY2013 budget for the Boards consideration to provide incinerator services on Smith Island. Mr. Cavanaugh noted that \$147,694 has been budgeted for FY2013. Commissioner Laird asked what the cost was for the services last year. Mr. Cavanaugh stated \$129,000, noting that he has increased the projection slightly for FY2013. Mr. Cavanaugh also noted that expenses usually come in under the budgeted amount.

Therefore, on a motion by Commissioner Laird, seconded by Commissioner Boston, it carried unanimously to authorize Commissioner President Simpkins to sign the Proposed Maryland Environmental Services contract for incinerator services provided on Smith Island.

Ms. Ward presented the lease agreement for the Tourism Office located in Crisfield from Ms. Barbara Thomas, to the Board for their consideration. Ms. Ward outlined the following changes to the lease being presented today as compared to the previous lease:

- The lease has been changed from a sub-lease to lease
- The term of the lease was changed from five years to two years
- The monthly lease amount was reduced from \$1000.00 to \$800.00 from months April through November, and to \$600.00 per month from months December to March. This would result in a yearly savings of approximately \$3,200.00.

Ms. Ward noted that the new term lease would begin March 1, 2012. Commissioner Boston asked if Tourism Director Julie Widdowson had reviewed the lease. Ms. Ward stated that Ms. Widdowson and County Attorney Kirk Simpkins had both reviewed the lease. Attorney Simpkins reported that the lease is legally sufficient, and had only recommended a minor edit to page 3 of the document.

Therefore, on a motion by Commissioner Boston, seconded by Commissioner Laird, it carried unanimously to approve the lease as presented from Ms. Barbara Thomas for the Crisfield Tourism Office for a term of two years, in the amount of \$600.00 per month for months December to March, and \$800.00 per month for months April through November.

Ms. Ward next advised the Board of an email received from Ragen Cherney, Frederick County Maryland government inviting Somerset County to join a newly initiated coalition named "Association of Western, Agricultural, Rural, Eastern Shore Counties (AWARE)." It was noted that there is no financial obligation or requirement to Somerset County for this endeavor. In the email, Mr. Cherney explained that a broader coalition was recommended so that more rural counties will be involved when bills affecting rural counties are introduced in Annapolis. It was noted that this broader coalition will represent the unique needs and perspectives of Maryland counties. Some of the strategies outlined that were discussed during the first meeting held on January 19, 2012 that included PlanMaryland, on-site sewage disposal system/the Bay Restoration Fund via "flush tax" and the Watershed Implementation Plan. Commissioner Laird stated that he attended the meeting on January 19, 2012, noting that he didn't hear anything positive for Somerset County. After discussion, being Commissioner Fisher was absent at today's meeting, it was decided to table the issue to give Commissioner Fisher an opportunity to review the request.

The summary of the FY2103 State Capital Budget was reviewed. Ms. Ward noted that funding proposals regarding Somerset County had been highlighted in the report and included the following;

• Department of Aging-Somerset County Senior Activity Center	\$600,000
• Crisfield Library	\$250,000
• Crisfield Water System-New Water Meters	\$242,000
• Ewell Wastewater Treatment Plant Replacement	\$3,310,000
• ECI-Wastewater Treatment Plant Improvements	\$1,514,000
• Wellington Wildlife Management Area-Office Renovation	\$342,000
• UMES-Resurfacing Outdoor Track	\$642,000

Ms. Ward presented a request from Friends of Teackle Mansion for a letter of support with regard to their grant application submission in the amount of \$100,000 to the Maryland Historical Areas Authority for the restoration of the architectural woodwork and plaster and to continue the verification of the paint research and the painting, and restore the period hardware. Commissioner Boston asked if there will be any cost to the county. Ms. Ward replied none.

Therefore, on a motion by Commissioner Boston, seconded by Commissioner Laird, it carried 3-0 to authorize Commissioner President Simpkins to sign a letter of support for the Friends of Teackle Mansion as requested.

Next, Ms. Ward presented a request from Mr. Gary Pusey, Director of Planning and Zoning which asked for the Boards consideration to waive a building permit fee for Alexander and Gloria Whittington, 28272 Holland Crossing Road, Marion Station, Maryland. The Whittington's are

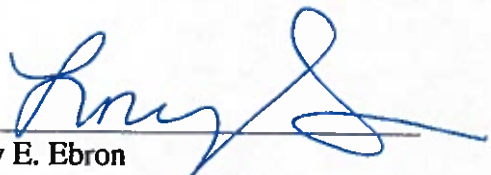
participating in the Housing Rehabilitation Grant Program, and historically, the fees are waived by the county since the county is a partner in the program. The work being done to the Whittington's home requires a County building permit in the amount of \$225.00.

Therefore, on a motion by Commissioner Laird, seconded by Commissioner Boston, it carried unanimously to waive the Somerset County building permit fee to Alexander and Gloria Whittington in the amount of \$225.00 for the improvements they are receiving through the Housing Rehabilitation Grant Program.

Mr. Phil Riggin was now before the Board. Mr. Riggin questioned the Rural Coalition, asking how many Western Maryland Counties have joined. Commissioner President Simpkins stated he believed four. Mr. Riggin noted that in that case, we would have a majority with 13 out of 23 counties participating. Mr. Riggin then asked about the time table with regard to the budgeting process. Ms. Ward advised Mr. Riggin that the department heads are submitting departmental budgets now, and that the Board will begin working on the budget mid-March. The public hearing is expected to be held in May. Mr. Riggin asked if departments are being asked to reduce their budgets by 7% again this year. Ms. Ward replied yes, they were asked for a 7% reduction. Mr. Riggin noted that some departments did a good job on their reductions last year.

With no further business, the meeting was adjourned at 3:10 p.m.

Respectfully Submitted:



Lory E. Ebron
Executive Secretary

Approved by:



Board of County Commissioners
For Somerset County