

BOARD OF COUNTY COMMISSIONERS
FOR SOMERSET COUNTY
MAY 21, 2013

At 7:00 p.m., in the Meeting Room of the County Commissioners Office, Commissioner President Rex Simpkins declared a Public Hearing open regarding Somerset County's Budget for Fiscal Year 2014. Also in attendance: Commissioner Vice-President Charles F. Fisher, Commissioner Craig N. Mathies, Sr., Commissioner Jerry S. Boston, Commissioner Randy Laird, County Administrator-Clerk, Ralph D. Taylor; Finance Director, Gene Adkins; Executive Aide, Cynthia R. Ward; and Internal Auditor, Sharon Muir.

Mr. Adkins began by stating that the Constant Yield advertisement had been published on May 8, 2013 and May 15, 2013 in The Crisfield-Somerset County Times, The Somerset Herald and The Daily Times to announce our hearing. The purpose of tonight's hearing is two-fold:

1. To receive public comment on the proposed budget; and
2. Pursuant to the provision of Section 6-308 of the Property Tax Article, Annotated Code of Maryland, to present the Constant Yield Rate of 90.97 cents; and proposed tax rate of 91.5 cents per \$100 of full value assessment. The proposed tax rate represents an increase of 3.13 cents per \$100 of full value assessment.

The Budget being discussed tonight is the estimated income and planned expenditures as discussed by the Board through May 21, 2013. Final deliberation on the Budget will continue until Tuesday, June 4, 2013, at 2:00 p.m., at which time the new tax rate for FY14 will be set. The procedure for the Hearing was explained. Anyone wishing to make comments will be asked to come forward, state their name and address, and present their testimony. Written comments on the proposed budget will be accepted until Friday, May 31, 2013.

Mr. Adkins reported that the Somerset County Board of Education budgeted appropriation included in this budget for FY14 will be \$8,778,969 to be paid from the County's General Fund for operations for Maintenance of Effort. The FY13 appropriation to the Board of Education was \$8,624,324, an increase of \$154,645 due to a slight increase in projected student enrollment.

At this time, Mr. Adkins presented the budget highlights on Powerpoint as currently drafted. Handouts were provided which included the complete budget detail. The presentation included a "Summary of Lost Revenue and Passed Through Expenditures Since FY09" which totaled \$6,010,000, as well as, the estimated revenues (totaling \$37,065,564) and planned

expenditures (totaling \$37,065,564) for FY2014. At the conclusion of the budget review, Commissioner President Simpkins asked if there was anyone wishing to give testimony.

Mr. Michael Hall, of 28624 Revells Neck Road, Westover, appeared before the Board. Mr. Hall expressed his appreciation to the Board for keeping the tax rate low for many years, particularly during declining economic conditions. Wicomico County's rate is \$.84 and Worcester County's rate is \$.77, and now Somerset is raising their rate above the counties that we are competing against. Somerset County suffered a huge loss with Hurricane Sandy, both economically and perception, and he fears that a tax increase may keep people away. Mr. Hall concluded by cautioning the Board of raising the taxes too high.

President Simpkins asked for any further testimony or questions.

Ms. Debra Sorenson, of 33 West Main Street, Crisfield, appeared before the Board. Ms. Sorenson, a former resident of South Carolina, suggested the Board lower the tax rate in an effort to keep our residents from leaving the County. Increasing taxes is only a short term remedy.

President Simpkins asked for any further testimony.


Mr. Richard Byrd, of Clifton Mister Road, in Crisfield, reported on the sale of a nearby property, for \$75,000. Mr. Byrd cautioned the Board on raising taxes on property that is already over assessed, stating that our residents will leave the County under those conditions, and we will be left with no tax base.

President Simpkins asked for any further testimony.

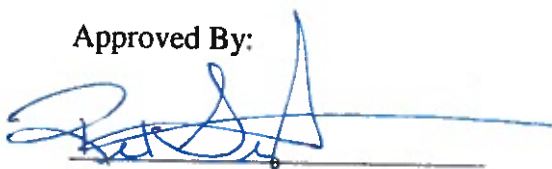
The County Administrator presented a written statement submitted by Mr. Phil Riggin of Crisfield, to be entered into the record (see attachment). In the statement, Mr. Riggin expresses his support for the tax increase.

With no further testimony, President Simpkins declared the public hearing closed at 7:37 p.m. Written comments will be accepted until Friday, May 31, 2013.

Respectfully Submitted:


Cynthia R. Ward
Executive Aide

Approved By:


Board of County Commissioners
For Somerset County