

**BOARD OF COUNTY COMMISSIONERS
FOR SOMERSET COUNTY
TUESDAY MAY 11, 2021
PUBLIC HEARING**

At 7:00 p.m., in the Meeting Room of the County Commissioners Office, Commissioner President Craig N. Mathies, Sr., declared a Public Hearing open regarding Somerset County's Budget for Fiscal Year 2022. Also in attendance were Commissioner Vice-President Charles Laird, Commissioner Rex Simpkins, Commissioner Eldon Willing, Commissioner Randy Laird, County Administrator-Clerk, Ralph D. Taylor; Finance Director, Gene Adkins; Executive Secretary Kim Lopez; and Internal Auditor, Sharon Muir.

Mr. Taylor began by stating that the Constant Yield advertisement had been published in the April 28, 2021 Crisfield-Somerset County Times, the May 5, 2021 Crisfield-Somerset County Times and Somerset Herald, and the May 3, 2021 Daily Times newspaper to announce the hearing tonight. The purpose of tonight's hearing is two-fold:

1. To receive public comment on the FY22 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 for FY 2022 as \$0.9956 and the tax rate for FY 2022 as \$1.00 per \$100 of full-value assessment. This proposed tax rate represents no change from last year's rate and it was noted that this is the seventh consecutive year that our tax rate is below constant yield.

The Budget, being discussed tonight, is the estimated income and planned expenditures as discussed by the Board through today, May 11, 2021. Final deliberation on the Budget will continue until Tuesday, May 25, 2021 at 2:00 p.m., (the regular meeting of the Board of County Commissioners), at which time the tax rate for FY 2022 will be set. The procedure for the hearing was explained; anyone in attendance wishing to make comments would be asked to come forward, state their name and address, and present their testimony (comments via teleconference were not taken this year). Written comments on the proposed budget will be accepted until Monday, May 24, 2020.

Next, Mr. Adkins first reported that the Somerset County Board of Education budgeted appropriation included in this budget for FY 2022 will be \$10,393,419 to be paid from the County General Fund. This compares to \$10,189,253 for FY 2021. Increased funding was approved due to a change in the formula for calculating local maintenance of effort.

Mr. Adkins then presented the budget highlights in a PowerPoint presentation. Handouts were also provided which included the complete budget detail. Mr. Adkins presented the following FY22 Budget Highlights:

- The County has budgeted an increase of 1.26%, totaling \$172,789 in real property tax revenues for FY22
- The Commissioners have proposed to retain the current real property tax rate for FY22 at \$1.00 which is greater than the constant yield tax rate of \$0.9956
- Personal Property revenue is projected to increase by \$297,192 over the prior year's budget due to Phase II of the Great Bay Solar Project
- \$2.4 million in capital planned projects approved included Bike Trail, Phase II (\$553,514); Waterways (\$698,000); Elections (\$235,179)
- The formula changed for Maintenance of Effort resulted in an increase in the county's appropriation to the Board of Education of \$204,160
- Total appropriation approved to County Roads is \$3.3 million. This will allow them the opportunity to do some much-needed road work and purchase/replace some older equipment
- \$1.219 million of fund balance will be used to balance the budget

Mr. Adkins then reviewed the county tax rate for fiscal years 2011-2022. Assessed property tax assessed value by districts was reviewed as well in addition to projected revenue from property taxes, noted as \$4,101,992, which is slightly higher from last year.

Following a review of significant revenues and expenditures in detail, Mr. Adkins discussed the FY22 Salary Package as follows:

- The Board has approved an incremental step increase (2.5%) for all eligible employees
- All County Pay Scales have been adjusted as needed for compliance with the Maryland Minimum Wage Law; the adjustments range from approximately 1% to 5%
- Pay Scales that were not adjusted in FY21 will be adjusted in FY22
- The County will continue to adjust the County Pay Scales through 2025, to comply with the legislation passed by the Maryland General Assembly, which will bring the Maryland minimum wage to \$15.00 per hour effective January 1, 2025

In closing, Mr. Adkins restated that a total of \$1.219 million of fund balance will be used to balance the budget, and the total FY22 budget is \$41,481,326.

President Mathies asked if there was anyone present wishing to speak.

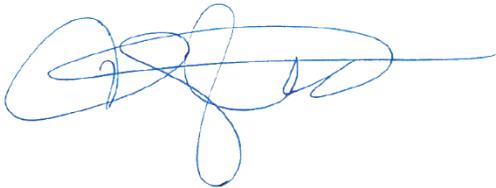
Mr. Robert J. McIntyre of Mt. Vernon, Maryland came forward to the podium and questioned how the Federal Funds dispersed to the County affect these numbers. Mr. Adkins advised that those funds are included as Grant Revenues.

Mr. McIntyre then clarified he was speaking of funding associated with COVID-19. Mr. Taylor and the Board advised that those funds are forthcoming and therefore have no affect on the presented budget. It was further advised that any COVID-19 related funds the County were to receive (as there is no set amount) would have its own budget and stipulations on how those funds could be used.

With no further comments or business to discuss, the Board and Mr. Taylor thanked staff for all of their hard work during this budget season.

A motion was made by Commissioner Randy Laird and seconded by Vice President Charles Laird to close the public hearing. Commissioner Simpkins and Commissioner Willing voted in favor; therefore, the motion carried. At 7:22 p.m., President Mathies declared the public hearing closed.

Approved by:

A handwritten signature in blue ink, appearing to be 'Randy Laird', with a long horizontal line extending to the right.

Board of County Commissioners
For Somerset County

Respectfully Submitted:

A handwritten signature in blue ink, appearing to be 'Kimberly Lopez', written in a cursive style.

Kimberly Lopez
Executive Secretary