

Minutes of the County Commissioners of Worcester County, Maryland

Budget Work Session

May 25, 2010

James C. Church, President
Linda C. Busick, Vice President
Judith O. Boggs
Robert L. Cowger, Jr.
Louise L. Gulyas
James L. Purnell, Jr.
Virgil L. Shockley

The Commissioners reviewed the projected revenues and requested expenditures in the revised FY2010/2011 Operating Budget, which currently reflects estimated revenues and expenditures of \$163,205,811. Chief Administrative Officer Gerald T. Mason advised that revenues have increased by \$50,000 from the State to offset a portion of the cost of the County assuming operation of the Maryland Welcome Center on US Rt. 13 in Pocomoke.

Mr. Mason then reviewed expenditures, noting that \$32,295 of the \$35,000 reduction in the Board of Elections budget has been reallocated to fund a one-time grant to the Local Management Board (LMB) to keep current personnel in place while the LMB considers various transitional options.

Fixed charges of \$400,930 in the Board of Education (BOE) declined due to a decrease in Health Insurance premiums. Those funds were reallocated to purchase text books and supplies, with no increase in total funding.

Funding to Wor-Wic Community College (WWCC) was reduced by \$99,705 or 34.9% from the FY2010 funding level, at Dr. Hoy's request, to continue to accurately reflect the County funding formula following a decrease in WWCC funding from Wicomico County. Mr. Mason stated that Dr. Hoy has revised the WWCC budget to reflect an increase in tuition for students from Wicomico and Worcester Counties that is needed to maintain operations in the face of State and County budget cuts.

Funds of \$14,500 were returned to the Economic Development budget to cover the 50/50 cost share between Worcester County and NASA for the MIST Step-Up Internship Program. In response to a question by Commissioner Church, Mr. Mason advised that Economic Development originally reduced funding for this program in response to the request for all County departments and agencies to reduce their budgets by 10%.

Tourism funds increased by \$100,000 for County operation of the Maryland Welcome Center on US Rt. 113 in Pocomoke. Mr. Mason explained that a State grant of \$50,000 has been added to revenue, thus the net cost to the County is only \$50,000. He stated that the Town of Pocomoke has agreed to fund the cost of sewer services and may provide staff for operating one day per week from Memorial Day to Labor Day. Furthermore, the Town of Berlin has expressed interest in leasing a display area, which would further reduce net costs to the County.

Lastly, Mr. Mason advised that the Stabilization fund balance is now \$131,613.

Commissioner Cowger opposed funding an increase of \$150,000 for Tourism advertising while taking vehicles away from County employees, stating that doing so would kill morale. During their work session on May 11, 2010, the Commissioners agreed to reduce the number of County take home vehicle privileges for 15 staff members, a move expected to save the County approximately \$16,523 annually. Commissioner Cowger stated that the Commissioners should reconsider their prior decision to cut the take-home vehicles and instead draft a policy that would limit the use of take-home vehicles to County residents. Commissioner Boggs supported the increase in the tourism budget, as the County receives a significant return for every dollar invested in tourism. Commissioner Church concurred with the increase in advertising funding, but stated that he would also be willing to consider reinstating the use of 15 County take-home vehicles provided funding was available for such a use. Commissioner Shockley stated that the increase in advertising funding is vital to the County and towns, including the Town of Snow Hill, to remain competitive among other tourism markets. Commissioner Gulyas stated that comparing take-home vehicle policies to tourism funding is like comparing apples to oranges. She strongly opposed reallocating funds away from tourism and suggested increasing the room tax in the County by ½ percent to develop a dedicated source of funding for tourism advertising in the future. In response to a question by Commissioner Boggs, Mr. Mason advised that room tax generated \$382,500 in revenue for the County in FY10. Commissioner Busick stated that only non-essential take-home vehicle use had been eliminated. Therefore, she would not support revisiting the issue. Following some discussion and upon a motion by Commissioner Purnell, the Commissioners voted 5-2, with Commissioners Cowger and Shockley voting in opposition, not to reinstate the use of non-essential take-home vehicles.

The Commissioners met with Marvin Taylor, a Shoreline/Vending Inspector within Development Review and Permitting, to discuss two requests to reduce and/or eliminate license fees for certain types of vending machines. In response to a question by Commissioner Church, Mr. Taylor stated that license fees have not increased since 2001, and pointed out that reducing or eliminating fees for one type of vending machine would result in requests for fee reductions from others as well. In response to a question by Commissioner Busick, Mr. Taylor advised that license fees generated \$120,000 in County revenues in FY10, which constitutes a significant portion of the income generated by Development Review and Permitting. Following some discussion and upon a motion by Commissioner Boggs, the Commissioners voted 6-1, with Commissioner Gulyas voting in opposition, to decline the request for elimination or reduction of the vending machine license fees.

The Commissioners answered questions from the press, after which they adjourned to meet again on June 1, 2010.