

Minutes of the County Commissioners of Worcester County, Maryland

April 14, 2015

Budget Work Session

Madison J. Bunting, Jr., President
Merrill W. Lockfaw, Jr., Vice President
Anthony W. Bertino, Jr.
James C. Church
Theodore J. Elder
Joseph M. Mitrecic
Diana Purnell

The Commissioners met at 9:00 a.m. with Chief Administrative Officer Harold Higgins, Budget Officer Kathy Whited and Finance Officer Phil Thompson to conduct a second work session to continue their review of Worcester County Department and Agency Operating Budget Requests for FY16, as presented to the Commissioners during their March 17, 2015 meeting. The requested FY16 Operating Budget currently reflects estimated revenues of \$167,485,109, and requested general fund operating expenditures of \$189,825,601, which leaves a shortfall of \$22,340,492 that must be reconciled by either reductions in expenditures, additional revenues or a combination of the two.

The Commissioners met with Circuit Court Judges Thomas C. Groton, III, Richard R. Bloxom, and Brian D. Shockley, along with Court Administrator Richard H. Outten to review and discuss the proposed FY16 Operating Budget of \$1,188,490 for the Circuit Court.

The Commissioners met with Warden Garry Mumford and Assistant Wardens Donna Bounds and Fulton Holland, Jr. to review and discuss the proposed FY16 County Jail Operating Budget of \$8,501,002. In response to a question by Commissioner Mitrecic, Warden Mumford confirmed that the County still employs one Registered Nurse at the County Jail, so costs for the services are not included in the County's contract with Correct Care Solutions, Inc. (formerly ConMed Healthcare Management, Inc.) to provide medical services to the County Jail. He advised that it is less expensive for the County to employ a full-time Registered Nurse than it is to contract this service to Correct Care Solutions. Warden Mumford also confirmed that he is requesting authorization to hire a total of six new Correctional Officers in FY16 to address the increased need for security coverage of inmates when visiting the medical and mental health unit, to provide coverage for staff tasked with responding to growing inspections from regulating agencies, and to address an increase in the inmate population.

In response to a question by Commissioner Bertino regarding the request to replace one commercial lawnmower, Warden Mumford advised that one Correctional Officer, assisted by up to three inmates, provides grounds maintenance for seven acres of County-owned property at the Jail. In response to a question by Commissioner Church, Warden Mumford advised that inmates eligible for the work release program are assigned to assist County agencies when requested at a

cost of \$1 per day, per worker. In closing, Warden Mumford invited the Commissioners to tour the Jail and learn more about the services provided therein.

The Commissioners met with Board of Elections Director Patti Jackson to review and discuss the proposed FY16 Board of Elections Operating Budget of \$833,528.

In response to a question by Commissioner Lockfaw, Ms. Jackson advised that the requested budget does not reflect the salary savings that will result when a new Information Technology (IT) Specialist is hired at a lower grade than the retiring IT Specialist. In response to questions by Commissioner Bertino, Ms. Jackson stated that the County is required to purchase new voting machines, as part of the new statewide voting system to be implemented during the 2016 election cycle. She advised that the County was required to purchase new voting systems in 2006 as well.

The Commissioners met with Sheriff Reggie Mason and Chief Deputy Dale Smack and other members of the Sheriff's Office staff to review and discuss the proposed FY16 Sheriff's Office Operating Budget of \$6,988,392.

Colonel Doug Dods reviewed revenues and computer needs. Lieutenant Neil Adams reviewed issues pertaining to Fleet Management and radio needs.

Lieutenant Mike Bowen reviewed issues pertaining to the School Security Division. In response to questions by Commissioner Bunting, Lt. Bowen advised that School Resource Officers have responded to roughly 100 calls for service since August 2014, and most of those calls originated from Stephen Decatur High School (SDHS), which serves the largest student population of the three high schools. In response to questions by Commissioner Bertino, Lt. Bowen confirmed that 13 Deputies, made up of 11 part-time and two full-time School Resource Officers (SROs), are assigned to cover each of the public schools. He advised that the full-time SROs are deployed as Road Deputies during the summer months when school is not in session.

Lieutenant Andy McGee reviewed issues pertaining to the Patrol Division, as well as Overtime, Special Events, K9s and Support provided to the towns. In response to questions by Commissioner Bertino with regard to whether hiring two additional Road Deputies would help cut down on overtime costs, Lt. McGee stated that up to 10% of overtime costs, which result from Deputies being held over through shift changes, could potentially be reduced by providing additional coverage. He stated that the majority of the need for overtime stems from providing manpower to assist the Ocean City Police Department with special events.

Chief Animal Control Officer Susan Rantz reviewed issues pertaining to the Animal Control Division. With regard to questions by Commissioner Bertino, Ms. Rantz advised that the requested budget includes funding to erect a cover over the outside kennel runs. She stated that State law mandates the runs be covered to provide a safer environment for animals and humans alike during severe weather conditions. She stated that currently the runs are not covered, so they fill with snow and ice during severe winter storms and leave animals exposed to direct sunlight when the temperatures soar in the summer.

Lt. Ed Schreier reviewed issues pertaining to the Civil and Motor Divisions, including Paper Services and Transport of Prisoners. In response to a question by Commissioner Bunting, Lt. Schreier advised that each of the eight Administrative Assistants in the Civil Division work roughly 10 hours of overtime per pay period to process the vast amounts of paperwork that if not

processed in a timely manner would thwart the legal process. He stated that hiring additional Administrative Assistants in theory could help to reduce the need for overtime. In response to comments by Commissioner Mitrecic regarding paper service in Ocean City accounting for 2,708 papers served or 25% of the 10,458 papers that were served throughout the County by Sheriff's Deputies during the past year, Lt. Schreier advised that 1,581 papers were served in the Pocomoke, Girdletree and Stockton areas; roughly 1,000 were served in Snow Hill and surrounding areas; 1,245 were served in areas ranging from the northern Berlin area and Ocean Pines to Bishopville; and 2,522 were served on the south side of U.S. Rt. 50 from Ocean City to Wicomico County and south to Newark. Chief Deputy Smack advised that these figures do not include the number of eviction notices the Sheriff's Office is required to serve County-wide, and the bulk of these notices are served within the Town of Ocean City during the summer months.

Lt. Mike McDermott reviewed a request to provide Central Booking through the County Jail. Commissioner Bunting directed the Sheriff's Office to work with Jail staff to provide the Commissioners with a written request and a plan for Central Booking that outlines potential savings within the Sheriff's Office and additional costs to the County Jail that would result from this change. Commissioner Lockfaw stated that providing Central Booking would free up Road Deputies to return quickly to patrol rather than expending unnecessary hours supervising arrestees while they wait to be seen by a Court Commissioner.

With regard to concerns raised by Commissioner Elder, Sheriff Mason advised that currently 14 officers who reside outside the County take patrol cars home with them each night, which allows them to respond immediately to emergencies that develop; however, patrol cars cannot be operated for personal use.

Commissioner Mitrecic requested an opportunity to meet with the Sheriff during a future Commissioners' closed session meeting to discuss the Sheriff's Office's deployment plan. Sheriff Mason concurred and invited the Commissioners to tour operations within the Sheriff's Office and ride along with the Deputies to learn more about the services they provide throughout the County.

The Commissioners met with Tourism Director Lisa Challenger to review and discuss the proposed FY16 Tourism Operating Budget of \$1,128,794. In response to questions by Commissioner Bertino, Ms. Challenger advised that grant funds of approximately \$180,000 to Furnace Town, Discovery Center in Pocomoke, and the Snow Hill Opera House, which appeared as line items in the FY15 Tourism Budget are included in the nonprofit and town requests for FY16. With regard to questions regarding the benefit of the Maryland Welcome Center, operated by Worcester County Tourism, in Pocomoke, Ms. Challenger advised that the welcome center is the second most highly-visited welcome center in the State and plays a large role in directing visitors to attractions from Pocomoke to Ocean City. She stated that it costs about \$70,000 to fund building maintenance and operations at the welcome center annually. In response to a question by Commissioner Church, Ms. Challenger stated that the \$1.1 million expended by the County for tourism marketing and activities taking place Countywide returns hundreds of millions of dollars in revenue to the County each year, and she agreed to provide the Commissioners of a breakdown of these returns.

In response to concerns raised by the Commissioners regarding the high cost of electricity at the welcome center, Maintenance Supervisor Ken Whited advised that replacing the aged

HVAC system may reduce those costs.

The Commissioners met with Environmental Programs Director Bob Mitchell to review and discuss the proposed FY16 Environmental Programs Operating Budget of \$1,268,652. In response to a question by Commissioner Bertino regarding the request to provide funds in the FY16 budget to fill the vacant position of Environmental Programs Deputy Director, Mr. Mitchell stated that his office is severely understaffed. He stated that filling this position would provide him with the time needed to better manage the department.

Mr. Higgins reviewed nonprofit grant requests. In response to a question by Commissioner Mitrecic, Ms. Whited confirmed that Marriage License Fees have not been raised since 1992. In response to a question by Commissioner Lockfaw regarding the difference between grant funds of \$107,980 that were allotted to Diakonia in West Ocean City and grant funds of \$23,835 to the Samaritan Shelter in Pocomoke, Budget Accountant Kim Watts stated that Diakonia provides a number of services that the Samaritan Shelter does not, and is therefore eligible for additional grant funds from the State. She further advised that Samaritan Shelter Director Shelly Daniels is aware of these grants and could apply for them.

The Commissioners met with State's Attorney Beau Oglesby to review and discuss the proposed FY16 State's Attorney's Office Operating Budget of \$1,296,443.

The Commissioners adjourned for lunch.

After lunch, the Commissioners resumed their budget work session.

The Commissioners met with Economic Development Director Bill Badger to review and discuss the proposed FY16 Economic Development Operating Budget of \$439,895.

The Commissioners met with Public Works Director John Tustin to review and discuss the proposed FY16 Public Works Administration Operating Budget of \$420,707 and the Mosquito Control Operating Budget of \$150,861, with Fleet Management Superintendent William Powell reviewing the requested Fleet Maintenance expenditures therein.

Maintenance Superintendent Ken Whited reviewed the proposed FY16 Operating Budget of \$1,029,618 for the Maintenance Division of Public Works and \$47,542 for Boat Landings. In response to questions by Commissioner Bertino, Mr. Whited advised that having one additional dump truck equipped with a snow plow and rotary broom would allow Maintenance Division staff to more quickly, safely and efficiently clear snow from County parking lots and sidewalks Countywide.

Roads Superintendent Frank Adkins reviewed the requested FY16 Operating Budget of \$3,914,622 for the Roads Division of Public Works. In response to questions by Commissioner Bertino, Mr. Adkins advised that the FY16 request includes funds to blacktop 10 miles of County roads. He stated that, during a snow event, all trucks with snow plows were deployed to clear County roadways, and two of those vehicles malfunctioned during the cleanup. He stated that it is critical to purchase two additional trucks with snow plows to replace those that are no longer

dependable. Mr. Tustin stated that Public Works staff have been good soldiers, making due during the past nine years with existing equipment during the economic downturn and shrinking County budgets, but that the Roads Division equipment is fading fast and must be replaced. In response to a question by Commissioner Purnell, Mr. Tustin stated that it would take approximately one year from the time of the budget request to the time when State bids come out in November until the needed equipment could be purchased and delivered.

Enterprise Fund Controller Jessica Ramsay, Solid Waste Manager Mike Mitchell and Recycling Manager Ron Taylor reviewed the proposed FY16 Enterprise Fund Operating Budget of \$5,382,985 for the Solid Waste Division of Public Works. Commissioner Bertino stated that he could not justify imposing the proposed \$20.00 Environmental Surcharge, as recommended by the Solid Waste Advisory Board, to the FY17 tax bill to offset the current Recycling Division deficit, particularly as those residing in certain areas of the County, such as Ocean Pines, currently pay recycling fees to their homeowners' associations. Mr. Tustin stated that recycling and the Homeowner Convenience Centers (HCCs) operate at a loss each year, meaning portions of the money planned to be set aside in the Solid Waste Operating Budget to construct Cell 5 at the Central Landfill in Snow Hill is being rerouted each year to cover those deficits, and the end result will be a need for the County to bond roughly \$2 million for this project. He pointed out that this is the first time in the history of the Landfill that the County has had to depend on bond funds to construct a Landfill cell. He stated that until now, these projects have been pay-as-you-go. He advised that the State requires Counties to recycle. Furthermore, he advised that it costs the County approximately \$40,000 just to haul yard waste from the HCCs to the Central Landfill for disposal, so eliminating the Berlin and Pocomoke HCCs from accepting yard waste would cut down on costs.

Public Works Deputy Director John Ross and Ms. Ramsay reviewed the proposed FY16 Enterprise Fund Operating Budget of \$10,023,598 for the Water and Wastewater Division of Public Works. In response to a question by Commissioner Bertino, Mr. Tustin advised that one personnel change is requested in the budget to provide additional compensation to the Ocean Pines Collection Supervisor for taking on the additional responsibility of overseeing the construction group. He stated that this change includes a 5% salary increase to compensate for the added responsibility and converting the position from classified to nonclassified. In response to concerns raised by Commissioner Bertino regarding ease of online services, Ms. Ramsay stated that the Treasurer's Office is currently investigating the feasibility of developing online bill paying services. In response to a question by Commissioner Mitrecic, Mr. Ross advised that staff will be providing information to the Commissioners at an upcoming meeting on the status of utilizing the Eagles Landing Golf Course to spray treated effluent from the Mystic Harbour Wastewater Treatment Plant (WWTP).

The Commissioners met with Department of Liquor Control (DLC) Director Bobby Cowger and Ms. Ramsay to review and discuss the proposed FY16 DLC Enterprise Fund Operating Budget of \$2,352,402. At the request of Commissioner Lockfaw, Mr. Cowger provided an update on DLC operations and the positive financial impact on the County. In response to questions by Commissioner Mitrecic, Mr. Cowger advised that funds needed to cover a projected shortfall of \$35,000 to \$50,000 in the FY15 budget are to be absorbed through the DLC's total net position of \$400,000, which the County acquired from the former Liquor Control

Board upon assuming all responsibilities for liquor control in the County.

The Commissioners met with Development Review and Permitting (DRP) Director Ed Tudor to review and discuss the proposed FY16 DRP Operating Budget of \$1,521,587.

The Commissioners met with Mr. Higgins to review budget requests from Wor-Wic Community College (WWCC) and grants to towns.

The Commissioners met with Budget Officer Kathy Whited to resume discussions from their April 7, 2015 meeting regarding the proposed 2016 Constant Yield Tax Rate Certification Notice, which has already been approved by the Maryland Department of Assessments and Taxation, to be advertised in area newspapers once during the week of April 23, 2015. The Commissioners previously requested staff revise the advertisement to reflect the total property tax increase required to fully fund the requested budget. The revised notice states that, for the tax year beginning July 1, 2015, the estimated real property assessable base will decrease by .7%, from \$14,356,932,361 to \$14,255,656,135, and if the County maintains the current tax rate of \$0.77 per \$100 of assessment, real property tax revenues will decrease by \$779,827. The notice states that, to fully offset the effect of decreasing assessments, the real property tax rate could be increased to \$0.7755 per \$100 of assessment, the Constant Yield Tax Rate (CYTR). The County is considering increasing its real property tax rate above the CYTR to \$0.9325 per \$100 of assessment, which is 20.2% higher than the CYTR and will generate an additional \$22,381,380 in real property tax revenues. Upon a motion by Commissioner Bertino, the Commissioners unanimously approved the 2016 Constant Yield Tax Rate Certification advertisement as revised.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously accepted the quote from Barr International, Inc. of Salisbury, Maryland at a total cost of \$12,882.70 to complete engine repairs for a 1998 International dump truck utilized by the Water and Wastewater Division of Public Works.

Pursuant to the request of Mr. Higgins and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized staff to begin advertising immediately over a wide area across the country to fill the critical position of Human Resources Director, with a salary range between \$78,000 and \$95,000, to fill the vacancy to be created upon the retirement of George Bradley effective June 17, 2015.

The Commissioners discussed conducting a site visit of the Lothian Elementary School (LES) in Anne Arundel County, which is being constructed at a cost of \$38 million, to gauge how best Worcester County bond funds could be leveraged to build a new Showell Elementary School. The Commissioners agreed to tour LES, which is in the final phase of construction, on Thursday, May 7, 2015. County Attorney Sonny Bloxom advised that the tour should be posted as a meeting if four or more Commissioners plan to attend, since that would constitute to a quorum and be considered a meeting under the Open Meetings Law.

The Commissioners discussed issues pertaining to town hall meetings to be conducted by

Commissioners Bertino and Bunting on Tuesday, April 21, 2015, at 6:30 p.m. at the Ocean Pines Branch Library and by Commissioners Purnell and Elder on Thursday, April 23, 2015, at 6:00 p.m. at the Multipurpose Building on Flower Street in Berlin.

The Commissioners answered questions from the press, after which they adjourned to meet in closed session.

Following a motion by Commissioner Lockfaw, seconded by Commissioner Bertino, the Commissioners unanimously voted to meet in closed session at 3:53 p.m. in the Commissioners' Meeting Room to discuss legal and personnel matters permitted under the provisions of Section 3-305(b)(1) of the General Provisions Article of the Annotated Code of Maryland. Also present at the closed session were Harold L. Higgins, Chief Administrative Officer; Kelly Shannahan, Assistant Chief Administrative Officer; Sonny Bloxom, County Attorney; and Kim Moses, Public Information Officer. Topics discussed and actions taken included a personnel matter involving a disability retirement.

After the closed session, the Commissioners adjourned to meet again on April 21, 2015.