

## Commissioners of Ridgely

### Budget/CYTR Public Hearing

May 21, 2007

There was a Public Hearing at the Ridgely House on the above date at 7:00 pm. Nancy Gearhart, President; Chuck Hunter, Commissioner; Linda Epperly-Glover, Commissioner; Joe Mangini, Town Manager; Carol Balderson, Clerk-Treasurer; Missy Vanskiver, Asst. Clerk-Treasurer; David Crist, Supt. of Water/Wastewater; Chastity Crist, Herman Dunst, Portia Dunst, Leo Stepp, Cathy Smith, Arlene Hege, David Hege, Kim Lorence, Ted Wold, Linda Ross, Elsie Ebling, John Balderson, and Orrell Saulsbury were present.

**Opening Comments** - President Gearhart opened the meeting with the Pledge of Allegiance. She welcomed everyone and explained that the Commissioners met with all the department heads on the proposed budget. After tonight's hearing the Commissioners will meet again, consider comments received tonight, and final.

**Budget Process & Procedure** – Joe reported that he will give the Budget Address and present the proposed Operating and Capital Improvement Budget for FY2008. The public will then have an opportunity to make comments or ask questions, then they will do a wrap-up. If the Commissioners choose to, they can extend the Public Hearing for written comments from folks who are not here tonight. The budget would tentatively be scheduled for adoption on June 4. One of the reasons for that is that the County needs to know rather quickly what our tax rate is going to be so they can start preparing the bills. The budget does not have to be adopted until June 30.

This is the Administration's Budget. The Commissioners take it from here; they can change, add, delete, etc.

Joe read his Budget Address (copy attached).

Joe said the Town of Ridgely is set up with three major departments/funds: 1) General Fund, 2) Sewer Fund, and 3) Water Fund. The General Fund consists of the Administration, (clerk's office, Planning & Zoning, Commissioners,) Public Safety (Police and Fire Dept.), Public Works (streets, sanitation, parks and recreation, and EDC).

Joe reviewed the revenue and expense items line by line for the General Fund, Sewer Fund, and Water Fund.

Recap of General Fund, Sewer Fund, and Water Fund Budgets (copy attached).

Joe reported the Commissioners will be receiving a proposal from him to have a company do a utility rate survey. He's hoping they will find that we can adjust the rates down, not up.

Joe reported we should have some funds left from the current year to carry over.

Joe reported the real property tax rate is currently \$.53/\$100. The Administration is recommending a tax rate reduction to \$.50/\$100. The personal property tax rate would go from \$1.33/\$100 to \$1.25/\$100. The Town could have had approximately \$27,000 to \$28,000 more. Bringing it down to \$.50 gives us some surplus (approximately \$14,000 to \$15,000). The Constant Yield Tax Rate is \$.488/\$100. The Commissioners could decide to take it down to the CYTR.

Joe explained that the CYTR is the rate that would bring in the same amount of money as the last year. He said that would be nice if everything else didn't go up, but the County is increasing the landfill fee and rates are going up for trash pickup, so he is recommending \$.50.

Joe explained that the personal property tax rate has to be set at 2.5 times the real property tax

rate.

Taxes will not go down because of the increasing assessments.

Joe said there will be additional work sessions with the Commissioners on the budget.

President Gearhart opened the floor for public comments.

Cathy Smith asked how the Commissioners felt about a 7% salary increase.

President Gearhart said the highest increase she can remember is 4% so she feels it's extremely high.

Commissioner Hunter said the cost of living is up about 3%. He considers quality employees, retention, etc. He said the average increase seems to be about 4%. Caroline County teachers are getting 5%. They always look at what the other towns are doing. The Commissioners have only sat together once to look at this budget. They had it to look at over the weekend; none of this is set in stone. The Commissioners also look at the benefits (health insurance and retirement). He said he doesn't have a problem with telling employees they are not getting a big pay raise this year because they are getting this.

President Gearhart said the pension is a big chunk of money.

Commissioner Epperly-Glover said she agrees with Commissioner Hunter; they do look at the benefits. She also said she feels you get what you pay for. The Commissioners need to talk about it and come to a consensus.

Cathy Smith asked if there was a salary list for residents to look at.

Joe said it is available upon request.

Arlene Hege asked if the fact that the Town Manager has not moved to town would impact on his salary increase...he has not fulfilled his contract. This should be taken into consideration.

Ted Wold asked about Police Department expenses. He said last year they were over budget by several thousand dollars. The total revenue coming in is inflated because we didn't get those funds. Budgeted revenues of \$175,000 came in at about \$35,000. This year the budget is \$150,000. Other departments look reasonable.

Clerk reported that CCTS, LELP, and MHSG have a different fiscal year – October 1.

Mr. Wold said the average number of officers for towns our size is two officers (compared 500 towns). He doesn't think we should cut back to two, but doesn't feel we need seven, and still doesn't see them out.

Joe said the total cost of the police department in the General Fund is 37%.

Mr. Wold said there is over \$150,000 in the budget allocated to Miscellaneous Programs and only two were explained. He asked what this consists of.

Mrs. Hege said the \$1,000 allocated to Web Site Maintenance & Newsletter is an embarrassment. She has a really nice site designed with a lot of information, and the Commissioners still need to see it. She has more information now than is on the current site. She built the site at no charge because she needed to learn it. Someone will have to be paid to maintain it.

President Gearhart asked how much she thought it would cost to get someone to maintain it.

Mrs. Hege said she didn't know if you go out to get someone to do it. The site contains 35 pages.

Commissioner Hunter said he has been told \$1,000/month is a good price.

The Clerk said from an earlier discussion, it was understood there wouldn't need to be a lot of updating other than minutes and agendas which could be done in house.

Mrs. Hege and President Gearhart said the site has grown since then.

Linda Ross asked why the tax rate couldn't be reduced to the CYTR.

Joe said the Commissioners could decide to do that.

Mrs. Ross also asked why the Town would need to hire a park monitor with seven police officers.

Joe said he was pushing for a park ranger before there were seven officers. He doesn't feel the police department should be down there monitoring the skateboard park.

He feels someone should be there when the skateboard park is open. It's up to the Commissioners.

Mr. Wold said the whole budget has gone up about 30% the last two years. Need to get hold of this.

Ms. Smith said she doesn't think anyone here is happy with a 7% increase for police. People have been complaining, and still are; they don't see them.

Joe said dropping the increase to 5% means a \$5,000 decrease in the General Fund and \$5,000 in the Utility Fund.

John Balderson said he used to complain about not seeing the police; now he sees them patrolling, on bikes, and walking.

Ms. Smith said the Commissioners aren't listening to the citizens.

Commissioner Hunter said that is not true. In every town the police department is a big expense. The Chief here brings in a lot of grant money; other towns don't have that benefit. You can pare down, but that's scary. The Commissioners are listening.

Joe responded to Mr. Wold's comments about a 30% increase in the budget. This includes capital improvements.

Commissioner Hunter said what Joe has done is increase and add fees to be paid by new development so our residents don't pay for new development. Other increases like street work, are ours to pay.

President Gearhart made a motion to close the Budget Hearing but continue to accept written comments up until May 31, seconded by Commissioner Hunter. Passed.

The next Budget Work Session will be held on May 31 at 7:30 pm. (Commissioners will look at website at 7:00 pm.) The second Budget Work Session will be held on June 4 following the regular monthly meeting.

Meeting adjourned at 8:50 pm to a Work Session on the DRRA for Ridgely Park.

Respectfully submitted,

Carol A. Balderson, Clerk