

April 27, 1967

Thursday.

Present: All commissioners, Mr. W. S. Donaldson, Mr. Guyther.

Budget Hearings

First hearing from 2:00 to 4:00 p.m. Present were all commissioners, Mr. Donaldson, Mr. O. Guyther, and some 25 interested persons.

Mr. Burch opened with statement to the effect that this was the most difficult budget the commissioners have had to work with since taking office because of new legislation effecting county revenues. As recently as yesterday, the commissioners went to both Annapolis and Baltimore to get some firm figures and clarification of the laws. As of this moment, the difference between the anticipated revenues for the coming year and the budget requests is \$696,277.39. This also takes into consideration using the advantage of the full 50% state income tax, 20% of which is mandatory under the state law recently passed.

Mr. Guyther reviewed legalities of the budget process in the county, and stated that the delay in holding hearings was because of new tax legislation that was not signed until April 10th.

General discussion concerning revenues to make up the deficit, and it was explained that new tax forms would require legislation, as the real estate tax is the only tax the commissioners have the authority to impose. Mr. Donaldson explained that if the 20% income tax is levied, St. Mary's County would only receive \$100 over what they received last year. With the 50%, the county would receive \$330,000, and this maximum has been figured in the budget.

Adm. Clark said that in the 66-67 budget concerning the library, compared with the requested budget, it would appear they are asking for \$7,000 more, and they are not. Mr. Donaldson explained that the \$7,000 was granted on a supplemental budget and would not be reflected in the approved budget; the commissioners are aware of this.

Mr. Guyther pointed out that the figures presented as revenue from the state are not correct. Some of the money coming to the county will not come into the county treasury to be incorporated into the budget. These funds are earmarked for certain areas and the commissioners do not see them at all.

To answer questions about approved budget, Mr. Donaldson explained that it was impossible for the commissioners to have an approved budget ready for review today as the figures have changed even as recently as this morning.

Discussion regarding additional revenues from adjusting tax on trailers in trailer parks, transfer tax and possible sales tax. Funds allotted to welfare department mentioned, and Mr. Bowles explained that this is set by law and the county must abide this. Mr. Carter then stated that welfare funds are 60% from the federal government, 30% from the state, and 10% from the county. Actually, St. Mary's County pays less than the 10% specified.

It was explained that the trial magistrate's salary was placed in the budget at \$6500 last year in anticipation of a raise by legislation. However, the raise did not pass, and the salary was set at \$5,000, and this amount is in the proposed budget. In the instance of the state's attorney, the legislature set a fixed salary of \$7500 and eliminated all the expense money.

Concerning the Board of Education budget, Mr. Ocker stated that the county is the third fastest growing county in the state and this in itself would account for an increase in the budget. However, in the effort to get good teachers, they have requested an increase in salaries, 70% of their budget, and this accounts to a large degree for the overall increase.

Mr. Burch mentioned that the commissioners are taking under consideration the increase of the nursing home budget and this figure will be adjusted. Mr. Rigby, a member of the Board of Directors was present, and he explained that because the home is now accredited additional expenditures have to be made to bring the home up to certain state requirements.

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Second hearing from 8:00 p.m. to 10:30 p.m. Present: All commissioners, Mr. Guyther, Mr. Donaldson, and approximately 250 spectators.

Introductory remarks as made at the morning hearing, and explanation of possible deficit, anticipated revenues, etc., and possible sources of additional revenues. With the exception of an additional tax on trailers in parks, which could be done by resolution, all tax reforms would require legislation. Mr. Burch stated that the commissioners would possibly cut the budget from what it is now.

General discussion concerning the Board of Education budget. The budget for this agency is over \$5,000,000, and the county is being asked to provide \$1,813,340.00. It was explained that the Board of Education in all counties receive monies from the federal, state and local governments. The difference between the amount they are requesting from the county and the amount of their budget is paid by the federal and state governments. The county does not audit the Board of Education books, as this is done by the state. At this point, Mr. Ocker mentioned that the books are audited by a local firm and the audit is published in the local papers about September of each year.

To questions asked about taxes of Aiken Industries, Mr. Burch mentioned law concerning this and that the amount is included in the EDC budget. Mr. Guyther read the law on this so far as manufacturing tax for equipment, and factory is tax exempt for real estate if they employ so many people. This is a ten year exemption, and after that period, the taxes are paid by the company.

Question asked about Mr. W. Chapman's position and what his duties are. Mr. Burch explained necessity of having someone follow up the many programs through which the county could get funds, and that Mr. Chapman has been instrumental in getting a \$100,000 grant for the county since his appointment.

General discussion concerning teachers salaries, and Mr. Ogden said that St. Mary's County is the lowest in the state for average salary. We have third highest turnover in the state, and over 57% of the teachers at the elementary level do not have

certificates. Even with the requested increase, the average teacher's salary will still be the lowest in the state. They are requesting about \$500,000 over what they requested last year. Mrs. C. Murray presented statement from Mr. Venetta, President of the PTA Council, supporting raise in teachers salaries, copy of statement given to secretary.

It was clarified that the money paid to the Welfare Department is set by the state and is mandatory, and this department spends these funds as they see fit.

Discussion concerning increases and decreases in some departments. Mr. Burch stated that the decrease in the amount for the Elections Office was due to the fact that we had two elections last year, and only one this year, which would cut down on the expenses. Trial Magistrate's salary was explained as of this morning's hearing.

Dr. Guyther asked about \$50,000 increase in the Health Department budget. Mr. Donaldson explained that these are matching and non-matching funds set in the state Health Department budget. Most of the employees are state employees, and this figure reflects the increase in salaries that will be given. The increase also includes allotment for in-patients, and additional employees that had to be hired because of Medicare. Mr. R. Thompson mentioned increase of \$2,000 in salary for Dr. Houser, and said he felt there were too many nurses on visiting duty. Suggested that perhaps \$50-60,000 should be decreased from this budget and put into the Board of Education budget.

Mr. Burch informed those present that if the budget is accepted as is, and no other forms of revenues are found, it will require approximately \$.80 on the tax rate.

Mr. Burroughs explained cost of uniforms for his men, and how purchase was determined. Also stated he feels his secretary is underpaid, as she is a key employee in the operation of the department. If the sheriff's department does the additional work that Judge Digges is advocating, they will probably need another secretary as the work load will increase considerably. So far as new cars are concerned, Mr. Donaldson said that number purchased will depend on how many deputies are hired and how many cars are needed.

Mr. B. Smith spoke on behalf of the farm people, stating that these people should be taxed according to what they are making. Some of them are paying more taxes than people who have fixed incomes.

Mr. Burch spoke about Civil Defense salaries, and that this operation is on a 50% matching basis with the federal government. Mentioned difficulty of keeping people in this department because of low salaries, and necessity of having qualified personnel. Raising some of the salaries will probably accomplish this.

Rescue squads were given larger appropriations last year and also this year. Legislation authorizes the commissioners to grant up to a certain amount. Request made by spectator to consider giving squads the \$250 that would bring them up to the maximum amount.

Discussion concerning Youth Commission budget and possibility of cutting amount requested for trophies, as this seems excessive, and other items that might be cut.

School bus system discussed, and Mr. Schrader mentioned that no urban area such as ours has been able to go ahead and buy buses so that the Board of Education would own them. The Board of Education is making a study of this and the only thing they have available now is the information they get from other counties. There are very few counties that have the kind of roads we have and it would be very expensive.

Meeting adjourned.

Approved,



F. Elliott Burch, President