

April 21, 2022

The regular meeting of the County Commissioners of Allegany County was held in the Commissioners' Meeting Room, Allegany Room 100, 701 Kelly Road, Cumberland, at 5:00 p.m. on the above date. The following were present: Commissioner Jacob C. Shade; Commissioner Creade V. Brodie, Jr.; Commissioner David J. Caporale; County Administrator Jason M. Bennett; and County Attorney T. Lee Beeman, Jr.

The Pledge of Allegiance was recited by those present.

MOTION

There were no additions or deletions to the Agenda.

MOTION

Upon Motion by Commissioner Caporale, and seconded by Commissioner Brodie, the Minutes of the April 7, 2022, public business meeting were approved by the Board of County Commissioners.

PUBLIC HEARING

Item 1 – Fiscal Year 2023 Preliminary Budget Public Hearing – Jason M. Bennett, CPA, County Administrator, presented the Fiscal Year 2023 Preliminary Budget. A copy of the preliminary budget presentation made by Mr. Bennett is attached to and made a part of these Minutes.

Commissioner Shade asked Administrator Bennett what the rating is for Allegany County, and Mr. Bennett told him it is AA. He explained that Allegany County would have to grow as a County to get an AAA rating.

Pam Diaz and Kiersten O'Donnell of the Finance Department were thanked for their efforts in preparation of the Fiscal Year 2023 Preliminary Budget.

It was announced that the Water and Sewer and CIP (Capital Improvement Program) presentations will be made at the May 12, 2022 public business meeting, and that Budget Adoption should be scheduled for the May 26, 2022 public business meeting.

There was no public comment regarding the Fiscal Year 2023 Preliminary Budget at the public hearing.

There was discussion of the piggyback tax rate, and the Commissioners collectively agreed on a rate of 3.03% which will require a Resolution for the May 12, 2022 public business meeting. Mr. Bennett pointed out that the annual cost for the reduced tax rate would be \$200,000. Commissioner Shade commented that the County hasn't cut the piggyback tax rate since 1998.

ACTION AGENDA

Item 2 – Resolution 22-7 – North Branch Pumping Station – Board of County Commissioners to approve Resolution 22-7 authorizing closing on a USDA loan in the amount of \$1,092,000 for the North Branch Pumping Station – Jason M. Bennett, CPA, County Administrator, discussed the details of Resolution 22-7, which the Resolution is made a part of these Minutes by reference.

Upon Motion made by Commissioner Brodie, seconded by Commissioner Caporale, and duly carried, the Board of County Commissioners approved and passed Resolution 22-7 authorizing closing on a USDA loan in the amount of \$1,092,000 for the North Branch Pumping Station.

Item 3 – Additional 2% Cost of Living Adjustment (COLA) for Allegany County Employees – Board of County Commissioners to approve an immediate 2% cost of living adjustment to all County Employees pay to be effective on the pay period beginning May 1, 2022 – Jason M. Bennett, CPA, County Administrator, presented background and details regarding this Item, as set forth on his Staff Report on the subject dated April 18, 2022, a copy of which is attached to and made a part of these Minutes.

Commissioner Shade moved that the Board of County Commissioners approve an immediate 2% cost of living adjustment to all County Employees' pay, to be effective on the pay period beginning May 1, 2022. Commissioner Brodie seconded the Motion. Motion carried to approve.

CONSENT AGENDA

As recommended by the County Administrator

Upon Motion by Commissioner Caporale, seconded by Commissioner Brodie, and Motion carried, the Board of County Commissioners approved and adopted Items 4, 6, 9, 10, and 11 of the Consent Agenda as recommended by the County Administrator.

The Board of County Commissioners discussed Item 5 - Emergency Rental Assistance Program 2 Homelessness Solutions Program Grant Agreement, during which discussion Commissioner Shade said that he intended to vote "no" on this Item. Commissioner Caporale asked that Item 5 be tabled.

The Board of County Commissioners also discussed Item 7 - Supply of Allegany County Waterline Piping Project Award and Item 8 - Supply of Allegany County Waterline Construction Materials Project Award. Commissioner Brodie said that he wanted both Items tabled.

Item 4 – Scattered Sites Housing Program – Board of County Commissioners accepted the offer of \$43,000 from Romeo Flores, Gaithersburg, Maryland, to purchase the property know as 629 Bedford Street, Cumberland, Maryland, Property Tax Account Number 23-013150, and authorized the President of the County Commissioners to sign the closing documents and the deed for the sale of the property.

Item 5 – Emergency Rental Assistance Program 2 Homelessness Solutions Program Grant Agreement – Board of County Commissioners to authorize the President of the County Commissioners to sign an ERAP 2 Homelessness Solutions Program Grant Agreement accepting an allocation of \$850,000 in Emergency Rental Assistance on behalf of the Human Resources Development Commission, and Allegany County Department of Social Services. Further, the Board of County Commissioners to authorize the President to sign the sub-recipient agreements with each of these organizations for the administration of the Grant.

Upon Motion made by Commissioner Brodie, and seconded by Commissioner Caporale, the Board of County Commissioners agreed to table Item 5 to a future public business meeting.

Item 6 – Agreement with BBUM Promotions, LLC for Fairgrounds Racetrack – Board of County Commissioners entered into an agreement with BBUM Promotions, LLC, to operate and promote dirt track racing at the Allegany County Fairgrounds in accordance with the conditions set forth in the agreement.

Item 7 – Supply of Allegany County Waterline Piping Project Award – Board of County Commissioners to approve the award for the Allegany County Waterline Piping project to Core & Main, LP, Martinsburg, West Virginia, in the amount of \$272,059, and authorize the County Commissioners to sign the required project documents.

Item 8 – Supply of Allegany County Waterline Construction Materials Project Award – Board of County Commissioners to approve the award for the Allegany County Waterline Construction Materials project to Core & Main, LP, Martinsburg, West Virginia, in the amount of \$167,385, and authorize the County Commissioners to sign the required project documents.

Upon Motion made by Commissioner Caporale, and seconded by Commissioner Brodie, the Board of County Commissioners agreed to table Items 7 and 8 to a future public business meeting.

Item 9 – Bowling Green/Cresaptown Sewer Replacement and Point Repair Project Request Permission to Advertise – Board of County Commissioners authorized the Department of Public Works to advertise the Bowling Green/Cresaptown Sewer Replacement and Point Repair Project on the County's website and in the Cumberland Times News.

Item 10 – Bowling Green/Cresaptown/Frostburg/Barrelville Sewer Re-Lining Project Request Permission to Advertise – Board of County Commissioners authorized the Department of Public Works to advertise the Bowling Green/Cresaptown/Frostburg/Barrelville Sewer Re-Lining Project on the County's website and in the Cumberland Times News.

Item 11 – Resolution 22-6 – Rules & Regulations Governing Employees of Allegany County, Maryland Amendments – Board of County Commissioners approved Resolution 22-6, the amendments to the Rules & Regulations Governing Employees of Allegany County, Maryland.

Commissioners' statements, comments, recognition –

Commissioner Creade Brodie had no further comments to make at this evening's meeting.

Commissioner David Caporale had no further comments to make at this evening's meeting.

Commissioner Jacob Shade thanked the Finance Department.

Constituents – In order of sign-up sheet –

Ms. Ellen Arnone talked about the Coal Miner Memorial for the Trail in Frostburg. She asked the County Commissioners for their assistance to meet the costs of this Memorial. Ms. Arnone read a prepared statement, and informational booklets were handed out.

Commissioner Brodie moved that an Item 12 be added to the Consent Agenda for this evening's meeting, and that \$25,000 in ARPA funds be given to the Coal Miner Memorial project. Commissioner Caporale seconded the Motion. Motion carried to approve the distribution of \$25,000 in ARPA funds to the Coal Miner Memorial project.

Reminders/Upcoming Meetings –

Next Public Business Meeting – Thursday, May 12, 2022, 5:00 p.m.

ADJOURNMENT:

There being no further business to come to the attention of the Board, the meeting was adjourned at 5:50 p.m.

Jacob C. Shade, President

True Copy
Attest:

Cynthia A. Young
Recording Secretary



ALLEGANY COUNTY, MARYLAND

Finance Office

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BOARD OF COMMISSIONERS

Jacob C. Shade, *President*
Creade V. Brodie, Jr.
David J. Caporale

Jason M. Bennett, CPA, *Director of Finance*

April 21, 2022

Allegany County Commissioners
County Office Complex
701 Kelly Road
Cumberland, MD 21502

Dear Commissioners:

FY 2023 Preliminary Budget

Submitted today for your review is the Fiscal Year 2023 Allegany County, Maryland Preliminary Operating Budget. At this time, the budget is balanced and represents a total general fund budget of \$101,936,577. This amount is an increase of \$5,478,074 or 5.7% from FY 2022's budget.

Included in this budget, at your request, are **no tax increases**.

This budget incorporates an increase of \$1,653,464 in property taxes due to a 3.8% overall increase in assessments and also includes a \$2,666,168 or 9.2% increase in our income tax revenues as a result of strong FY 2022 performance along with a disparity grant that continues to incorporate the supplemental teacher's pension grant that was enacted during 2012's General Assembly session.

Despite requests for additional funding from most agencies, we were able to fully fund the requests of all of our outside agencies, including the Board of Education, Allegany College of Maryland, the Health Department and the Library System. Also included in the budget presented today is a 2% Cost of Living Adjustment for Allegany County employees and a 5% health insurance cost increase that reflects the rapidly rising costs of the healthcare industry. Additionally, an immediate and additional 2% COLA has been incorporated into today's budget that will become effective with the first pay next month with your approval to help employees deal with the rapidly rising costs that we are all feeling in today's economy.

Thanks to our bond refunding in the fall of 2020, we will be well under our stated debt service goals of \$3 million. This refunding took advantage of historically low Interest rates and saved us \$1.8 million in our FY 22 budget, and keeps us with a debt service transfer of just \$1,474,988 for FY 23.

This year's budget utilizes \$2,461,190 of fund balance, which still allows us to maintain two months- worth of operations and an additional 3% in budget stabilization funds in our fund balance as recommended by GASB 54.

The hard decisions and tough cuts and sacrifices of the past several years are allowing us to present this budget with no tax rate increases and allows us to continue to maintain a strong financial position that the

tax payers deserve of their government. We have reached or exceeded our goals for debt service and fund balance continues to be well positioned so that we may offer the services we promise to our citizens.

We will have to continue to monitor both the COVID-19 crisis and today's inflationary economy, both of which have gripped the country. To this point, we have positioned ourselves well to continue to weather these storms and deliver service to the taxpayers, but we will have to remain vigilant moving forward.

This preliminary budget document will be available on our website at www.alleganygov.org. Budget Adoption is scheduled for May 26, 2022 and we will be accepting public comment on this document during our May 2022 public business meetings.

Respectfully,



Jason M. Bennett, CPA
County Administrator



Allegany County Commissioners FY 2023 Preliminary Budget

Jason M. Bennett | Administrator | April 21, 2022

Preliminary Budget Highlights - Total Requested Revenues **\$101,936,577**

Highlights	Changes	Reasoning
Property Taxes	\$1,653,464	Property taxes 3.8% growth due to rising assessments
Income Taxes	\$2,666,168	Strong FY 2022 performance
Unexpended Fund Balance	\$1,014,627	Additional Excess Fund Balance Available. Required Reserves Maintained



**Preliminary Budget Highlights -
Total Requested Expenditures \$101,936,577**



Highlights - Operating Departments	Changes	Reasoning
Salaries & Fringe Benefits	\$3,625,000	A total of 4% COLAs and additional staffing 5% Health Insurance increase
Appropriations to Major Outside Agencies	\$811,916	Flat Funding to Board of Education; All others increases - requests fully funded-largely due to salary/fringe

FY 2023 Proposed Tax Rates

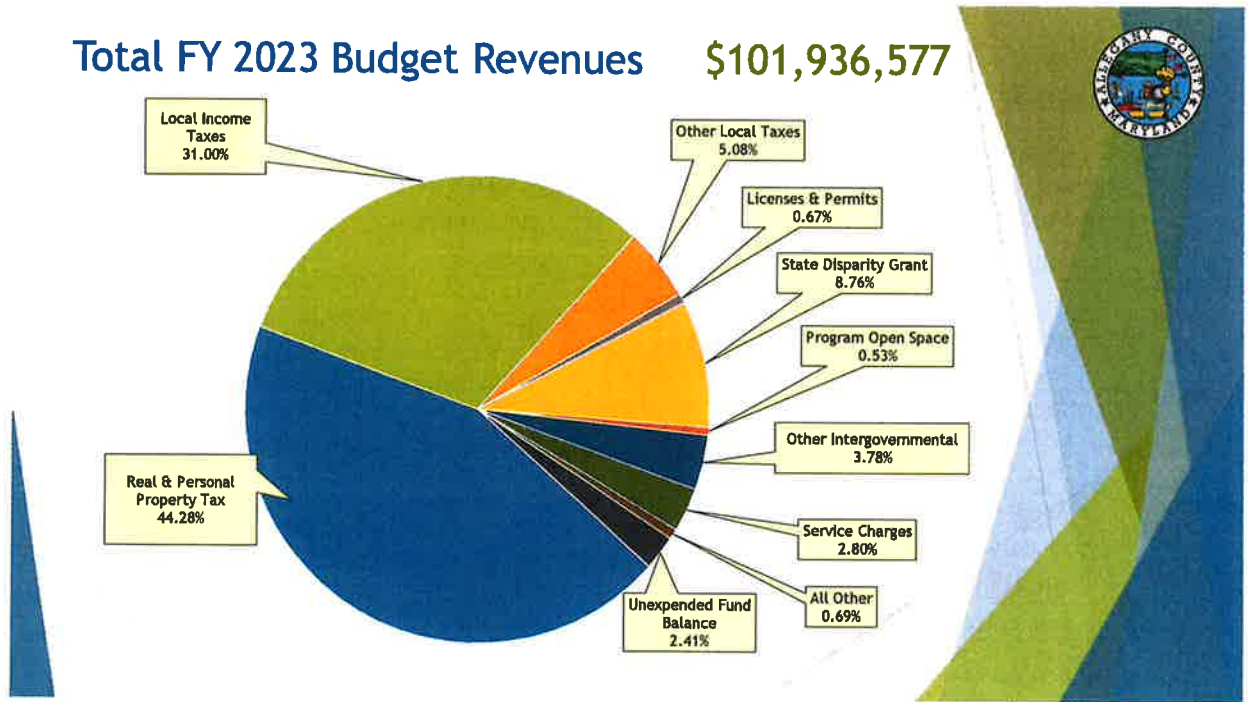
NO CHANGE IN RATES

All but unincorporated Property Tax Rates actually declined

INCOME TAX RATE	3.05%
REAL PROPERTY TAX RATE	\$0.9750
RECORDATION TAX	\$3.50
HOMESTEAD CREDIT	4.00%



Total FY 2023 Budget Revenues \$101,936,577



FY 2023 Recommended Budget Revenues & Other Sources Summary

General Fund	\$ 101,936,577
Coal Haul Roads Fund	60,000
Rocky Gap Slots Revenue Fund	2,698,674
Transit Fund	2,636,828
Narcotics Task Force Fund	122,941
Gaming Fund	423,494
Revolving Building Fund	11,919,130
State Fire, Rescue & Inmate Commissary Fund	469,950
Debt Service Fund	2,704,500
Water Fund	
Sanitary Fund	
Allconet II	225,058
County Loan Fund	25,153
TOTAL	\$ 123,222,305



Note: This preliminary budget does not include the Capital Projects Fund or Water/Sewer Funds

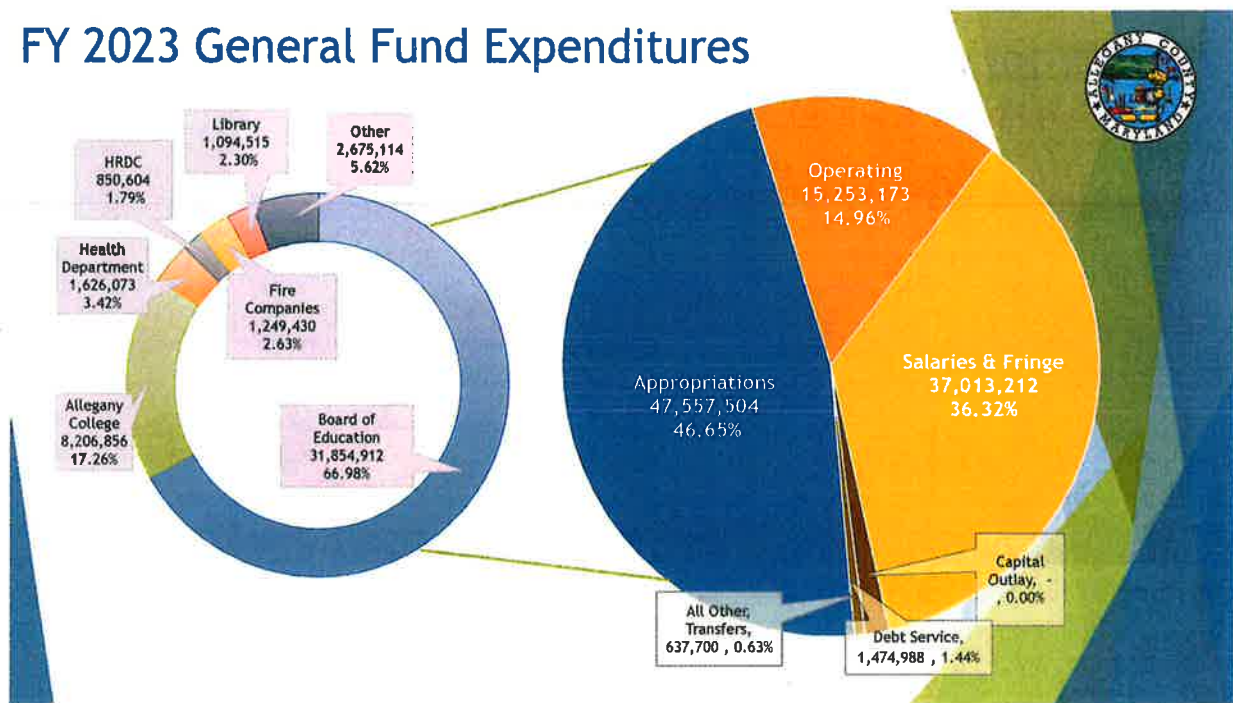
Total FY 2023 Budget Expenditures \$101,936,577

Where Is Your Tax Dollar Spent?



Economic
Development

FY 2023 General Fund Expenditures



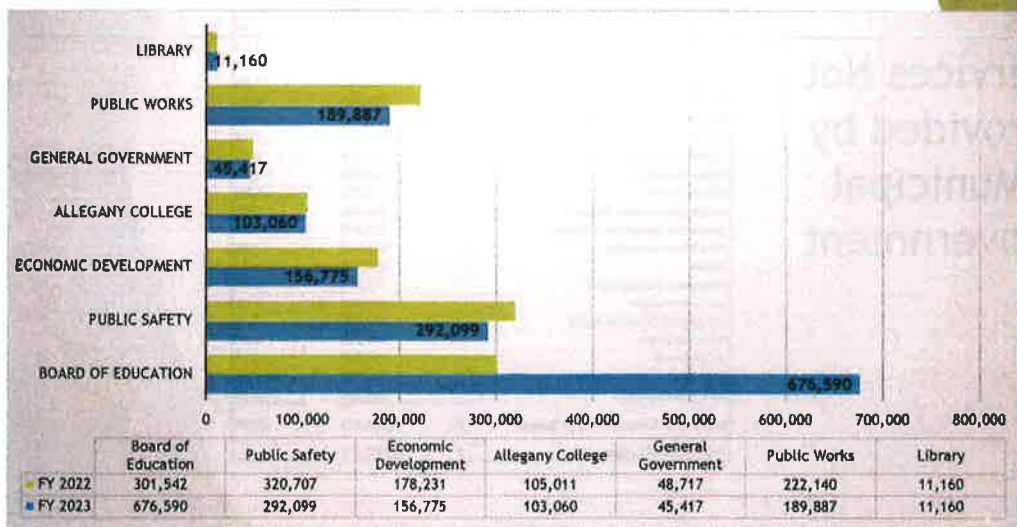
FY 23 Budget General Fund

Services Not Provided by Municipal Government

Service	Dollars	Percentage
Board of Education	\$ 31,854,912	31.2%
Detention Center	9,307,039	9.1%
Allegany College	8,206,856	8.1%
Debt Service on Services	1,474,988	1.4%
911	3,111,901	3.1%
State's Attorney	1,875,991	1.8%
Health Department	1,626,073	1.6%
Allegany County Library	1,094,515	1.1%
Other Health Services Programs	568,576	0.6%
Election Office	786,061	0.8%
HRDC (Sr Citizen Centers)	850,604	0.8%
Tourism	695,410	0.7%
County Fair & Ag Expo	642,874	0.6%
Transit Operation	545,916	0.5%
Animal Control	514,000	0.5%
Circuit Court Master Program	582,490	0.6%
Alternative Sentencing Program	392,648	0.4%
Solid Waste Recycling	205,532	0.2%
Airport	230,000	0.2%
Emergency Management	279,074	0.3%
Soil Conservation	191,719	0.2%
Agricultural Extension Agent	187,603	0.2%
Home Detention	337,079	0.3%
Liquor Board	121,988	0.1%
Haz Mat	103,915	0.1%
Family Law Master	227,456	0.2%
Some 26 Services for 65% of Budget	\$ 66,015,220	64.8%
Total General Budget	\$ 101,936,577	



FY 2023 Budget Debt Service Transfer **\$1,474,988**



	Actual 2019	Actual 2020	Actual 2021	Budgeted 2022	Budgeted 2023
County Appropriation	7,630,550	7,706,856	7,706,856	7,706,856	8,206,856
Percentage Change	0.0%	1.0%	0.0%	0.0%	6.5%
County Appropriation	7,630,550	7,706,856	7,706,856	7,706,856	8,206,856
Allegany County Campus Enrollment	2,208	2,140	1,850	1,850	1,758
Appropriation Per Student	3,456	3,601	4,166	4,166	4,668
Percentage Change	3.4%	4.2%	16.0%	21%	12%
County Appropriation + Debt Service	7,890,487	8,033,988	8,014,057	7,811,867	8,309,916
Allegany County Campus Enrollment	2,208	2,140	1,850	1,850	1,758
Spending Per Student	3,574	3,754	4,332	4,222	4,726
Percentage Change	3.4%	5.0%	15.0%	18%	12%



Support
For

ALLEGANY COLLEGE
of MARYLAND
ENGAGE YOUR FUTURE

Note: Numbers do not include \$360,000 appropriated annually to the ACM Foundation from Rocky Gap Slots Proceeds.

	Actual 2019	Actual 2020	Actual 2021	Budgeted 2022	Budgeted 2023
County Appropriation	30,424,308	30,734,335	30,734,335	31,138,671	31,854,912
Percentage Change	0.0%	1.0%	0.0%	0%	2.3%
County Appropriation	30,424,308	30,734,335	30,734,335	31,138,671	31,854,912
Student Enrollment	8,437	7,955	8,075	7,516	8,132
Appropriation Per Student	3,606	3,864	3,806	4,143	3,917
Percentage Change	1.2%	7.2%	-1.5%	14.0%	-5.5%
County Appropriation + Debt Service	31,913,860	32,235,205	32,144,216	31,440,213	32,531,502
Student Enrollment	8,437	7,955	8,075	7,516	8,132
Spending Per Student	3,783	4,052	3,981	4,183	4,000
Percentage Change	1.1%	7.1%	-1.7%	10.1%	-4.5%
County Appropriation + Debt Service + Gaming	31,993,860	32,616,978	32,144,216	31,683,306	32,709,921
Student Enrollment	8,437	7,955	8,075	7,516	8,132
Spending Per Student	3,792	4,101	3,981	4,215	4,022
Percentage Change	1.1%	8.1%	-1.7%	10.7%	-4.6%



Support
For



Note: Enrollment numbers include Pre-K student enrollment.

Budget Information

- ▶ There will be preliminary budget hearings for public input during all meetings in May.
- ▶ This document is available online at www.alleganygov.org
- ▶ Please feel free to email any questions about this document to finance@alleganygov.org
- ▶ Budget Adoption is scheduled for May 26, 2022.





ALLEGANY COUNTY
F.Y. 2023 PRELIMINARY BUDGET
 April 21, 2022

SUMMARY SCHEDULE OF ALL SOURCES AND APPROPRIATIONS

<u>REVENUE & OTHER SOURCES SUMMARY</u>	F.Y. 2021 ACTUAL	F.Y. 2022 BUDGET	F.Y. 2023 REQUESTED BUDGET	F.Y. 2023 RECOMMENDED BUDGET
General Fund	\$98,959,890	\$96,458,503	\$102,841,468	\$101,936,577
Coal Haul Roads Fund	71,708	52,000	60,000	60,000
Rocky Gap Slots Revenue Fund	1,862,603	2,445,978	2,698,674	2,698,674
Transit Fund	2,033,872	2,366,230	2,593,955	2,636,828
Narcotics Task Force Fund	203,455	116,341	122,941	122,941
Gaming Fund	365,441	496,082	419,799	423,494
Revolving Building Fund	4,113,442	11,614,985	11,905,177	11,919,130
State Fire & Rescue and Inmate Commissary Fund	501,611	415,970	469,950	469,950
Debt Service Fund	3,332,959	2,796,096	2,704,500	2,704,500
Water Districts	5,202,822	-	-	-
Sanitary Districts	8,574,221	-	-	-
Allconet II	49,231	225,058	225,058	225,058
County Loan Fund	250,000	25,153	25,153	25,153
	<u>\$125,521,255</u>	<u>\$117,012,396</u>	<u>\$124,066,675</u>	<u>\$123,222,305</u>

<u>APPROPRIATION & OTHER USES SUMMARY</u>	F.Y. 2021 ACTUAL	F.Y. 2022 BUDGET	F.Y. 2023 REQUESTED BUDGET	F.Y. 2023 RECOMMENDED BUDGET
General Fund	\$94,725,846	\$96,458,503	\$102,841,468	\$101,936,577
Coal Haul Roads Fund	40,000	52,000	60,000	60,000
Rocky Gap Slots Revenue Fund	1,855,469	2,445,978	2,698,674	2,698,674
Transit Fund	2,033,872	2,366,230	2,593,955	2,636,828
Narcotics Task Force Fund	178,833	116,341	122,941	122,941
Gaming Fund	615,816	496,082	419,799	423,494
Revolving Building Fund	5,133,351	11,614,985	11,905,177	11,919,130
State Fire & Rescue and Inmate Commissary Fund	417,925	415,970	469,950	469,950
Debt Service Fund	3,332,959	2,796,096	2,704,500	2,704,500
Water Districts	4,858,398	-	-	-
Sanitary Districts	10,221,509	-	-	-
Allconet II	151,358	225,058	225,058	225,058
County Loan Fund	23,566	25,153	25,153	25,153
	<u>\$123,588,902</u>	<u>\$117,012,396</u>	<u>\$124,066,675</u>	<u>\$123,222,305</u>

Note: This preliminary budget does not include the Capital Project Funds or Water/Sewer Funds



ALLEGANY COUNTY, MARYLAND

Finance Office

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Item 3

BOARD OF COMMISSIONERS

Jacob C. Shade, President
Creade V. Brodie, Jr.
David J. Caporale

Pamela S. Diaz, CPA, Deputy Director of Finance
Jason M. Bennett, CPA, County Administrator

STAFF REPORT

TO: Jason M. Bennett, CPA, County Administrator

FROM: Jason M. Bennett, CPA – County Administrator

DATE: April 18, 2022

RE: **Additional 2% COLA for Allegany County Employees**

For the Action Agenda on: April 21, 2022

1. BACKGROUND

The Allegany County Commissioners are in the process of budget deliberations for FY 23. A 2 percent cost of living adjustment (COLA) has been included in the budget. Unfortunately, the economy is in a period of rapid inflation making the cost of gas and supplies rise rapidly for our employees.

2. ISSUES

The commissioners have publicly discussed the potential need for an additional raise for county employees to keep up with inflation and to allow us to continue to be competitive while recruiting for open positions. During our budget workshop on April 14, 2022, the potential impact of an additional 2% COLA to be effective ASAP for county employees was presented. During this discussion, the commissioners indicated that they would like to take action on this during their public meeting on April 21, 2022.

3. FINANCIAL IMPACT

Adding a 2% COLA immediately will have a cost of approximately \$500,000 for all of FY 2023 and will be incorporated into the preliminary budget presentation on April 21, 2022. The cost to implement this COLA to be effective immediately is approximately \$100,000 for the remainder of FY 2022 and a future budget amendment will be prepared to make this change.

4. ALTERNATIVES

The alternative to not adding this COLA is that county employee's buying power will erode in this inflationary environment and we will have an even more difficult time competing to recruit and retain employees.

5. OTHER CONSIDERATIONS

None.

6. CONFORMITY TO COUNTY POLICY

Conforms with County policy.

7. RECOMMENDATION

It is recommended that the Commissioners approve this 2% cost of living adjust to be effective immediately.