

**BOARD OF GARRETT COUNTY COMMISSIONERS**  
**ADMINISTRATIVE SESSION**  
**September 25, 2014**

**IN ATTENDANCE**

*Chairman Robert G. Gatto*  
*Commissioner Gregan T. Crawford*  
*Commissioner James M. Raley*

*County Administrator R. Lamont Pagenhardt*

FINANCIAL

Scott Weeks, Director, Department of Financial Services and Jeff Broadwater, Assistant Director, Department of Financial Services presented the Board of County Commissioners a financial summary of Fiscal Year 2014 to include Fiscal Year end unaudited figures, Fiscal Year 2015 excess sources of funds, and Fiscal Year 2015 financial issues to address. The Board approved designation of funds to certain operating and capital areas. Copy of Summary is attached as **Exhibit 1.**

FINANCIAL AND PUBLIC SAFETY

1. Sheriff Robert Corley presented a request to purchase replacement patrol vehicles to the Board of County Commissioners. Also in attendance for this session were Brian Bowers, Purchasing Agent, Purchasing Department; Mr. Weeks; Mr. Broadwater; and Chief Deputy Michael Bittinger. Sheriff Corley presented a maintenance and repair report and a list of current mileage on Department vehicles.

The Board, on a motion by Commissioner Crawford, which was seconded by Chairman Gatto, and made unanimous by Commissioner Raley, approved to proceed with the bid and purchase of three (3) patrol vehicles.

2. The Board of County Commissioners, on a motion by Commissioner Crawford, which was seconded by Commissioner Raley, and made unanimous by Chairman Gatto, moved into Executive Session under section 10-508 of the Maryland Open Meetings Law on this date to discuss financial matters related to the review of real property appraisal valuation reports and economic development matters.
3. The Board of County Commissioners reviewed a request from the Garrett County Board of Education to retain Fiscal Year 2014 carryover funds. Mr. Weeks and Nathaniel Watkins, Director, Department of Communications and Technology (DotCom) were in attendance. The Board agreed to the request which included specific and definitive explanations for operational funding. This documentation is included with these minutes as **Exhibit 2.**
  - Restricted for Subsequent Year's Budget - \$648,543
  - Restricted for Capital Expenditures - \$673,000
  - Restricted for Capital Lease Payments - \$151,444

Mr. Pagenhardt will convey this action to the Board of Education and reinforce that the Board of Education understands that any redirection of these approved funds to different line expenditure line items requires approval by the County.

#### PUBLIC WORKS

1. Mr. Pagenhardt, Department of Public Works, and Department of Financial Services staff discussed the Sandy Beach Home Owners Association condemnation decision. Mr. Weeks; Patrick Hudnall, Division Chief, Department of Public Works – Utilities Division; Jay Moyer, Director, Department of Public Works; and Mr. Broadwater were in attendance. Prior public meetings and administrative sessions included discussion and recommendation by staff to move this matter to a scheduled date on the Circuit Court docket. Mr. Pagenhardt will notify the County Attorney to advance this matter to the Circuit Court.
2. Relative and pursuant to the July 15, 2014 **Public Hearing** and August 5, 2014 Public Meeting conducted to review and approve a number of Sanitary District Service Area Boundaries, a number of administrative work sessions and correspondence exchanges between the Board and County staff, the Board of County Commissioners discussed a decision of approval of the Garrett County Water and Sewer Master Plan Amendments – Service Area Boundaries. Mr. Weeks, Mr. Hudnall, Mr. Moyer, and Mr. Broadwater were attendance for this session. Specific topics for review and approval were a Debt payoff – ad valorem tax option - Keyser’s Ridge Service Area Status of final approval of Amendments and Final Master Plan

Commissioner Raley entered a motion to approve the Water and Sewer Master Plan Amendments as presented at the July 15, 2014 **Public Hearing**. The motion was seconded by Commissioner Crawford and made unanimous by Chairman Gatto. The same motion also approved a contribution from the General Fund appropriation to reduce the Keyser’s Ridge Water Sanitary District to a recommended ad valorem tax rate of \$0.24. This is an estimated rate based on affordability, consistent with other sanitary districts, and which will vary depending on the actual certification of assessable base and to be assigned ad valorem tax. This funding decision is listed on **Exhibit 1**.

#### PLANNING AND LAND MANAGEMENT

(Mr. Koch and Deborah Carpenter, Assistant Director, Department of Community Planning and Development – Planning Office were in attendance for all session points of discussion)

1. Review Draft Memorandum of Understanding – Deep Creek Lake Management Plan – Phase II. The Board will continue to review and advise Ms. Carpenter with their comments.
2. Transportation Development Plan – ARC CTA Grant Application. The Board will continue to review and advise Ms. Carpenter with their comments.
3. Environmental Protection Agency Waters of the United States Regulatory Overreach Protection Act of 2014 update.
4. Notification that Ms. Carpenter will represent the County at the American Planning Association conference and asked for input for the Board on specific issues and discussion points.
5. The Board of County Commissioners, on a motion by Commissioner Crawford, which was seconded by Commissioner Raley, and made unanimous by Chairman Gatto, reappointed William Ingram and Russell Sines as Members to the Deep Creek Watershed Board of Zoning Appeals. Official letters of appointment will be sent to each appointee under the signature of Chairman Gatto.

ECONOMIC DEVELOPMENT

Mr. Koch presented 2 issues to the Board of County Commissioners for discussion, guidance and direction:

- Continuation of the Marcellus Shale Natural Gas Advisory Committee. The Board will continue with the current board members with reappointment to be determined by the new board of county commissioners when they take office.
- A funding request for the National Adventure Racing Championship. The Board approved an appropriation of \$5,000.
- A funding request from Garrett College Foundation for a feasibility study. The Board approved an appropriation of \$5,000.

ADMINISTRATIVE

1. Mr. Pagenhardt reviewed a number of administrative and personnel matters under his level of authority.
2. The Board agreed with a recommendation by Mr. Pagenhardt for the appointment of Patrick Frazee and Andrew Clark as Department of Public Works – Utilities Division utility service technician. Other departmental personnel transfer and assignment matters were presented to the Board.

**Attest:**

**By Order of the Board,**

\_\_\_\_\_  
R. Lamont Pagenhardt,  
County Administrator

\_\_\_\_\_  
Robert G. Gatto, Chairman  
Board of County Commissioners

\_\_\_\_\_  
Date

## Garrett County Commissioners

### Financial Summary

September 25, 2014

**FY 14 Year End Unaudited Figures**

Projected Unassigned Fund Balance June 30, 2014  
 Assignment for Future Capital Needs (required \$1,072,814 to balance FY15's budget)  
 5% of Operating Revenues pursuant to policy (reduced by \$61,000)

\$ 1,697,449  
 3,927,186  
 3,525,000  
**\$ 9,149,635**

**Effect of Actions Taken**

\$ 1,635  
 5,000,000  
 3,525,000  
**\$ 8,526,635**

**FY 15 Excess Sources of Funds**

Board of Education Teachers' Pension reduction  
 Estimated Health Department Budget Return

\$ 281,906  
 270,000  
**\$ 551,906**

\$ 281,906  
 270,000  
**\$ 551,906**

**FY 15 Items to Address**

Emergency Operations Center (Garrettland, Inc. appraisal \$387,700 Michael Goodfellow appraisal \$422,500)  
**Action** average the two appraisals and make an offer of \$405,100 - fund from the FY15 Excess above  
 Sheriff's Department Vehicles (3) **Action** purchase 3 vehicle at \$90,000 - fund from the FY15 Excess above

422,500  
 86,583  
**\$ 509,083**

405,100  
 90,000

Future Capital Needs Reserve account is down to \$3,927,186 - **Action** replenish to \$5,000,000 and assign as of 6/30/14 in fund balance.  
 FY 15 Commissioners Contingency is down to \$35,391 - **Action** replenish to \$250,000 and assign as of 6/30/14 in fund balance.  
 Deep Creek 2014 Receivable (currently at \$1.43 million; estimating it could be as high as \$2.2 million) - **Action** address in a couple months once event is over .  
 Keyser's Ridge Water Sanitary District Ad Valorem Rate - **Action** \$408,000 toward principal on debt assign as of 6/30/14 in fund balance.  
 Employee bonuses??? (last year this equated to \$341,000) - **Action** 1.5% on the scale and \$500 bonus paid on 10/9/14 - funding will be determined with remaining FY 15 Excess funds - Estimated at \$272,000

Revenue Accounts Contributing to Surplus

272,000  
**\$ (215,194)**

	Amended Budget	Actual	Variance
Real Property Tax	43,357,199	43,676,912	319,713
Income Tax	10,600,000	10,992,150	392,150
Recordation Tax	1,500,000	1,694,481	194,481
Admission & Amusement Tax	690,000	735,612	45,612
Transfer Tax	1,300,000	1,488,304	188,304
Hotel/Motel Tax	2,100,000	2,231,485	131,485
Forestry & Parks	410,000	542,031	132,031
		<u>1,403,776</u>	



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#### **Members of the Board of Education**

Mr. Thomas A. Carr, President  
Mr. Rodney A. Reckart, Vice-President  
Mrs. Cynthia M. Downton, Associate Member  
Mr. Matthew A. Paugh, Associate Member  
Mrs. Charlotte A. Sebold, Associate Member  
Ms. Adriana B. Fratz, Student Board Member

*Superintendent of Schools*  
Dr. Janet S. Wilson

September 24, 2014

Mr. R. Lamont Pagenhardt, County Administrator  
Garrett County Government  
203 South Fourth Street, Room 207  
Frederick A. Thayer, III Court House  
Oakland, MD 21550

Dear Mr. Pagenhardt:

As the Board of Commissioners considers the carryover request of the Garrett County Board of Education, the attached will provide additional clarification in the form of the **DRAFT Board of Education of Garrett County's Balance Sheet – Governmental Funds at June 30, 2014**. The Fund Balance section of the Balance Sheet outlines various categories of fund balances that the system has segregated. The balances that specifically relate to operations that the Commissioners should be aware of and exceed the \$500,000 unassigned fund balance the system has been authorized to keep on hand include:

**Restricted for Subsequent Year's Budget - \$648,543** represents funds that were previously requested that are under consideration by the Board of Commissioners as outlined previously in Exhibit B or Exhibit C. If you recall, utilization of the funds will depend on the intention of the Governor to trigger or not trigger the funding provided within the last legislative session.

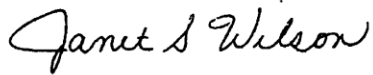
**Restricted for Capital Expenditures - \$673,000** represents funds that were previously approved for transfer by the Board of Commissioners within the fiscal 2014 budget for projects that were unable to be completed prior to year end. The request and approvals have also been attached to this document. These expenditures will include:

- Instruction Computer Science Pathway Development of \$29,000 for high school computers.
- Instruction Project Lead the Way (Middle School Robotics Strand) of \$40,000 for middle school computers.
- Capital Outlay Buildings & Improvements for \$400,000 for mobile modular units at Broad Ford to assist with the overcrowding and to maximize enrollments within the southern-end elementary schools.
- Instruction Computer Equipment of \$204,000 for elementary school computer carts previously requested within the fiscal 2015 budget but approved for transfer in fiscal 2014.

**Restricted for Capital Lease Payments - \$151,444** represents rebates received from First Energy which were a direct result of the Johnson Control Performance Contract completed in fiscal 2013. These rebates will be applied to future capital lease payments.

As you are aware, the Board of Education is required to have the financial statement audit completed and submitted to the state by September 30. It is our hope that a decision will be made which allows this deadline to be met. Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Janet S. Wilson". The signature is written in a cursive style with a large initial 'J'.

Janet S. Wilson, Ph. D.  
Superintendent of Schools

Cc: Garrett County Board of Education  
Mr. Larry McKenzie, Director of Finance  
Mr. Daniel Porter, The Rodeheaver Group, P.C.