



OFFICE OF THE  
COUNTY COMMISSIONERS

GERALD T. MASON  
CHIEF ADMINISTRATIVE OFFICER  
JOHN E. "SONNY" BLOXOM  
COUNTY ATTORNEY

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## Worcester County

GOVERNMENT CENTER  
ONE WEST MARKET STREET • ROOM 1103  
SNOW HILL, MARYLAND  
21863-1195

### PRESS RELEASE

**TO:** Local Media  
**FROM:** Worcester County Commissioners  
**DATE:** June 7, 2011  
**FOR RELEASE:** Immediately  
**TOPIC:** Worcester County Retains Current Tax Rate of \$.70  
**For Additional Comment:** Office of the County Commissioners  
Gerald T. Mason, Chief Administrative Officer  
Kathy Whited, Budget Officer  
(410) 632-1194

#### WORCESTER COUNTY RETAINS CURRENT TAX RATE OF \$.70

June 7, the Worcester County Commissioners approved the FY 2011/2012 Operating Budget of \$163,541,144 in appropriations for the coming fiscal year. This reflects an increase of \$335,333 or .2% more than the FY11 budget due to a minimal increase in anticipated revenues.

As promised, the Commissioners did not increase the tax rate which has been in effect since fiscal year 2006 and will maintain the existing real property tax rate of 70¢ per \$100 of assessed value in fiscal year 2012, which begins July 1, 2011. The rate was lowered July 1, 2005 from \$.73 to \$.70 per \$100 of assessed value and shows their commitment to keep the tax rate stable in these difficult economic conditions.

The Commissioners would like to thank County departments and agencies for maintaining and or reducing operating expenses. County and Board of Education employees will not receive an increase in salaries or longevity bonuses.

To further reduce personnel costs, an early retirement incentive program will be offered for the third consecutive year. This fiscally conservative budget proposes no new spending, but maintains funding for valuable public services residents can count on, such as public safety, education, infrastructure and existing social service programs.

#### Anticipated General Fund Revenues

- Net property taxes increased by \$763,151, primarily as a result of reduced homestead tax credits and decreasing assessments. The Homestead Credit cap remains unchanged at 3%, estimated to be \$5,250,000 for the County's qualified principal resident homeowners effective July 1, 2011.

- Income Tax revenues are anticipated to decline \$1,576,000 from the current year. This represents a 15% decline due to economic conditions. The County tax rate remains at 1.25%, the lowest in the State.
- Other local taxes increased \$750,000; Recordation Tax by \$500,000 and Transfer Tax at \$250,000 due to the current economic outlook and current market conditions, without an increase in rates.
- State Shared Taxes increased \$54,173. The Highway User Tax increase of \$104,217 includes a one-time payment to the County for the fiscal year. A reduction of \$50,044 of 911 fees is due to decreased phone lines and loss of interest income due from the State.
- Distribution from Liquor Control Board increased by \$81,375, due to the anticipated County take-over under County direction beginning July 1, 2011 as an Enterprise Fund.
- Federal grants are anticipated to decrease \$1,069,775 which includes a reduction of Homeland Security and CDBG funds.
- State grants have increased \$204,268 overall in various accounts.
- Charges for Services increased \$1,725,010 mainly by an increase in Jail Use Fees.
- Interest on Investments is expected to decrease over the current budget by \$50,000.
- Transfers In decreased \$528,147 since the current year included unspent roads money that will not be carried over to FY12.

<b>County Departments and Agencies</b>
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**Budget cuts are outlined as follows:**

- Treasurer's Office decreased by \$317,143 due to the transfer of the Information Technology personnel and operations to Emergency Services Department.
- Elections Office decreased \$176,619 mainly due to one primary election as compared to two elections in FY11.
- Sheriff's Department decreased by \$147,604; a vacant position was eliminated and the reduction of \$130,125 for new vehicles that will be requested in FY12 from video lottery proceeds for public safety purposes.
- Emergency Services decreased \$504,263 mainly due to a decrease of Homeland security grant fund.
- Volunteer Fire Company grants decreased by \$289,670 based on the current law due to a decline in real property assessments.
- Roads Department is an overall decrease of \$30,405. A reduction of \$121,680 in salaries for vacant positions is offset by an increase of \$94,403 for a one-time grant in FY12 of Highway User revenue will be allocated to purchasing pipe materials and road striping. The road paving program is eliminated for another year.
- Wor-Wic Community College funding is decreased by \$16,642; Worcester County's local share for FY12 is 28.75%. The Commissioners agreed to grant \$100,000 for FY12 out the County's fund balance held at Wor-Wic Community College to fund a Physical Therapist Assisting Program, which should begin the development of the program for the College.
- Recreation Department decreased \$76,176 primarily due to the elimination of a vacant position and various program reductions.
- Income Taxes shared with Towns decreased \$100,000 due to reduced estimates.
- Grants to Towns and Ocean Pines have been level funded; \$4,358,500 in direct aid. The County grant to towns for the Restricted Fire program increased by \$83,000 due to the current formula, a budget of \$509,000.

- ❑ Other Post Employment Benefit general fund transfer will remain level funded at \$3,000,000 for FY12.
- ❑ County employees will not receive a Cost of Living increase, step increment or longevity pay.

**Included in the budget was funding for:**

- ❑ Development, Review and Permitting increased \$159,042 largely due to the increase of a State paid Septic grant which covers the added expense.
- ❑ Other General Government increased \$841,100 mainly due to the partial transfer of State responsibility for paying the State Department of Assessment operating expense of \$611,266 as presented by the State. The remaining \$229,834 is comprised of increases for increased energy costs and an additional capital match requested by Shore Transit.
- ❑ Volunteer Ambulance grants increased by \$264,240 based on the current formula due to increased credit runs.
- ❑ Boat Landings increased \$99,000 due to a State aid grant for the South Point boat ramp.
- ❑ Social Service Groups were level funded with the prior year, but includes an increase of \$20,150 for County grants, contingent on matching grants.
- ❑ Parks Department increased overall by \$83,512. An increase is included for a State grant for various park improvements of \$112,962. A vacant position was eliminated for \$25,394 and other various account savings.
- ❑ Natural Resources increased \$83,680 due to the Beach Maintenance allocation as required by the agreement with the State.

<b>Board of Education</b>
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The County allocation for the Board of Education’s operating budget is \$72,487,163, an increase of \$610,334 from FY11 budget. The FY12 budget submission for the Board of Education includes increased State funds of \$486,314, for a total of \$18,660,924 in State and other funding. This equates to a total Board of Education budget of \$90,300,752, which results in \$1,087,070 increased funds for the Board’s use. The Board’s FY12 budget includes the utilization of \$567,011 prior year surplus to avoid reductions in classroom positions. Debt Service for the benefit of the Board of Education for FY2012 is an additional \$9,170,792.

In order to maintain the Board’s maintenance of effort budget the following items were funded:

- Technology Appropriation \$200,000
- School Building Improvements of \$100,000 to various schools
- The retirement benefit plan increased \$9,578
- Starting teacher pay will remain at \$42,222

The FY2012 Worcester County Education funding per student based on the estimated student population of 6,771 equates to \$14,816 per student. The following does not include Restricted Program funds of \$14,119,761 from the State and Federal agencies.

County Funding	\$72,487,163	}	\$100,318,879 or \$14,816 per student
State & Other	\$18,660,924		
School Debt	\$ 9,170,792		

**WORCESTER COUNTY**  
**Summary**  
**FY2011/2012 Revenue Estimate**

	2010/2011 Estimate	2011/2012 Estimate	(\$) Difference (%)	
Property Taxes	120,210,559	120,973,710	763,151	0.6%
Income Taxes	10,776,000	9,200,000	(1,576,000)	-14.6%
Other Local Taxes	20,710,000	21,460,000	750,000	3.6%
State Shared	657,569	711,742	54,173	8.2%
Distribution from Liquor Control Board	168,625	250,000	81,375	48.3%
Federal Grants	1,723,339	653,564	(1,069,775)	-62.1%
State Grants	1,726,704	1,930,972	204,268	11.8%
Licenses & Permits	1,712,150	1,691,325	(20,825)	-1.2%
Charges for Services	4,261,350	5,986,360	1,725,010	40.5%
Fines & Forfeits	77,550	43,550	(34,000)	-43.8%
Interest on Investments	250,000	200,000	(50,000)	-20.0%
Misc./Sale of Assets/Other Revenue	403,818	439,921	36,103	8.9%
Transfers In	528,147	0	(528,147)	-100.0%
<b>TOTAL REVENUES</b>	<b>163,205,811</b>	<b>163,541,144</b>	<b>335,333</b>	<b>0.2%</b>

**FY 2011/2012 Requested General Fund Budget**

	2010/2011 Approved	2011/2012 Approved	(\$) Difference (%)	
<b>County Commissioners &amp; Admin.</b>				
Personnel Services	864,323	864,323	0	0.0%
Supplies & Materials	38,200	33,100	(5,100)	-13.4%
Maintenance & Services	8,600	45,800	37,200	432.6%
Other Charges	38,000	36,500	(1,500)	-3.9%
Interfund Charges	(141,489)	(141,489)	0	0.0%
Capital Equipment	0	0	0	N/A
	<b>807,634</b>	<b>838,234</b>	<b>30,600</b>	<b>3.8%</b>
<b>Circuit Court</b>				
Personnel Services	851,073	820,896	(30,177)	-3.5%
Supplies & Materials	253,903	264,856	10,953	4.3%
Maintenance & Services	88,448	124,348	35,900	40.6%
Other Charges	13,950	8,850	(5,100)	-36.6%
Capital Equipment	0	0	0	N/A
	<b>1,207,374</b>	<b>1,218,950</b>	<b>11,576</b>	<b>1.0%</b>
<b>Orphan's Court</b>				
Personnel Services	15,000	15,000	0	0.0%
Supplies & Materials	0	0	0	N/A
Other Charges	5,390	5,390	0	0.0%
	<b>20,390</b>	<b>20,390</b>	<b>0</b>	<b>0.0%</b>

	2010/2011 Approved	2011/2012 Approved	(\$) Difference (%)	
<b>State's Attorney</b>				
Personnel Services	1,294,225	1,235,625	(58,600)	-4.5%
Supplies & Materials	29,846	46,808	16,962	56.8%
Maintenance & Services	34,075	32,800	(1,275)	-3.7%
Other Charges	9,926	41,000	31,074	313.1%
Interfund Charges	(53,000)	(53,000)	0	0.0%
Capital Equipment	24,074	0	(24,074)	-100.0%
	1,339,146	1,303,233	(35,913)	-2.7%
<b>Treasurer</b>				
Personnel Services	1,466,739	1,129,911	(336,828)	-23.0%
Supplies & Materials	69,986	70,078	92	0.1%
Maintenance & Services	20,650	19,650	(1,000)	-4.8%
Other Charges	14,250	6,050	(8,200)	-57.5%
Interfund Charges	(366,376)	(337,583)	28,793	-7.9%
Capital Equipment	0	0	0	N/A
	1,205,249	888,106	(317,143)	-26.3%
<b>Elections Office</b>				
Personnel Services	334,903	355,362	20,459	6.1%
Supplies & Materials	390,185	248,771	(141,414)	-36.2%
Maintenance & Services	72,820	62,850	(9,970)	-13.7%
Other Charges	21,694	11,000	(10,694)	-49.3%
Capital Equipment	141,200	106,200	(35,000)	-24.8%
	960,802	784,183	(176,619)	-18.4%
<b>Human Resources</b>				
Personnel Services	327,361	327,361	0	0.0%
Supplies & Materials	17,525	17,300	(225)	-1.3%
Maintenance & Services	24,970	24,120	(850)	-3.4%
Other Charges	3,355	3,355	0	0.0%
Interfund Charges	(62,198)	(60,882)	1,316	-2.1%
Capital Equipment	0	0	0	N/A
	311,013	311,254	241	0.1%
<b>Development Review &amp; Permitting</b>				
Personnel Services	2,364,490	2,332,888	(31,602)	-1.3%
Supplies & Materials	110,756	311,900	201,144	181.6%
Maintenance & Services	167,230	161,730	(5,500)	-3.3%
Other Charges	39,750	34,750	(5,000)	-12.6%
Interfund Charges	(91,822)	(91,822)	0	0.0%
Capital Equipment	0	0	0	N/A
	2,590,404	2,749,446	159,042	6.1%
<b>Other General Government</b>				
Supplies & Materials	407,287	456,235	48,948	12.0%
Maintenance & Services	925,702	1,056,862	131,160	14.2%
Other Charges	334,700	995,692	660,992	197.5%
Capital Equipment	0	0	0	N/A
	1,667,689	2,508,789	841,100	50.4%

	2010/2011 Approved	2011/2012 Approved	(\$) Difference (%)	
<b>Sheriff's Department</b>				
Personnel Services	4,277,480	4,241,101	(36,379)	-0.9%
Supplies & Materials	361,014	349,914	(11,100)	-3.1%
Maintenance & Services	331,650	361,650	30,000	9.0%
Other Charges	29,500	29,500	0	0.0%
Capital Equipment	130,125	0	(130,125)	-100.0%
	5,129,769	4,982,165	(147,604)	-2.9%
<b>Emergency Services</b>				
Personnel Services	1,200,848	1,469,751	268,903	22.4%
Supplies & Materials	1,478,241	713,235	(765,006)	-51.8%
Maintenance & Services	192,608	192,700	92	0.0%
Other Charges	4,500	10,250	5,750	127.8%
Interfund Charges	(13,500)	(27,502)	(14,002)	103.7%
	2,862,697	2,358,434	(504,263)	-17.6%
<b>County Jail</b>				
Personnel Services	5,096,728	5,173,125	76,397	1.5%
Supplies & Materials	1,148,325	1,157,125	8,800	0.8%
Maintenance & Services	756,425	746,425	(10,000)	-1.3%
Other Charges	17,350	17,350	0	0.0%
Capital Equipment	0	0	0	N/A
	7,018,828	7,094,025	75,197	1.1%
<b>Fire Marshal's Office</b>				
Personnel Services	291,873	291,873	0	0.0%
Supplies & Materials	39,355	39,355	0	0.0%
Maintenance & Services	22,100	22,100	0	0.0%
Other Charges	35,325	35,325	0	0.0%
Capital Equipment	0	0	0	N/A
	388,653	388,653	0	0.0%
<b>Volunteer Fire &amp; Ambulance</b>				
Maintenance & Services	16,090	16,090	0	0.0%
Other Charges	5,792,491	5,746,863	(45,628)	-0.8%
	5,808,581	5,762,953	(45,628)	-0.8%
<b>Maintenance Dept</b>				
Personnel Services	840,684	808,100	(32,584)	-3.9%
Supplies & Materials	24,945	20,646	(4,299)	-17.2%
Maintenance & Services	68,460	72,309	3,849	5.6%
Other Charges	410	410	0	0.0%
Capital Equipment	0	0	0	N/A
	934,499	901,465	(33,034)	-3.5%
<b>Roads Department</b>				
Personnel Services	1,485,334	1,363,654	(121,680)	-8.2%
Supplies & Materials	142,725	227,193	84,468	59.2%
Maintenance & Services	477,452	484,559	7,107	1.5%
Other Charges	1,300	1,000	(300)	-23.1%
Interfund Charges	(29,150)	(29,150)	0	0.0%
Capital Equipment	0	0	0	N/A
	2,077,661	2,047,256	(30,405)	-1.5%

	2010/2011 Approved	2011/2012 Approved	(\$) Difference (%)	
<b>Public Works Department</b>				
Personnel Services	444,319	444,319	0	0.0%
Supplies & Materials	21,015	19,045	(1,970)	-9.4%
Maintenance & Services	46,596	96,056	49,460	106.1%
Other Charges	2,880	2,880	0	0.0%
Interfund Charges	(120,577)	(121,577)	(1,000)	0.8%
Capital Equipment	0	0	0	N/A
	<u>394,233</u>	<u>440,723</u>	<u>46,490</u>	<u>11.8%</u>
<b>Boat Landings</b>				
Supplies & Materials	75,000	174,000	99,000	132.0%
Maintenance & Services	6,850	6,850	0	0.0%
Capital Equipment	0	0	0	N/A
	<u>81,850</u>	<u>180,850</u>	<u>99,000</u>	<u>121.0%</u>
<b>Health Department</b>				
Supplies & Materials	3,000	3,000	0	0.0%
Maintenance & Services	408,659	435,574	26,915	6.6%
Other Charges	4,085,660	4,104,909	19,249	0.5%
Capital Equipment	0	0	0	N/A
	<u>4,497,319</u>	<u>4,543,483</u>	<u>46,164</u>	<u>1.0%</u>
<b>Mosquito Control</b>				
Personnel Services	35,796	35,796	0	0.0%
Supplies & Materials	1,046	1,130	84	8.0%
Maintenance & Services	13,120	25,470	12,350	94.1%
Other Charges	133,378	82,944	(50,434)	-37.8%
Capital Equipment	0	0	0	N/A
	<u>183,340</u>	<u>145,340</u>	<u>(38,000)</u>	<u>-20.7%</u>
<b>Commission on Aging</b>				
Supplies & Materials	8,500	7,500	(1,000)	-11.8%
Maintenance & Services	284,265	269,744	(14,521)	-5.1%
Other Charges	636,344	651,865	15,521	2.4%
Capital Equipment	0	0	0	N/A
	<u>929,109</u>	<u>929,109</u>	<u>0</u>	<u>0.0%</u>
<b>Social Service Groups</b>				
Personnel Services	0	0	0	N/A
Other Charges	515,623	535,614	19,991	3.9%
	<u>515,623</u>	<u>535,614</u>	<u>19,991</u>	<u>3.9%</u>

	2010/2011 Approved	2011/2012 Approved	(\$) Difference (%)	
<b>Board of Education</b>				
Personnel Services	59,510,675	59,412,888	(97,787)	-0.2%
Supplies & Materials	2,374,117	2,242,696	(131,421)	-5.5%
Maintenance & Services	6,035,398	6,281,571	246,173	4.1%
Other Charges	21,806,023	22,686,272	880,249	4.0%
Interfund Charges	(18,248,119)	(18,660,924)	(412,805)	2.3%
Capital Equipment	398,735	524,660	125,925	31.6%
Total Operating Budget	71,876,829	72,487,163	610,334	0.8%
School Debt Service	9,184,403	9,170,792	(13,611)	-0.1%
Total Operating & Debt Service	81,061,232	81,657,955	596,723	0.7%
<b>Wor-Wic Community College</b>				
Other Charges	1,441,762	1,425,120	(16,642)	-1.2%
Capital Equipment	0	0	0	N/A
	1,441,762	1,425,120	(16,642)	-1.2%
College Debt Service	36,141	36,043	(98)	-0.3%
Total Operating & Debt Service	1,477,903	1,461,163	(16,740)	-1.1%
<b>Recreation Department</b>				
Personnel Services	610,548	545,417	(65,131)	-10.7%
Supplies & Materials	128,392	109,210	(19,182)	-14.9%
Maintenance & Services	154,924	162,561	7,637	4.9%
Other Charges	4,700	5,200	500	10.6%
Capital Equipment	0	0	0	N/A
	898,564	822,388	(76,176)	-8.5%
<b>Parks Department</b>				
Personnel Services	248,949	223,555	(25,394)	-10.2%
Supplies & Materials	36,583	152,110	115,527	315.8%
Maintenance & Services	97,486	90,735	(6,751)	-6.9%
Other Charges	445	575	130	29.2%
Capital Equipment	0	0	0	N/A
	383,463	466,975	83,512	21.8%
<b>Library</b>				
Personnel Services	1,528,446	1,492,099	(36,347)	-2.4%
Supplies & Materials	380,600	395,950	15,350	4.0%
Maintenance & Services	316,549	348,395	31,846	10.1%
Other Charges	7,000	8,000	1,000	14.3%
Capital Equipment	0	0	0	N/A
	2,232,595	2,244,444	11,849	0.5%
<b>Recreation &amp; Culture</b>				
Other Charges	0	0	0	N/A
	0	0	0	N/A

	2010/2011 Approved	2011/2012 Approved	(\$) Difference (%)	
<b>Extension Service</b>				
Personnel Services	0	0	0	N/A
Supplies & Materials	20,049	19,749	(300)	-1.5%
Maintenance & Services	23,470	23,770	300	1.3%
Other Charges	129,358	129,358	0	0.0%
Capital Equipment	0	0	0	N/A
	<u>172,877</u>	<u>172,877</u>	<u>0</u>	<u>0.0%</u>
<b>Natural Resources</b>				
Supplies & Materials	2,500	1,500	(1,000)	-40.0%
Other Charges	380,450	465,130	84,680	22.3%
	<u>382,950</u>	<u>466,630</u>	<u>83,680</u>	<u>21.9%</u>
<b>Economic Dev. Department</b>				
Personnel Services	111,058	111,058	0	0.0%
Supplies & Materials	683,625	320,050	(363,575)	-53.2%
Maintenance & Services	12,900	15,400	2,500	19.4%
Other Charges	7,553	8,053	500	6.6%
Capital Equipment	0	0	0	N/A
	<u>815,136</u>	<u>454,561</u>	<u>(360,575)</u>	<u>-44.2%</u>
<b>Tourism Department</b>				
Personnel Services	199,560	192,918	(6,642)	-3.3%
Supplies & Materials	107,576	131,659	24,083	22.4%
Maintenance & Services	344,670	343,555	(1,115)	-0.3%
Other Charges	84,800	74,800	(10,000)	-11.8%
Capital Equipment	0	0	0	N/A
	<u>736,606</u>	<u>742,932</u>	<u>6,326</u>	<u>0.9%</u>
<b>Taxes Shared W/Towns</b>				
Other Charges	13,304,763	13,205,419	(99,344)	-0.7%
	<u>13,304,763</u>	<u>13,205,419</u>	<u>(99,344)</u>	<u>-0.7%</u>
<b>Grants to Towns</b>				
Other Charges	4,784,500	4,867,500	83,000	1.7%
	<u>4,784,500</u>	<u>4,867,500</u>	<u>83,000</u>	<u>1.7%</u>
<b>Insurance &amp; Benefits</b>				
Maintenance & Services	10,000	10,000	0	0.0%
Health, OPEB & Other	14,091,365	14,136,798	45,433	0.3%
	<u>14,101,365</u>	<u>14,146,798</u>	<u>45,433</u>	<u>0.3%</u>
<b>Debt Service</b>				
Interfund Charges	11,005,675	10,987,942	(17,733)	-0.2%
Less: Alloc. Brd of Ed Debt	(9,184,403)	(9,170,792)	13,611	-0.1%
Less: Alloc. Wor-Wic Debt	(36,141)	(36,043)	98	-0.3%
	<u>1,785,131</u>	<u>1,781,107</u>	<u>(4,024)</u>	<u>-0.2%</u>
<b>Interfund</b>				
Interfund Charges	136,863	117,740	(19,123)	-14.0%
	<u>136,863</u>	<u>117,740</u>	<u>(19,123)</u>	<u>-14.0%</u>
<b>TOTAL EXPENDITURES</b>	<b>163,205,811</b>	<b>163,541,144</b>	<b>335,333</b>	<b>0.2%</b>