

90TH SPECIAL SESSION – May 10, 2016

Mayor D. S. Gysberts called this 90th Special Session of the Mayor and City Council to order at 7:05 p.m., Tuesday, May 10, 2016, in the Council Chamber at City Hall. Present with the Mayor were Councilmembers M. E. Brubaker, L. C. Metzner, and D. F. Munson; City Administrator Valerie Means, and City Clerk D. K. Spickler. Councilmember P. M. Nigh and Councilmember K. B. Aleshire were not in attendance.

On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember D. F. Munson, the Mayor and City Council unanimously agreed by voice vote of all members present to meet in Special Session at 7:05 p.m.

Citizens Police Academy – Presentation of Certificates

Mayor Gysberts, Acting Police Chief Paul Kifer, and Officer Gerard Kendle presented certificates to the members of the Citizens Police Academy who recently completed the course. The recipients are: Ashley Bader, Cynthia Eberhart, Jim Eberhart, Mohamed Ghonimy, Suipi Gordon, Ann Marie Greenwood, Justine Greenwood, Bonnie Harrell, Kimberly Holtz, Allan Johnson, Katrina Newcomb, Shawn Ross, Cheryl Shank-Johnson, Lindsay Shawley, Robert Shawley, David Trumpower, Earl Wintermoyer, and Judy Wintermoyer.

Public Hearing – FY 2016/17 Tax Rate

A public hearing was held to discuss the proposed tax rate for FY 2016/17.

Michelle Hepburn, Director of Finance, was present for both public hearings.

Ms. Hepburn stated the Mayor and City Council of the City of Hagerstown, Maryland proposes to increase real property taxes. For the tax year beginning July 1, 2016, the estimated real property assessable base will increase by 0.35%, from \$2,506,455,067 to \$2,515,110,599. If the City of Hagerstown maintains the current tax rate of \$0.9130 per \$100 of assessment, real property tax revenues will increase by 0.35% resulting in \$79,025 of new real property tax revenues. In order to fully offset the effect of increasing assessments, the real property tax rate should be reduced to \$0.9099, the constant yield tax rate. The City of Hagerstown is considering not reducing its real property tax rate enough to fully offset increasing assessments. The City of Hagerstown proposes to adopt a real property tax rate of \$0.9130 per \$100 of assessment. This tax rate is 0.35% higher than the constant yield tax rate and will generate \$79,025 in additional property tax revenues.

Ms. Hepburn reported the notice of this public hearing was published on April 2, 2016.

The following testimony was presented:

Marsha Fuller, 912 Oak Hill Avenue, Hagerstown, Maryland, is surprised the City is raising taxes for the third year in a row. The City should live within its means, like citizens have to do.

Mayor Gysberts noted the tax rate is not being increased. The projected income from the State of Maryland assessment office indicates an increase in revenue from the previous year if the tax rate remains the same.

Steven Silas, 932 Oak Hill Avenue, Hagerstown, Maryland, asked if the notification from the State of Maryland is based on reassessment. Ms. Means indicated the tri-annual reassessment will occur at the end of 2016 and would not have been included in the estimate.

Councilmember Metzner noted the City and County combined tax rate for City taxpayers is the same as it was 10 years ago. There is also a cap of 5% on the amount an assessment can increase in one year.

Robert Naugle, no address given, suggested using a tax structure from the 1990's. He suggested increased costs may be an issue of overlapping jurisdictions.

No further testimony was presented.

FY 2016/17 Budget

A public hearing was held to discuss the proposed budget for the fiscal year 2016-2017. The total of the proposed budget is \$ 128,680,469. Ms. Hepburn stated money in the general fund budget is received from property tax revenues, State Highway User Revenues, State Income Taxes, Licenses and Permits, Refuse Collection Fees and other revenues. Expenditures include wages and benefits, economic incentives, debt service, capital expenditures, maintenance and repairs and material/supplies/utilities.

The Capital Improvement Project budget is \$ 13.5 million. The majority of the projects are funded with grants and bond proceeds. These funds are strictly restricted and cannot be used for other purposes.

Ms. Hepburn reported the notice of this public hearing was published on April 22, 2016.

There was no testimony presented.

Councilmember Metzner pointed out the budget for the Hagerstown Police Department shows an increase of 3.6%, which will be used for body worn cameras. Most of the increase in this year's budget over last year's budget is essentially for public safety.

Ms. Fuller asked how many new positions have been created at City Hall in the past year. Mayor Gysberts indicated staff will contact Ms. Fuller to answer her question.

The record will remain open until decisions are reached regarding the tax rate and the budget.

Introduction of an Ordinance: Tax Rates Beginning July 1, 2016

Action: On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember L. C. Metzner, the Mayor and City Council unanimously agreed by voice vote of all members present to introduce an ordinance to establish the City's tax rates for the fiscal year July 1, 2016 through June 30, 2017 on the basis of \$0.913 per \$100 of assessed value of all real property and \$2.283 per \$100 of assessed value of all business personal property within the City of Hagerstown. These rates reflect no change from the current year rates per \$100 of assessed value for real property and business personal property.

Discussion: Councilmember Metzner appreciates the way the budget was presented this year. A proposed budget was presented that was balanced. The Mayor and City Council did not have to determine where to make adjustments to have a balanced budget.

Introduction of an Ordinance: Budget FY 2016/17

Action: On a motion duly made by Councilmember M. E. Brubaker and seconded by Councilmember D. F. Munson, the Mayor and City Council unanimously agreed by voice vote of all members present to introduce an ordinance to adopt the City's budget for fiscal year July 1, 2016 through June 30, 2017 in the total amount of \$ 128,680,469.

Discussion: Councilmember Brubaker noted future years will be challenging. The triennial assessment will occur in 2016 and all four employee union contracts are scheduled to expire at the end of June, 2016.

CITY ADMINISTRATOR'S COMMENTS

Valerie Means, City Administrator, thanked the Mayor and City Council for their work on the budget. Department Heads worked diligently on the budget.

MAYOR AND COUNCIL COMMENTS

Councilmember M. E. Brubaker had no additional comments.

Councilmember L. C. Metzner thanked the participants in the Citizens Police Academy for being involved in the City of Hagerstown.

Councilmember D. F. Munson also thanked the participants in the Citizens Police Academy. He thanked staff for cleaning up the parking lot at the Elizabeth Hager Center. Dot McDonald, who is a candidate for City Councilmember, contacted him about the weeds across from North Hagerstown High School. He noted members of the Council have also expressed concerns about these weeds.

Ms. Means stated staff is aware of this ongoing violation. The City Attorney is assisting staff in obtaining the owner's information.

Mayor D. S. Gysberts stated the City has received the necessary permits from the Maryland Department of the Environment for the MELP building demolition. Work will begin at the site soon. He congratulated the organizers of the Boonsboro Green Fest. He is proud of this administration's efforts to implement green building standards. He congratulated the Senior Softball League on their 25th anniversary. He attended the We The People civics competition at Hagerstown Community College. Three Washington County middle schools participated. The winner in District 8 of the "If I Were Mayor" contest is Cameran Rith. Councilmember Brubaker will be attending the reception in the contest winners' honor in Annapolis, Maryland.

There being no further business to come before the Mayor and City Council, on a motion duly made, seconded and passed, the meeting was adjourned at 7:43 p.m.

Respectfully submitted,

Original signed by D. K. Spickler

Donna K. Spickler
City Clerk

Approved: June 21, 2016