

May 16, 2011

**Denton Town Council
Special Meeting**

Special Meeting

At 7:07 PM, the Mayor interrupted the working session being held on this date to open a Special Meeting as advertised to conduct the public hearing on Ordinance #630.

Attendance:

Council: Mayor Clendaniel, Councilman Danielson, Councilwoman Case, Councilman Gregory and Councilman Porter.

Ordinance #630- FY2012 General Fund Appropriation Ordinance

An ordinance of the Town of Denton to appropriate funds and estimate income in accordance with the General Fund Budget to be adopted for the fiscal year beginning July 1, 2011 and ending June 30, 2012.

Councilman Gregory made a motion to hold discussions on Ordinance #630, seconded by Councilman Danielson.

Public Hearing

Mayor Clendaniel opened the public hearing at 7:07 PM to receive public comments on Ordinance #630 – An ordinance of the Town of Denton to appropriate funds and estimate income in accordance with the General Fund Budget to be adopted for the fiscal year beginning July 1, 2011 and ending June 30, 2012.

Mayor Clendaniel asked for comments from the State – there were none

Mayor Clendaniel asked for comments from the County – there were none

Mayor Clendaniel asked for comments from the Council – there were none

Mayor Clendaniel asked for comments from the Public –

Mr. Andy Mackel of 201 S. Fifth Avenue spoke about the FY2012 CYTR certification from the State indicating that the Town should raise the real estate tax rate to \$.763 in order to maintain the same amount of revenues as received in FY2011 and that the Town's proposed rate of \$.66 falls below the State recommendation. Mr. Mackel mentioned that Denton is located within one assessment district in which the properties values were just assessed and the value is set for three years. Mr. Mackel stated that he is ready to write the same check as he wrote last year in order for the Town to receive the same revenues received last year, and that he does not want to see any services cut to the outside agencies or the Police Dept. Mr. Mackel explained that by only raising the tax rate to \$.66 that it is not reaching to deep into his pocket and that if the tax rate is not raised to the CYTR, it's going to be hurting themselves.

Mr. Bill Kastning stated that he was not a town resident but an employee of the Town and that he felt the record should reflect that Mr. Mackel is the Director of Finance for Wicomico County and that he is the spouse to the Director of the Caroline County Tourism.

Mrs. Doris Walls of 723 Gay St expressed that she was in favor of no tax increase or cuts to the Fire Dept or Police Dept.

With no further comments, Mayor Clendaniel closed this public hearing at 7:17 P.M.

Unfinished Business

Agenda #1- Ordinance #630- FY2012 General Fund Appropriation Ordinance

Mayor Clendaniel mentioned that there is a motion on the floor to approve the ordinance.

Councilman Gregory said that he doesn't like tax increases, but the Council can't make any more cuts and they shouldn't try to tax their way out of it either, but the budget must be approved and he will vote to increase the real estate taxes by \$.02.

Councilman Danielson said there is no way to nickel and dime the budget and make up the \$65,000 the tax increase would bring. He mentioned that the taxes have been lowered in previous years and now they need to be raised.

Councilwoman Case stated that she agrees with Councilman Gregory, however, they need to continue to evaluate programs to see how they benefit the Town and have processes in place to provide for the future and have a plan for going forward.

Councilman Danielson asked if everyone one was comfortable with the increase in the tax rate. In which Councilwoman Case, Councilman Porter and Councilman Gregory all supported.

Mayor Clendaniel warned his colleagues about beating the drum for a couple of years about assessments decreasing and that a good point had been brought out about hitting the employees at the last minute.

Councilman Gregory stated that the employees were made aware last year that this maybe coming and that he was elected to do a job. He suggested adopting the tax rate and the budget now, and questioned why they should wait. Councilman Gregory said that any further cuts in personnel were off the table for him at this point. He said that he did not want his taxes to go up, but he did not see any other choice and that as far as he was concern the employees need to understand that there will be further cuts in the future.

Councilman Porter said that he did not think the budget should include the CIP fund for the Fire Dept., and show cut's across the board to make up the difference.

Mayor Clendaniel suggested that the consensus was to vote on the tax rate now and adopt the budget at the June meeting.

Councilman Gregory made a motion to adopt Section 2 through 5 of Ordinance #630 setting the FY2012 tax rates for Real Estate Tax, Corporation Tax, Railroad & Public Utility taxes and adopting the County service and administration fees. The motion was seconded by Councilman Danielson, and passed 4-1, with Mayor Clendaniel voting no.

At 7:30 PM, and with no further discussion for the Special Meeting, the Mayor closed this meeting and the Council resumed the working session agenda discussion from earlier.

Respectfully submitted,

Karen L. Monteith
Clerk-Treasurer