



FREDERICK COUNTY COUNCIL

Local Government Fiscal and Policy Note

CONTACT INFORMATION AND GENERAL INSTRUCTIONS

Bill Number/Reference:	18-05
Bill Title:	Public Safety Facilities Exemption
Local Government Agency:	Frederick County Divisions of Finance, Utilities and Solid Waste Management and Planning and Permitting
Prepared By:	Erin White, Kevin Demosky and Gary Hessong
Title:	Deputy Director of Finance, Director of Division of Utilities and Solid Waste Management, Director of Permits and Inspections
Phone Number:	301-600-1193, 301-600-2997, 301-600-2028
E-Mail Address:	ewhite@frederickcountymd.gov kdemosky@frederickcountymd.gov ghessong@frederickcountymd.gov
Due Date:	February 27, 2018
Date Submitted:	

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Please respond to the questions below. If you prefer to provide responses or additional information in a separate file or document, send the file or document in a separate e-mail to rcherney@frederickcountymd.gov with the bill number/reference in the subject line.	
1.	Describe the impact of this proposed legislation on your agency (operations, revenues, expenditures, etc). If there is no impact, <u>please explain why.</u>
<p>This legislation would exempt any volunteer fire department, rescue department, or ambulance department that is incorporated, designated, and approved recognized by the Frederick County Volunteer Fire and Rescue Association, Inc., and the county governing body, from any and all fees levied by the Frederick County Department of Planning and Permitting (DPP) and the Frederick County Department of Utilities and Solid Waste Management (DUSWM), including training/community rooms used for classroom-style training, or other uses.</p> <p>Any and all fees, as broadly written in this legislation, has been interpreted to mean all fees, charges, etc., levied by DPP and DUSWM, and not only to fees exclusively associated with construction projects. Therefore, the proposed legislation would have a significant impact to the revenues collected by the DUSWM. Also, broadly waiving any of the fees, charges, etc., of the Water and Sewer and Solid Waste Funds, as Enterprise Funds, means creating a subsidy by all other ratepayers.</p> <p>As broadly written, DUSWM has assumed the proposed legislation would include all water and sewer quarterly charges (i.e., a property owner's water and sewer bill). In FY2017, the total W&S charges by all fire companies (volunteer and career stations) was approximately \$45,000.</p> <p>Also, DUSWM gathered capacity fee data over the last 10+ years for public safety facilities and estimates the average water and sewer capacity fees to be approximately \$12,000 per year.</p> <p>DPP also pulled together all of the information from projects over the last 10+ years and, based on that, estimated the average to be approximately \$20,000 annually in revenue and fees for these project types.</p>	
2.	Please indicate whether the proposed legislation will affect small businesses in Frederick County, and if it will, please provide any information you may have which could be useful in determining the economic impact on small businesses.
This legislation should not have an impact on small businesses.	

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FISCAL IMPACT SUMMARY – SHOW (DECREASE) IN PARENTHESES						
REVENUES						
3.	Analysis of estimated increase (or decrease) in government revenues . Please estimate below any anticipated increase (or decrease) in revenues resulting from this legislation. Please be aware of any delayed effective dates in the bill or other factors that may cause revenue increases/decreases to begin in later years.					
	Source	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
	Water and Sewer Charges	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
	Water and Sewer Capacity Fees	12,000	12,000	12,000	12,000	12,000
	Various Planning and Permitting Fees	20,000	20,000	20,000	20,000	20,000
	TOTAL \$	\$ 77,000	\$ 77,000	\$ 77,000	\$ 77,000	\$ 77,000
	Please explain how the above estimated increase(s) or decrease(s) were arrived at, including any calculations and/or assumptions made. Please also explain any variation if the revenue increase(s)/decrease(s) are not constant.					
<p>As broadly written, the proposed legislation would include all water and sewer quarterly charges (i.e., a property owner’s water and sewer bill). In FY2017, the total W&S charges by all fire companies (volunteer and career stations) was approximately \$45,000.</p> <p>Also, DUSWM gathered capacity fee data over the last 10+ years for public safety facilities and estimates the average water and sewer capacity fees to be approximately \$12,000 per year.</p> <p>DPP also pulled together all of the information from projects over the last 10+ years and, based on that, estimated the average to be approximately \$20,000 annually in revenue and fees for these project types.</p>						

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EXPENDITURES						
4.	Analysis of estimated increase (or decrease) in government expenditures . Please estimate below any anticipated increase (or decrease) in expenditures resulting from this legislation. Please be aware of any delayed effective dates in the bill or other factors that may cause expenditure increases/decreases to begin in later years.					
A. Salaries & Wages		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
FTE Employees - _____ # of positions						
Fringe Benefits						
TOTAL (Salaries, wages & benefits)		\$	\$	\$	\$	\$
N/A	Please provide an explanation of the need for the number and type of any personnel listed above, including (1) what specific provision(s) of the bill necessitate additional staff; (2) what the duties of each type employee will be; and (3) why existing personnel cannot absorb the additional work. Please also certify the wage/salary rate and % fringe rate (if differing rates apply) for each personnel classification.					
B. Other Operating Expenses		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Technical/Special Fees, Grants/Subsidies						
Communications-Phone, Postage						
Travel, Food, Auto, Fuel & Utilities						
Contractual Services						
Supplies						
Equipment-Replacement						
Equipment-Additional						
Land & Structures, Fixed Charges						
Other (Please Specify on Extra Page(s))						
TOTAL (Expenditures)		\$	\$	\$	\$	\$
	On the next page, please provide brief descriptions/breakdowns of the above "Other Operating Expenses."					
	Please explain below any additional calculations or assumptions made in estimating the "Other Operating Expenses" that will help us to understand the amounts and timing of the expenses.					
N/A – This legislation should not have an impact on County expenditures						

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4. (cont'd)

C. Operating Expense Descriptions/Breakdowns

Please provide below a short description of the specific purpose of each expense listed under 4B. If any amount(s) listed under 4B represent(s) a total of multiple expenses, provide a breakdown of the fiscal 2018 amount with a short description of each expense (for example, if \$2,500 is listed for Communications – Phone, Postage, a statement such as “\$1,500 for cellphone charges for two new inspectors and \$1,000 for postage for mailings to permittees to notify them of changes to inspection requirements.”)

Fiscal 2018 Expenditures

Technical/Special Fees, Grants & Subsidies description/breakdown	\$
Communications – Phone, Postage description/breakdown	\$
Travel, Food, Auto Operations, Fuel & Utilities description/breakdown	\$
Contractual Services description/breakdown	\$
Supplies description/breakdown	\$
Equipment-Replacement description/breakdown	\$
Equipment-Additional description/breakdown	\$
Land & Structures, Fixed Charges description/breakdown	\$
Other (Please Specify) description/breakdown	\$

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ADDITIONAL POLICY IMPLICATIONS/CONCERNS

There already exists a Policy titled "*Reimbursement Policy for Certain Division of Utilities and Solid Waste Management Fees and Division of Planning and Permitting Fees to Volunteer Fire and Rescue Companies in Frederick County*", whereby the reimbursement of certain fees is available. The proposed legislation appears to largely replicate the intent of this Policy. Its main difference is that the proposed legislation includes Volunteer Fire and Rescue Company social halls. It is important to understand the history of the Policy, in that **the Water and Sewer Enterprise Fund was to be reimbursed by the General Fund**, if fees were reimbursed pursuant to the Policy. In that regard, the efficacy of preserving the operation of an Enterprise Fund is acknowledged.

Please submit BY E-MAIL to: Ragen Cherney, Legislative Director/Chief of Staff
Frederick County Council • E-Mail: RCherney@FrederickCountyMD.gov