

REVENUE

- 1) What would be the revenue impact of adopting the Constant Yield property tax rate vs the proposed Constant Rate? (SM) (PD)
 - If the Constant Yield is adopted, the County will have approx. \$8.5 million dollars LESS than if the constant rate was adopted

- 2) State \$ that might not come in; The State government is losing a great deal of revenue due to the crisis. To fix this budgetary hole do you see the State cutting money that it sends to Frederick County, or shifting costs to the County, in fiscal year 2021? (JD) (PD)
 - General fund has a total \$4.8 in State Funding; based on historical actions from the State the Highway User Revenue is seen to staff as the greatest risk of being withdrawn (seen on pg14 of the budget book)

 - The Grants fund (on page 27) has \$4.4 million in State grants but historically this has not been withdrawn and staff believes it is secure

 - The Capital Budget (on page 58) has several projects that are to receive State funding. Staff thinks the most at risk is the PSTF bldg. and the ADC medical unit. However, historically the State has not removed funding from capital projects. FCC, BOE, and library projects receive State funding through their respective State agencies. The State would first cut the allocation to those agencies and then the agencies would decide what project would receive cuts. Historically this has not occurred and staff does not believe these are at risk.

- 3) In Agricultural Preservation (p 25), we are budgeting a \$5.2M increase from "Other Taxes" which I presume are largely the Recordation Tax, and reflect the changes made there. Other revenue sources are now being reduced, such that the overall budgeted increase is only \$1.4M. Seems like we giveth, then you taketh away. What's going on here? (SM)
 - Miscellaneous revenue decreased because all of the outstanding critical farm refunds occurred in FY2020. Budgeted Fund balance increased because those repayments are now being used in FY2021 for new participants. Other Financing Sources decreased due to the timing of investment instruments, not because of overall reduced income.

 - Some programs within this fund are cyclical in nature over several years. Therefore the budget can change significantly from one year to the next.

- 4) Revenue projection information (KH)
 - This was presented in depth in the meeting. Please review the recording for more detail.

SALARY

- 5) What is the dollar value of the step salary increase for County and FCC employees? (SM) (KH)
 - Per FCC request letter, \$1,400,000 (step & 3.5% Cola for others)
 - Per BOE request letter, \$8,793,463 (salary resource pool)
 - Non-Union County Workforce - ~\$3,400,000 (\$2.8 General Fund supported)
 - Union County Workforce - ~\$4,300,000

- 6) Salary Increases: (JF)
- What is the % of an average step for County Employees?
-3.5% of the mid-point. It ranges from \$962 to \$6,353; 74% between \$1,543 and \$2,853
 - What is the step % being funded in the contracts for Fire/EMS and Law Enforcement?
-It depends. Steps can be every year or every two years. Steps are based on 4.5% of the base of the step
 - Please explain the “frozen” employees referenced in an email we received and the impact of the proposed salary increases.
-Each grade has a minimum and maximum. Anyone at or above the maximum does not get a merit because they are at the max. Anyone that is just slightly below the max of the grade would receive a pro-rated merit to bring him/her up to the max. A Cola changes the minimum and maximum of the grade and therefore these employees would receive an additional amount UNLESS they were above the max and then it would depend.
 - What would be the \$ amount for an across the board COLA in lieu of step increases? 2%, 2.5%, and 3%
-Per FCPS 1% - \$4.1 million
-Per FCC 1% - 374,000
-Non-Union County Workforce - \$1.3 million (\$1.1 GF supported)
-Union County Workforce – Would take more time to calculate
- 7) It appears that half of the County Executive budget line (6 positions) was shifted to “County Administration” and then increased in cost by about 10%. Please explain. (SM)
-Several positions/benefits were budgeted based on a “vacant” status. When the employee is hired the budget is updated based on actuals.
- 8) Fire & EMS Operations are going up 14%. How much of this reflects the additional staff (14 new Ops positions, with two positions reduced in Professional Services and Ambulance billing) vs the new contract costs? (SM)
-13 firefighter new firefighters were budgeted at \$1,579,501 (see page 77). One Ambulance Billing position related to HIPPA was moved to the Risk Management department (Finance Division). Fleet fuel and fleet charges were moved from the Professional Services department to the Fire & EMS Operations department.
- 9) We’re increasing Parks & Rec by \$820K, with 75% of that in personnel costs. We’re adding 3 positions. How much of this increase is based on the new positions vs the step increase for all? (SM)
-In the FY2020 budget, 9 positions and operating costs associated with Othello Regional Park were only budgeted for 3 months (starting in March 2020). The full year cost is now reflected in FY2021. In addition, the Parks & Recreation also have numerous minimum wage positions and the budget has/will be updated over the next several years to reflect the phase-in that the State of Maryland passed.
- 10) Under Public Works (p 183), with no change in the number of positions (214) and a proposed step increase in salaries, how are Personnel costs going down by \$2.3M? (SM)
-The recoveries account has also been reduced for a net effect of zero. This reflects a different way of budgeting for positions that are working on capital projects.

- 11) Concerned about the impact of no increases in staff to our 9-1-1 call center and emergency management. I would like to hear how this decision will impact their departments, especially considering the population continues to grow and we are in a public health crisis. (JF)
-Was addressed in Tuesday's Coronavirus Response Update (please see that video)

OPERATING

- 12) Please explain the 32% increase in Watershed-NPDES (p 18). Since the position count isn't changing, how much of this increase is program activities? I'm surprised to see that personnel costs are actually declining, despite the proposed step increase. (SM)
-The bulk of this is a base budget item, see page 74. These are yearly maintenance/monitoring contracts related to the MS4 permit. Due to timing during last year's budget, we were able to delay some of the costs into FY2021.
- 13) Please explain the ~\$860K increase in IT spending (p. 19). (SM)
-The bulk of this is a base budget item, see page 74. These are yearly maintenance contracts related to licenses and subscriptions for software. This number is fluid as IIT staff is constantly reviewing software and some contracts are multi-year. We have put off some of the increases in the past.
- 14) On p 225, I'm a little confused in the correlation between certain Fund and Department expenses. Specifically, we have an Impact Fee/School Mitigation Fund and a School Construction Fund and I understand where the revenues come from for each. In the Expenses by Fund, we see that the first increases by \$13.3M and the second increases by \$300K. What confuses me is in the Expenses by Department section, which shows a much different depiction of these Fund expenses. Specifically, School Construction Fees (which I expected to correlate with School Construction Fund), goes up \$5M, and the three Impact Fee lines go up by a combined \$6.3M. Why are these expenses depicted in this manner? (SM)
-This page is shown for a "complete" picture of divisions. However, it hard to draw a correlation between department and funds in the "unassigned" division. For example the department School Impact Fees, exists both in the Debt Service – General Government Fund and the Impact Fees/School Mitigation Fund. For a better picture, please refer to the Fund tables.

GENERIC

- 15) More Detail;(PD)
-We have opened access to the new budget portal for the Council Members.
- 16) Similar question to Phil in terms of the base budget- I recall last year we had something that showed where certain departments had found cost savings in their base budget reviews (but I don't have my budget book from last year to look at it). I see "Recoveries" in some of the organizational budgets, but we don't know where that money came from. (JF)
-Page 71 identifies base budget cuts totaling \$1,012,350 which primarily results from the elimination of prior year one-time-only items, but also includes savings from staff turnover and multiple miscellaneous adjustments. Recoveries are shown in the budget book as negative numbers indicating some outside entity has paid for an expense occurring in a division.

- 17) What are the County's contractual obligations to the following? (MB, SM)
- a. Law enforcement
 - b. Firefighters
 - Both groups have 3 year MOU's currently in force. The MOU with the Fraternal Order of Police (FOP) is in year 2. The MOU with the International Association of Firefighters (IAFF) has been ratified and signed by both sides and becomes effective 7/1/2020.
 - c. FCPS/BOE
 - The contractual obligation is with the BOE not county government
- 18) What MOUs does the County have and what are the stipulations? (MB, SM)
- The two MOU's mentioned above are specific to the collective bargaining process. The county has MOU's in place across a wide range of other topics. There is no centralized database that can quantify how many currently exist. Each MOU is uniquely managed by the division affected by its terms and conditions.
- 19) Were there any provisions established to delay the contractual obligations? (MB, SM)
- No but everything is subject to appropriation.
- 20) Where is this information located in the budget? (MB, SM)
- The two union MOU's are not specifically displayed in the budget. The costs of these agreements are included in various salary and fringe benefit expense line items.
- 21) The FY21 CPG grant applications were due in December and the website says that the grantees will be announced in April, and then awards would be final once the budget passes. Will this process remain the same now? When should applicants expect to hear if they were chosen? (JF)
- There has been no change to the process and announcement of the grant awards is imminent.

CAPITAL

- 22) Middletown CP – projected cost in FY2021 (SM)
- The Middletown CP project shows full funding in FY21. Full funding is needed before the construction can begin. Costs will be expensed in FY21 but also in FY22 until construction is completed.
- 23) Bike/Trail – 80/20 split versus the budget 60/40 (SM)
- Even though the federal split for Bikeways/Trails is 80/20, they do not fund all costs for the project. This is why the split for the budget is about 60/40.
- 24) CIP projects not funded (KH)
- During the regular CIP process, some projects could not be funded due to general fund pay-go levels. Listed below are the projects that were not funded due to this. In the future, we may need to defer other projects before they start because of the COVID economic situation.

Projects not funded due to	general fund cash issues
New Project	Sheriff's Office District offices
New Project	ADC Courtyard office
Additional funding	Maintenance Systems General
Additional funding	IIT Systemics General
Funding in additional years	LEAPS
Funding in additional years	Enterprise Asset Management
New Project	Rural Broadband expansion
Reduced funding	Middletown Park
Additional funding	Pavement Management Program
Additional funding	Highway Network Systemics
Additional funding	Sidewalk Missing links
Additional funding	Road Signalization
Additional funding	Thurmont/Johnsville Satellite Facility
Additional funding	Highway Operations Satellite Acquisiton
New Project	Intercoastal Brine System
New Project	Frederick Satellite Yard
Additional funding	FCC Linganore Hall for Data Center
Additional funding	Technology Upgrade
Additional funding	FCC Systemics
Additional funding	BOE Systemics

25) Is there a legal reason why the Parks & Recreation Fund monies can't be used for the YMCA MOU funding? The fact that this is a private entity doesn't change the fact that this activity seems compatible with the purpose of the Parks & Recreation Fund. (SM)

-Funding for YMCA can not be used from Parks & Recreation Funds only general fund due to the type of project and due to County Code.

COVID RELATED

26) Are we budgeting enough for the Health Department or is the State their primary funding source for dealing with their increased operating tempo right now? (SM)

-The budget for this is underdevelopment and will be presented to the Council as soon as possible.

27) Exp/Rev related to pandemic (PD)

-To date, approximately \$900k has been spent against a \$2M reserve recently approved by the Council.

28) How long could Frederick County government function if it had to just rely on its reserves? (JD)

-The General Fund could operate at full capacity for approximately one month.

29) Contingency planning to identify/list items that would be considered first for cuts or postponement (KH)

-This is an on-going activity that will continue for the foreseeable future.

30) If the federal government stopped pumping money into the economy to help with the Covid 19 pandemic, how much would it impact Frederick County Government? (JD)

-The opposite situation is happening and more federal funding is anticipated.

31) Staff status during COVID-19 (SM)

- a. What is the percentage of staff teleworking?
- b. What is the percentage of staff still performing public facing / public exposed duties?
- c. What is the percentage of staff receiving the COVID hazard bonus, and please provide examples of the types of employees?
- d. These percentages may be rough estimates if you don't have precise figures on hand.
-Rough order of magnitude estimate: 40% of staff are tele-working, 15% are reporting to work in their normal work environment, 37% are interacting with the public and 8% are on administrative leave. At any single point in time on a typical day there are approximately 300 employees being paid an additional \$2.50 per hour for hours worked in public.