



CECIL COUNTY, MARYLAND

DEPARTMENT OF FINANCE

FISCAL NOTE

SUMMARY OF LEGISLATION

SPONSOR: Council President Meffley at the request of the County Executive

RESOLUTION NO. 51-2019 – Supplemental Appropriation – Fund Balance – Volunteer Fire Service

SYNOPSIS: A resolution to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland for the fiscal year ending June 30, 2020 in order to provide the Volunteer Fire Service Department Budget within the General Fund additional expenditure appropriation authority in the amount of \$164,154. The additional expenditure authority will fund the FY20 allocation budget shortfall resulting from the error by the Maryland State Assessment Office in the assignment of fire district codes to new County properties.

FISCAL IMPACT SUMMARY: The approval of this bill will have a net fiscal impact on the Cecil County of \$164,154, by expending the FY2020 assigned fund balance (Budget Stabilization Reserve Fund) designated by the County Executive to provide additional budget for the Volunteer Fire Company's annual allocation as required by County Code Section 49-1.

FISCAL ANALYSIS:

Cecil County Code Chapter 49-1 reads as follows:

A.

The County shall levy on the assessable property in Cecil County, annually, the sum equivalent to \$0.024 per \$100 of assessed valuation of taxable property within the County for the purpose of assisting in the maintenance and operation of nine volunteer fire or fire and ambulance companies in Cecil County.

B.

The levy shall be made June 1 and the sum of money to be paid by the County to each volunteer fire or fire and ambulance company shall be paid on or before September 1 of the fiscal year for which levied.

C.

Amount.

(1)

The sum of \$29,600 shall be allocated among the nine volunteer fire companies as follows:

(I) Cecilton Fire Company, Inc.	\$3,100
(II) Charlestown Fire Company, Inc.	\$3,000
(III) Chesapeake City Fire Company	\$3,200
(IV) Community Fire Company of Perryville	\$2,900
(V) Hack's Point Fire Company	\$2,400
(VI) North East Fire Company	\$3,600
(VII) Rising Sun Fire Company	\$3,600
(VIII) Singerly Fire Company of Elkton	\$4,200
(IX) Water Witch Fire Company at Port Deposit	\$3,600

(2)

The sum of \$9,000 shall be allocated to support ambulance service as follows:

- | | |
|---|---------|
| (I) Cecilton Fire Company, Inc. | \$1,000 |
| (II) Charlestown Fire Company, Inc. | \$1,000 |
| (III) Chesapeake City Fire Company | \$1,000 |
| (IV) Community Fire Company of Perryville | \$1,000 |
| (V) Hack's Point Fire Company | \$1,000 |
| (VI) North East Fire Company | \$1,000 |
| (VII) Rising Sun Fire Company | \$1,000 |
| (VIII) Singerly Fire Company of Elkton | \$1,000 |
| (IX) Water Witch Fire Company at Port Deposit | \$1,000 |

D.

Allocation.

(1)

The amount equivalent to \$0.02 per \$100 of assessed valuation of taxable property in the County minus the \$38,600 required in Subsection C of this section shall be allocated among the nine volunteer fire companies in the exact proportion which the assessed valuation of taxable property within the district served by each volunteer fire company bears to the assessed valuation of taxable property within the County.

(2)

The district served by each volunteer fire company shall be determined by the Cecil County Firemen's Association and the assessed valuation of taxable property within each district shall be certified by the Supervisor of Assessments for Cecil County based on the date of finality prior to the fiscal year in which the distribution is to be made.

E.

The sum equivalent to \$0.004 per \$100 of assessed valuation of taxable property in the County shall be distributed by the County to the nine volunteer fire or fire and ambulance companies in equal allocations.

F.

In order to be eligible for any of the funds provided for in this section, each of the nine volunteer fire or fire and ambulance companies named herein shall meet the minimum specifications and standards approved by the Cecil County Firemen's Association.

The County Administration was contacted by a fire company and asked to check if new County properties were being accurately allocated to the correct fire district. This question stemmed from the amount of new commercial property along the Route 40 corridor most specifically between North East & Perryville and those new entities requiring support from the local fire company. As the County relies on the information from the Maryland Department of Assessment and Taxation to determine eligibility and valuation, the request was forwarded to State for review. It was discovered that a number of new properties, including some of the commercial properties along Route 40 did not have a fire district code assigned to them. Without the fire district code, the properties in question were not allocated to any fire company for FY2020.

The State immediately began a review to be certain all properties in Cecil County accurately reflect a fire district code and assured the County the reason for the error has been addressed. A new report was provided to the County by the State and the FY2020 allocation was recalculated. The checks, including the corrections, were mailed to the nine fire companies prior to the September 1 deadline.

The attached schedule shows the results by fire company based on the revised assessment numbers provided to the County:

		Original	Revised	Increase
<u>DISTRICT</u>	<u>NAME</u>			
1	CECILTON	194,847.20	201,793.32	6,946.12
2	HACK'S POINT	97,849.90	102,241.46	4,391.56
3	CHESAPEAKE CITY	206,012.58	213,603.40	7,590.82
4	SINGERLY	857,006.46	882,963.44	25,956.98
5	NORTH EAST	435,367.38	453,496.52	18,129.14
6	CHARLESTOWN	166,546.64	212,333.39	45,786.75
7	WATER WITCH	284,616.92	293,310.58	8,693.66
8	PERRYVILLE	192,440.40	226,142.72	33,702.32
9	RISING SUN	<u>367,885.69</u>	<u>380,841.57</u>	<u>12,955.88</u>
		2,802,573.18	2,966,726.40	164,153.22

For future reference, if a fire company has a question regarding the fire district code assigned to a specific property, the assigned code can be found on the Maryland State Assessments & Taxation website by looking under the real property data search and identifying the parcel. Once the fact sheet is brought up by street address or parcel, under the Location & Structure Information section, the field titled "Ad Valorem" is what denotes the property's fire district code. See the example for the County building below:

Location & Structure Information									
Premises Address:		200 CHESAPEAKE BLVD ELKTON 21921-0000			Legal Description:		PARCEL 9-11.300 AC 200 CHESAPEAKE BOULEVARD ELKTON		
Map:	Grid:	Parcel:	Sub District:	Subdivision:	Section:	Block:	Lot:	Assessment Year:	Plat No:
0316	0024	2480		0000			9	2019	Plat Ref: 1108/ 0029
Special Tax Areas:					Town:		ELKTON		
					Ad Valorem:		4		
					Tax Class:				
Primary Structure Built		Above Grade Living Area		Finished Basement Area		Property Land Area		County Use	
2007		90,188 SF				11.3000 AC		000000	
Stories	Basement	Type			Exterior	Full/Half Bath	Garage	Last Major Renovation	
		GOVERNMENT BUILDING							

The fire district code identifiers are as follows:

Fire District	
Cecilton	001
Hacks Point	002
Chesapeake City	003
Singerly (Elkton)	004
North East	005
Charlestown	006
Water Witch (Port Deposit)	007
Perryville	008
Rising Sun	009