



FREDERICK COUNTY COUNCIL

Local Government Fiscal Estimate of Legislation

CONTACT INFORMATION AND GENERAL INSTRUCTIONS

Bill Number/Reference:	TBD
Bill Title:	Reallocation of Recordation Tax Revenues
Local Government Agency:	Frederick County Division of Finance
Prepared By:	Lori L. Depies
Title:	Director
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Due Date:	TBD
Date Submitted:	November 28, 2016

FREDERICK COUNTY COUNCIL

Local Government Fiscal Estimate of Legislation

Date:

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, please explain why.

This bill will re-establish the allocation and use percentages of the Recordation Tax to levels anticipated in the FY17 budget as noted in the table below. The FY17 budget anticipated a sunsetting of the allocation and use percentages previously established under Ordinance #11-24-590, effective January 1, 2012. Under the Ordinance, the Ag Preservation fund received 10.0%, a reduction from 12.50%; the Parks Acquisition fund received 5.0%, a reduction from 12.50%; the Unrestricted General Fund increased to 64.166% from 54.166%. The CCRC Construction and School Construction funds remained unchanged at 4.167% and 16.667% respectively. The CCRC Construction fund allocation of 4.167% was eliminated by Ordinance #14-066-661 dated June 17, 2014. The Unrestricted General Fund received the 4.167% allocation, thereby increasing that allocation to 68.333%.

This bill will have a positive impact on the revenues for both the Agricultural Preservation fund and the Parks Acquisition and Development fund as illustrated in the table below.

FY2017			
	Adopted Budget	If Ordinance is not Adopted	Change
Ag Preservation	\$3,156,362	\$2,805,655	(\$350,707)
Park Acquisition	\$2,454,948	\$1,402,827	(\$1,052,121)
CCRC Construction	\$0	\$0	\$0
School Construction	\$4,676,184	\$4,676,184	\$0
Restricted Use	\$10,287,493	\$8,884,666	(\$1,402,827)
Unrestricted General Fund Use	\$17,769,052	\$19,171,879	\$1,402,828
Total Recordation Tax Revenue	\$28,056,545	\$28,056,545	\$0

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.
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This bill will have no impact on small businesses in Frederick County.

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.
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<u>Source</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Ag Preservation	\$350,707	N/A	N/A	N/A	N/A
Park Acquisition	\$1,052,121				
Unrestricted General Fund Use	(\$1,402,828)				
TOTAL \$	\$0	\$ N/A	\$ N/A	\$ N/A	\$ N/A

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.

The FY17 budget included the re-establishment of the 12.50% recordation tax allocations to both the Agricultural Preservation fund and the Parks Acquisition fund with corresponding reduction in the allocation to the Unrestricted General Fund (68.333% to 58.333%).

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.
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A. Salaries & Wages	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
FTE Employees - _____ # of positions	N/A	N/A	N/A	N/A	N/A
Fringe Benefits					
N/A					
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.

	<p>The proposed legislation will have not have an effect on the budgeted expenditures to FY17, as the requested Recordation Tax allocations and use percentages were anticipated in the FY17 budget. Should the bill not pass, the FY17 budgeted expenditures for both the Agricultural Preservation fund and Parks Acquisition fund may need to be revised downward to match the corresponding decrease in budgeted revenues.</p>				
B. Other Operating Expenses	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Technical/Special Fees, Grants/Subsidies	N/A	N/A	N/A	N/A	N/A
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)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
	<p>On the next page, please provide brief descriptions/breakdowns of the above "Other Operating Expenses."</p>				
	<p>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.</p>				

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 2016 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 2017 Expenditures

Technical/Special Fees, Grants & Subsidies \$
description/breakdown

Communications – Phone, Postage \$
description/breakdown

Travel, Food, Auto Operations, Fuel & Utilities

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

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