

**Open Work Session
To Discuss an Increase to the 911 Fee
February 16, 2021**

Mr. Shipley, Director of Emergency Services, and Mrs. Pam Oland, Director of Finance, came before Council. Mrs. Oland said she wants to provide some additional information in regards to the 911 fee that has been previously discussed. Mr. Dodd clarified, this has come before Council before and there was not a consensus. He then asked if now there is new information, to which Mrs. Oland responded, there is additional clarification.

Mrs. Oland explained, the 911 fee is allowed to be adjusted by each County to help offset the costs associated with running 911. She said the State passed a law previously that allowed it to go to 75 cents, and it was mandated that it had to go to 75 cents. She said the new law, which allows it to take effect on July 1, allows the County to recover their costs of that Department. She said that Department is part of the general fund in total, so property taxes and income taxes help pay the costs of that Department right now. She said, if they were able to adjust the 911 fee to something greater than 75 cents, they would be able to reduce the burden on other revenue streams of the County related to the 911 Center. She said they polled some additional local jurisdictions, and some are doing it, and some are not. She said they have one opportunity every fiscal year to make a change, and that opportunity comes before they have to actually create their budget. She clarified, it always has to be announced to the State by April 1 so that all the carriers can be notified by July 1. She said, if they do not take action on this now, the next time they can bring this forward to Council is next year at this time. She said, basically, increasing this fee for the people who have phone lines in the County is equivalent to 1 cent on the property tax, so if they increase this to the fee they are recommending, which is to \$1.30, that additional \$600,000 is about 1 cent on their taxes, so they would be able to use that 1 cent for other items within the County, such as the Board of Education. She said Kirwan just got overridden, so the County is going to be required to fund Kirwan. She said the Council is meeting on FOP negotiations this afternoon, and all of those things in the midst of a pandemic are happening, so here is an opportunity for the users of phones to pay the fee. She said, if the Council is not interested in going all the way up to \$1.30, they could consider going up to a \$1.00 by increasing it by 25 cents per line, and that would then at least raise an additional \$282,000. She said, again, that is offset off the other revenues to cover these costs.

Mr. Dodd said he was going to ask if there were any other fee options they could consider if Council did not want to go the full amount, to which Mrs. Oland responded, they can go anywhere between the 75 cents, which they are mandated to do and is currently set, up to the \$1.30. Mrs. Oland said she has brought two examples - \$1.00 and \$1.30, but they can go anywhere within that range, and any increase from the 75 cents helps offset costs for that Department.

Mr. Holloway said he knows Council took a consensus vote and voted no on this at a previous meeting. He then suggested, with today's technology, if they are looking for a revenue stream, is there a chance they could look at the telemarketer calls that come into everybody multiple times a day, and maybe they can put a charge on those. He said he knows technology would allow it because the State is getting ready to do an internet tax, so that is available, and it looks to him like that would be a good revenue stream to go for and maybe it would cut back on some of those telemarketers calling people multiple times a day. Mrs. Oland responded, she does not believe the County has the technology to be able to

determine those calls per person per line, to which Mr. Holloway responded, he thinks they probably do. He said somewhere within the IT Department he thinks they should be able to figure that out.

Mr. McCain said, at the end of the day, they are simply trying to recoup the cost, to which Mrs. Oland responded, correct. Mr. McCain said they are not charging the citizens of the County something over and above what the cost simply is. Mrs. Oland responded, 911 requirements have continued to grow as to what their employees are required to do, and they get funding from the State to upgrade their capital infrastructure, but this is literally covering the employees they need to have 24/7 answering phones at the facility.

Mr. Holloway asked if 100 percent of the 75 cents they are collecting now goes directly to 911 services, and, if increased, will 100 percent of that go directly to 911 services, to which Mrs. Oland responded, they do not have this set up as an enterprise fund. She said, again, they have the revenue in the general fund that offsets the expense within the general fund and allows the remaining revenue to be used for something else, to which Mr. Holloway responded, so they really do not know how much of this 75 cents is going to 911. Mrs. Oland explained, they can say they are spending 100 percent of it on this because it is all within the same fund. She said they would have to literally separate every Department into their own separate funds if they really wanted to allocate it all, and that would become a very complicated accounting system. Mr. Holloway responded, so they do not know that 100 percent of this money is actually going to the 911 system operation, to which Mrs. Oland responded, 100 percent of the money that would be coming in would equal 100 percent of the costs associated with 911. Mr. Holloway said, again, it is not all going to that one operation, it is going to Emergency Services as a broad Department, to which Mrs. Oland responded, it is going to the general fund, and the expenses equal the revenues.

Mr. Dodd said theoretically it would go to Emergency Services, and it is just an amount to offset the cost, but it would be going to the general fund to be used at their discretion, to which Mrs. Oland responded, no. She clarified, the only reason they are increasing this is because their costs are higher than what they collect in revenue. She said, if their costs were not higher, they would not be allowed by Legislation to increase this fee.

Mr. Dodd said Mrs. Oland said earlier that she needs time to let all of the providers know. He then asked if Mrs. Oland knows all of the providers, to which Mrs. Oland responded, no. She explained, they have to let the State know by April 1 that they have enacted Legislation to allow for this to happen. She said, if they do not let the State know by April 1, the next opportunity they have is next year at this time. Mr. Dodd asked how they single out all the providers because he keeps seeing all of these advertisements, and a lot of them are merging, to which Mrs. Oland responded, that is the State's responsibility. Mr. Dodd asked, are they allowed to charge for voiceover internet calls, to which Mrs. Oland responded, if someone has a phone, they get the fee. She said it is not just mobile phones that have this, it is phone systems that have the current 75 cents. She said it is based on the number of phone lines they have, so if a family has three phone lines, one land line and two cell phones, they are going to currently get 75 cents per month times three, and then times twelve. She said it is based on the number of phone lines. She said the Government Office Building has multiple lines, and they have a lot more phone numbers than actual lines, but they will be charged by the number of lines they have in the building.

Mrs. Oland said the question is whether or not Council has any appetite for an increase to the fee anywhere from a penny up to \$1.30 in total.

Mr. McCain said they need to be covering their costs, and he thinks, from what he is hearing from some Councilmembers, some of the concern is just going from 75 cents to \$1.30 all at one time, but it is a cost they are simply trying to recoup. He then asked, if it helps any, is it possible to go to \$1.00 next year and then \$1.30 in steps as opposed to just leapfrogging there all at once, to which Mrs. Oland responded, yes. She said they could create the Legislation to say they are increasing it to \$1.00 from 75 cents.

Mr. Dodd said that recommendation would be a 25 cent increase, to which Mrs. Oland responded, correct. Mr. McCain then suggested going to \$1.30 the following year. He then asked Mrs. Oland if she would have to come back to Council for that, to which Mrs. Oland responded, she recommends they come back to Council again next year because then they could reevaluate where their costs are. She said, at that point, maybe it is \$1.35, and maybe they do not want to go all the way up to \$1.35 next year, but they would come back to Council again next year. She clarified, she would not set in Legislation any change other than this first year so they could recalculate the costs again for next year. Mr. McCain said he proposes that, if that gets more consensus on Council and helps alleviate some of the concerns.

Mr. Holloway asked, if they are interested in going to \$1.30, are they interested in cutting the tax rate a penny, to which Mr. McCain responded, then they just lost. Mr. Holloway said they are getting services to pay for services, to which Mr. McCain responded, but then they are not covering the cost. Mr. Holloway said they are in the middle of a pandemic, so he is not interested in raising any fees right now.

Mrs. Acle asked what the bottom line is for covering their costs, to which Mrs. Oland responded, \$1.30 covers their costs for this. She said, again, anything less than \$1.30 does not cover the cost of the Department, but it does increase the offset available to them if they can do anywhere in that range.

Mr. Dodd said the suggestion was made for a 25 cent increase per phone line, which sounds a little more palatable, and then Mrs. Oland would come back next year. He then asked how Council feels about this, to which Mrs. Acle responded, she feels like they need to at least cover their costs. She said, if they just take it to \$1.00, she thinks that is reasonable. Mr. McCain said he agrees with Mrs. Acle. Mr. Davis also agreed. Mr. Holloway did not agree.

Mr. Cannon said he appreciates the fact that Mrs. Oland has taken the time to actually come up with more exact figures because that was his concern initially when this was presented. He said Council had asked questions about the funding and he was under the impression this was simply going to increase the budget for the Department, but he was unaware of the fact that they were absorbing losses. He said he did not realize that, and he appreciates the fact that Mrs. Oland has come back to explain that, and she has clarified it with more exact figures, which he appreciates as well. He said he is okay with \$1.00.

Mr. Hastings said he will say the same as Mr. Cannon. He said he has heard from enough folks who have reached out and were immediately scared that they saw more fees coming up and did not know the full picture. He clarified, of course this goes to a very important fund. He said, if someone is having a heart attack or needs help, 911 is pretty important, so they need to make sure they have enough staffing. He said he is happy to not see it go all the way up to the full amount, but \$1.00 is fine.

Mr. Dodd said he is like Mr. Holloway. He clarified, they have a pandemic, but also Mrs. Acle says they have to cover costs, and he agrees with that too. He said he hates seeing any increases, but they have a majority consensus.

Mrs. Oland asked Mrs. Hurley if they will be back at the next meeting, to which Mrs. Hurley responded, yes. Mrs. Oland thanked everyone and said she appreciates everybody. There was no further discussion.




Larry W. Dodd, President, District 3



Joe Holloway, Vice President, District 5



John T. Cannon, At-Large



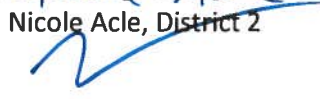
William R. McCain, At-Large



Ernie Davis, District 1



Nicole Acle, District 2



Josh Hastings, District 4



Laura Hurley, Council Administrator