



CECIL COUNTY, MARYLAND

DEPARTMENT OF FINANCE

FISCAL IMPACT NOTE

SUMMARY OF LEGISLATION

SPONSOR: Council President at the request of the County Executive

RESOLUTION NO. 39-2021 – Supplemental Appropriation – Debt Service Fund – Public Library

SYNOPSIS: A Resolution to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland, for the fiscal year ending June 30, 2022, in order to provide an additional \$190,000 to the General Fund-Cecil County Public Library Allocation. The Resolution will reduce the Inter-Operating Transfer to the Debt Service Fund in the General Fund, due to lower interest expense in FY2022 as a result of the refinancing of the County's debt. This decrease in the inter-operating transfer will provide the increase to the library's operating allocation.

FISCAL IMPACT SUMMARY: There is no net fiscal impact in FY2022 as the Resolution supports the transfer of the savings from decreased interest payments back to the general fund that will be used to provide additional operating funding to the Cecil County Public Library.

FISCAL ANALYSIS:

The FY2022 approved budget for the operating allocation to the Cecil County Public Library was reduced \$366,202, compared to FY2021; in an effort to allow the County to afford the addition of \$1 million dollars in debt service payments due to the completion of the new North East Library. In conversations between the County Executive and the Director of the Library, the reduction of the operating budget for the library system was going to have a direct effect on the services provided to the community.

As the County continued conversations through the spring of 2021, it was evident that the County would be able to avail themselves of significant savings if they refinanced their current debt. The County Executive who does not want to negatively impact the services of the library system, is proposing through this Resolution to increase the operating allocation to the Library for FY2022 by \$190,000 from savings derived from the refinancing of general obligation debt.