

Office of the County Auditor

Auditor's Analysis

Council Bill No. 46-2020

Introduced: September 8, 2020

Auditor: Owen Clark

Fiscal Impact:

The fiscal impact of this legislation in Calendar Year 2021 may be as high as \$23,088.

This amount was calculated using information obtained from the Chief of the Department of Fire and Rescue Services about volunteer Length of Service Award Program (LOSAP) point totals in CY 2020 and creditable years of service (CYS), as detailed in Appendix A.

The long term fiscal impact of this legislation cannot be quantified because we cannot determine the future impact of awarding LOSAP points to those volunteers not currently receiving LOSAP payments.

NOTE: This legislation enables the County Executive to incur future LOSAP costs in subsequent fiscal years by effecting the pensions of LOSAP recipients without Council approval.

Purpose:

The purpose of this legislation is to authorize the County Executive to award LOSAP points to members of the volunteer fire corporations for active service by Executive Order based on a declared state of emergency.

The Administration seeks this authority because the Department's response to COVID-19 included limiting station access to functioning operational personnel only, which has adversely impacted the volunteers' ability to earn LOSAP points from attending trainings and meetings.

Other Comments:

- The Administration:
 - Confirmed points will be awarded to volunteers with a CYS in CY 2019 based on the percentage of the year their station was locked down.
 - Anticipates awarding a quarter year award (12.5 points) to eligible volunteers, as the stations were on lock down March 15 to June 5 and to date have not fully resumed normal activities.

- The Administration confirmed that LOSAP points can still be earned for remote or virtual meetings.

APPENDIX A

Fiscal Impact Detail

This fiscal impact was calculated using information obtained from the Administration regarding volunteer LOSAP point totals in CY 2020 and CYS totals.

Key points for the Fiscal Year 2021 fiscal impact include:

- Three volunteers will become eligible to receive a \$538 monthly LOSAP payment with a CYS in 2020.
- Thirty-one volunteers expected to receive a LOSAP payment in CY 2021 may earn another CYS from these points that provides an extra \$10 per month.
- For a summary, see the below chart:

Volunteer Category	Volunteers that are:			FY 2021 Fiscal Impact
	Eligible	Not Impacted (>50pts in CY20)	Potentially Impacted (<50pts in CY20)	
Total Eligible for Pts	314	144	170	NA
Eligible for:				
+\$10 Pmt in CY21	56	25	31	\$ 3,720
LOSAP Pmt in CY21	4	1	3	19,368

Notes:

- Regarding the “Volunteer Category” Column
 - “Total Eligible for Pts” represents volunteers that are eligible for these points because they had a Creditable Year of Service (CYS) in CY 2019.
 - “+10 Pmt in CY21” represents volunteers that are receiving LOSAP payments and can earn \$10/month for an additional CYS beyond 25 years in CY 2020.
 - “LOSAP Pmt in CY21” represents volunteers that will be eligible for LOSAP payments of \$538/month in CY 2021 if they receive 50 points in CY 2020.
- A CYS is awarded to volunteers that earn 50 LOSAP points in a calendar year.
- The monthly LOSAP payment of \$538 is 1 percent of the current annual starting salary of a trainee, which is \$53,872.
- A volunteer’s LOSAP payment will increase by \$10 per month for each CYS over 25.