

State of Maryland

2016 Prior Authorization Fact Sheet

(1) Senate Sponsor	(2) House Sponsor	(3) Project Name
	Del. Szeliga	Kingsville Volunteer Fire Company
(4) Jurisdiction		(5) Contact Information
Baltimore County		Name: Michael Berna Email: mberna@baltimorecountymd.gov Phone: 443-829-1651
(6) Legislator Request		
Remove the matching fund requirement.		
(7a) Original Senate Bond Bill		(8a) Original House Bond Bill
sb1072 of 2014		hb0498 of 2014
(7b) Senate Chapter		(8b) House Chapter
Ch. 463 Item: ZA02(AF)		Ch. 463 Item: ZA00(AU)
(7c) Senate Prior Authorization		(8c) House Prior Authorization
(9) In your own words, please describe in detail the project's background and your need for a prior authorization.		
<p>When we requested the first bond bill (2013) our Capital Campaign was in its' infancy and we did not expect to encounter a cash flow problem. We were new to the bond bill process and did not fully understand the matching requirements as we had historically experienced with federal grant awards. Our Capital Campaign progressed slowly through the following years and potential donors were hesitant to commit until construction began. Due to the above facts, the economy outpaced our proposed building plans forcing us to value engineer our project. This took several years to pace our fundraising to the inflation of the building industry and recovering economy. During our value engineering phase, we were forced to begin some renovations which included a failing roof and septic system. We used Capital Campaign funds to address these issues while understanding these items were going to included as part of the building project. These two items did not appear to be part of the renovation or obvious progress to potential donors even though they were an integral part of the building that would needed to be installed anyway. During this period of value engineering, we were simultaneously seeking a low interest loan.</p>		
(10) If you are requesting an extension of the date upon which evidence of a matching fund must be presented to the Board of Public Works, please explain the need for the extension. When do you expect to raise the requisite amount of matching funds, if at all?		
We are not requesting.		

(11) If you are requesting a modification of the type of matching funds (e.g., real property, in-kind contributions, or prior funds expended) that can be used to meet your match, or are requesting the matching fund requirement be changed from an equal match to unequal match or removed altogether, please explain why the change is necessary.

We are requesting a unequal match due to the following. We have received 2 bonds bills (2013 for \$145,000.00 and 2014 for \$250,000.00) both which are matching bond bills. We have also been approved for a low interest loan through the Baltimore County Volunteer Fireman"s (BCVF) loan fund. We have diligently raised funds through grants, bond bills, donations, and fund raising events which has taken several years and we have maximized our ability to raise funds until we have bricks and mortar. Due to above facts, we are faced with a logistical cash flow issue since we are: 1. unable to use the BCVF approved loan until we have exhausted all other current funds which include grants,bond bills, and savings. 2. Since the Bond bills require a match, we have matched the first bond bill (2013), but once we try to match the second bond bill (2014) we have a cash flow problem and are unable to keep the construction schedule moving so we can exhaust all funds to reach the loan activation threshold of the BCVF fund. If we are able to remove the match from this bond bill, we will be able to maintain a positive cash flow and the construction phase can proceed without interruption. We are currently involved in renovations and have exhausted our cash savings dedicated to this project. This is why the change is necessary.

(12) If you are requesting an extension of the date upon which the bond funds must be expended or encumbered by the Board of Public Works, please explain the need for an extension. When do you expect to expend or encumber the funds?

We are not requesting an extension.

(13) If you are requesting to use the funds for another purpose or to expand the scope of the project, please explain the reason and need for the change.

We are not requesting to expand the scope or purpose of the project.

(14) If you are requesting to modify the name of the grantee organization, add another grantee organization, or remove a grantee organization, please explain the reason and need for the change. If applicable, do those organizations being added or removed as grantee consent to the change?

We are not requesting any of the above.

(15) If this is an emergency bill, please explain the need for such action.

This project has permits approved and we have extended them several times as well as grants that may expire before full utilization of those funds. We have received 2 bonds bills (2013 for \$145,000.00 and 2014 for \$250,000.00) both which are matching bond bills. We have also been approved for a low interest loan through the Baltimore County Volunteer Fireman"s (BCVF) loan fund. We have diligently raised funds through grants, bond bills, donations, and fund raising events which has taken several years and we have maximized our ability to raise funds until we have bricks and mortar. Due to above facts, we are faced with a logistical cash flow issue since we are: 1. unable to use the BCVF approved loan until we have exhausted all other current funds which include grants,bond bills, and savings. 2. Since the Bond bills require a match, we are able to match the first bond bill (2013), but once we try to match the second bond bill (2014) we have a cash flow problem and are unable to keep the construction schedule moving so we can exhaust all funds to reach the loan activation threshold of the BCVF fund. If we are able to remove the match from this bond bill, we will be able to maintain a positive cash flow and the construction phase can proceed without interruption. We are currently involved in renovations and have exhausted our cash savings dedicated to this project.