



August 26, 2014

Cass County Board of Commissioners  
211 9<sup>th</sup> Street South  
Fargo ND 58103

RECEIVED

AUG 26 2014

CASS COUNTY COMMISSION

Re: 911 Fee Ballot Issue

## Auditor

Michael Montplaisir, CPA  
701-241-5601

## Treasurer

Charlotte Sandvik  
701-241-5611

## Director of Equalization

Frank Klein  
701-241-5616

Dear Commissioners:

Earlier this year I visited with Kent Costin, City of Fargo Finance Director, and James Brownlee, City of West Fargo Administrator, about 911 fees. What prompted the discussion was the confusing nature of three different fees within the county (Fargo, West Fargo, and Cass County), and the fact that all three entities must supplement the 911 fee with property tax revenue to pay for costs associated with 911 service to the cities and county.

With all three entities levying the fee, telephone companies need to track city boundaries to charge the correct fee and to remit the fee to the correct entity. At various times errors have been made that span some months or even years with telephone companies paying the fee to the wrong entity. For instance in 2010 the county had to remit \$120,000 to the City of Fargo as a result of a telephone provider audit to correct for payments sent to the county in error. In 2011, it was an additional \$34,372 to Fargo and \$14,393 to West Fargo. In 2012, we had to transfer \$119,815 to Fargo. Adjustments like these go back years—sometimes for a few thousand dollars and other times larger amounts as described above. The three different fees, different entities involved, and shifting boundaries make the process difficult for telephone companies, and the corrections make it difficult for the local budgets.

At the same time, all three entities are subsidizing the 911 fee with property tax dollars. West Fargo raised their fee to \$1.50 at the beginning of 2013 but still was short an estimated \$90,000, even without factoring in equipment replacements and future upgrades. Cass County's budget for 2014 includes a \$70,000 transfer from the General Fund to cover 911 shortfalls—the current fund deficit is \$42,000 for 2014. Fargo has the largest funding deficit at an estimated \$500,000 a year. Raising the fee to \$1.50 county-wide would provide adequate revenues to fund the current operations and provide a reserve for future upgrades to the system. The 911 system is a vital part of our community and needs to be funded independent of property tax revenues.

To raise the 911 fee and make it a single county-wide fee, the county needs to submit the question to the voters at the November 4, 2014, General Election. The election filing deadline is September 2<sup>nd</sup> at 4:00 p.m. I have prepared the accompanying resolution and ballot question for your consideration.

Sincerely,

  
Michael Montplaisir  
Cass County Auditor

Box 2806  
211 Ninth Street South  
Fargo, North Dakota 58103

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### SUGGESTED MOTION:

Move to approve Resolution #2014-14, file the resolution, and certify the ballot question to the County Auditor prior to the 4:00 p.m. deadline for the November 4, 2014, General Election.

CASS COUNTY, NORTH DAKOTA  
RESOLUTION TO INCREASE THE EXISTING  
EMERGENCY SERVICES COMMUNICATIONS (9-1-1) FEE

WHEREAS, the emergency services communication (9-1-1) system is critical to public safety in Cass County; and

WHEREAS, the monthly fee on “assessed communications services” (telephone exchange access service, wireless service, active prepaid wireless service, and voice over internet protocol service) imposed pursuant to North Dakota Century Code 57-40.6 is essential to the operation and maintenance of the emergency services communication system (9-1-1); and

WHEREAS, the County of Cass, City of Fargo, and the City of West Fargo each has separate monthly fees on “assessed communications services” (telephone exchange access service, wireless service, active prepaid wireless service, and voice over internet protocol service) imposed pursuant to North Dakota Century Code 57-40.6; and

WHEREAS, the County of Cass, City of Fargo, and the City of West Fargo are all members of the Red River Regional Dispatch Center and jointly provide funds for the operation and upgrade of the center; and

WHEREAS, it would be more efficient to administer one common fee throughout Cass County for the entities mentioned above and for the telephone exchange access service, wireless service, active prepaid wireless service, and voice over internet protocol service providers; and

WHEREAS the current fee limited to \$1.00 (\$1.50 in the City of West Fargo) per month per “communication connection” (telephone access line, wireless access line, unique voice over internet protocol service connection, or functional equivalent uniquely identifiable by a number, internet address, or other designation) was implemented by resolution of the Cass County Commission, City of Fargo, and the City of West Fargo and approved by the voters of the mentioned entities;

WHEREAS the revenue from the current fee is insufficient to adequately fund the maintenance and operations and upgrade of the emergency services communications (9-1-1) system, it is proposed that the fee maximum be increased to \$1.50 per “assessed communication service” however the county commission could impose an amount less, but no more than that maximum; and

WHEREAS, North Dakota Century Code section 57-40.6-02 provides a process of imposing 9-1-1 fees by governing board resolution and approval of the voters.

THEREFORE, BE IT RESOLVED that the Cass County Board of Commissioners proposes an increase of the existing monthly fee, and directs that the following measure be placed on the county ballot for the statewide primary election scheduled for November 4, 2014 and shall become effective January 1, 2015.

BE IT FURTHER RESOLVED, that the fee shall be collected by the “assessed communications service providers” and paid to the County within thirty (30) days after collection from the subscriber or customer unless the provider has fewer than ten

subscribers or customers in a jurisdiction, in which case the provider may pay the proceeds quarterly. An assessed communications service provider may retain the actual costs of administration in collection of the fee, not to exceed five percent of the fee collected.

Dated this 2<sup>nd</sup> day of September, 2014.

APPROVED:

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Ken Pawluk, Chairman  
Cass County Commission

ATTEST:

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Cass County Auditor

#### Cass County Measure #1

Currently, the emergency services communication (9-1-1) fee structure allows the City of Fargo to impose \$1.00 per month, the City of West Fargo to impose \$1.50 per month, and Cass County to impose \$1.00 per month outside of the cities of Fargo and West Fargo per “communication connection” (telephone access line, wireless access line, unique voice over internet protocol service connection, or functional equivalent uniquely identifiable by a number, internet address, or other designation) for the operation and maintenance of the 9-1-1 emergency services communications systems. Should these various fees be replaced by a single countywide fee not to exceed \$1.50 per month?

Voter approval would allow a countywide fee, not to exceed \$1.50 per month per “communication connection” to become effective January 1, 2015, with the revenue dedicated to maintaining and operating the emergency services communication (9-1-1) system as required by State law.

- YES            A “YES” vote means you approve the proposed countywide fee of \$1.50 per month.
  
- NO             A “NO” vote means you do not approve the proposed countywide fee of \$1.50 per month.