CITY OF HAGERSTOWN

CITY ADMINISTRATOR'S ADOPTED BUDGET

Fiscal Year 2021 - 2022

July 1, 2021 - June 30, 2022

www.hagerstownmd.org

CITY OF HAGERSTOWN

MAYOR & COUNCIL'S GOALS & PRIORITIES

Neighborhoods

The citizens of Hagerstown experience a high quality of life in their neighborhood.

Public Safety

The City of Hagerstown ensures that all who live, work, and play in the City of Hagerstown are safe.

Public Facilities and Infrastructure

The City of Hagerstown establishes and maintains quality services and infrastructure that support residents and businesses in a cost-effective manner.

Economic Development

The City of Hagerstown has a diverse, business-friendly economy that supports the community's needs.

Budget Stabilization

The City of Hagerstown will strive for continuous improvement of fiscally responsible decision making on both sides of the budget equation.

Parks & Recreation for Active/Healthy Living

The City of Hagerstown supports a rich, social and culturally vibrant community.

Innovative/Progressive Government

The City of Hagerstown is committed to employee development, excellence in services, and adapting to meet the needs of the community and the organization.

Community Promotion/Pride

The City of Hagerstown will take the lead in improving our community image by releasing factual, timely and transparent messaging.

Economic Development through Sports and Tourism

The City of Hagerstown will be creative and diversify opportunities for economic development through nontraditional means.

Citizen-Based Government

The City of Hagerstown believes in an ethical and financially responsible government, while supporting an engaged citizenry to make the community more than the sum of its parts.

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Hagerstown

Maryland

For the Fiscal Year Beginning

July 1, 2020



Executive Director

Summary

The City Administrator is required by the City Charter to submit a proposed budget to the Mayor and Council at least ninety (90) days prior to the beginning of the fiscal year. The Charter also states that the budget shall be adopted no later than June 1st of each year. In addition to the City's operating budget, the City Administrator presents for Council's review a five-year plan for capital improvement programs. Public hearings are scheduled and advance notices are published by Mayor and Council. The budget is approved and adopted in the form of an ordinance. Throughout the year, the City Administrator has the ability to approve transfers of budgeted amounts between departments within any fund. However, only Mayor and Council can approve changes in the total appropriation level through a budget amendment ordinance. Amendments to the budget are performed by the City throughout the year as needed.

FY2022 Operating and Capital Budget Process

Throughout the current fiscal year, the City Administrator and Department Managers have presented and discussed various budget agenda topics with Mayor and Council. The budget discussion topics took place between July 2020 through February 2021 and provided opportunities and guidance for the creation of the FY2022 budget document. A listing of discussion topics and dates are located in the budget message in Section 1.

During the month of December 2020, departmental management and staff conducted departmental reviews of the Capital Improvement Program (CIP) projects. The Department Managers obtained requests from departments, neighborhoods, and homeowners for CIP projects. To assist the City Administrator in determining and recommending projects for funding, priorities were placed on capital projects that impact the City's facilities and infrastructure, safety and environment, legal provisions, and budget. During the same timeframe, Department Managers met with Budget staff to review individual departmental CIP requests.

In addition, the first public hearing on Community Development Block Grant funding needs was held on December 3, 2020. A second public hearing will be scheduled for April 29, 2021 to discuss further the CDBG funding needs.

Budget review meetings began in January 2021 between Department Managers and the Budget Committee to consider departmental operating budget requests. In addition, discussions and/or meetings were held with Department Managers to review initial CIP projects for prioritization of timing and funding within department and City goals. From January 2021 through March 2021, priorities for the upcoming year were discussed and outlined. A number of requests for funding changes were discussed; and, requests that were approved by the City Administrator were incorporated into department budgets. Approved changes and proposed adjustments were then discussed with the departments. As a result of these meetings and deliberations, the Budget staff compiled the FY2022 Proposed Operating Budget and the Capital Improvements Program for FY2022 – FY2026 for presentation to Mayor and Council.

On March 31, 2021, the City Administrator and Budget staff, in conjunction with City Management, will present the Mayor and Council with the FY2022 Proposed Budget for review. The Mayor and Council and the City's senior management will work together from April 6, 2021 to May 11, 2021 to review and discuss the proposed budget and CIP projects. A public hearing will be scheduled for May 11, 2021 to discuss the Operating Budget, Capital Improvement Program (CIP), and property tax rates.

Mayor and Council are scheduled to introduce the ordinance for the approval of the budget and CIP projects on May 11, 2021. It is estimated that approval to adopt the ordinances to approve the budget as revised by Mayor and Council, which will include water, wastewater, electric, other service charges and any changes to the property tax rate, will take place on May 18, 2021. To conclude the Budget Development Process, Budget staff will implement the FY2022 Mayor and Council's Adopted Budget and the FY2022 – FY2026 approved CIP budget during June and July 2021. The FY2022 adopted budget will become effective on July 1, 2021. The adopted operating and CIP budget is available on the City's website at www.hagerstownmd.org.

The City of Hagerstown operates under a council-manager form of municipal government. A charter granted by the General Assembly of Maryland formed the governing authority for the City. The Mayor and Council are the governing body of the City, which is responsible for formulating administrative policies. The Mayor and Council are comprised of a mayor and five council members all directly elected by Hagerstown residents to serve four-year terms. The City Administrator is appointed by the Mayor and Council to serve as the Chief Executive Officer of the City. Washington County is mandated by law to provide schools, libraries, and social services in Hagerstown.

The City of Hagerstown provides the community with a full range of services and programs across multiple departments. The City Administrator directs and supervises all City operations. Within the administration, the City Clerk serves as the record-keeping officer for the Mayor and Council, and is responsible for the preparation, execution, and archiving of all City Council documents as prescribed by State law and City Code. The City is a responsible steward of its resources, and provides accountability for the disbursement of funds, financial reporting and asset management. All City employees are supported through the Human Resources department to promote efficient operations.

The City helps expand, retain and attract businesses, oversees planning and permitting functions, and provides community events programming. The community enjoys 22 parks and additional recreation facilities throughout Hagerstown, to include a municipal golf course, a public swimming pool, and an indoor ice and sports complex. The City provides a clean, safe and well-maintained environment in our neighborhoods and community gathering places. The community receives public safety protection through the operation of the City's career fire and police departments.

The City administers the trash, recycling, and yard waste collection program for the convenience of our customers. Residents and businesses are provided water, wastewater, and electric services at competitive rates. The City's infrastructure is well-maintained to ensure its longevity, provide efficient operations, and reduce costs. Staff ensures traffic flows smoothly throughout the City, and sees that our public ways are accessible for all members of the community.

The City of Hagerstown was founded by Jonathan Hager, a German immigrant who came to America in search of adventure and potential fortune. The home he built in 1739 is fully restored and open to guests at Hagerstown's City Park. The city's railroading history is preserved at the Hagerstown Railroad Museum, also located at City Park, and features period tools of the industry as well as a restored steam engine built in 1912. The City's rich history also includes stories from the Civil War, when the community managed to spare themselves from ransom and destruction by the Confederate troops.

Hagerstown was named the "Hub City" back when railroading was a primary source of transportation and commerce; the name has stuck throughout the years due to the city's unique positioning at the hub of Interstate 81 and Interstate 70. Today, creative service and technology-related companies are recognizing Hagerstown's close proximity to Baltimore and the D.C.-metropolitan area as an asset, and Hagerstown is seeing a trend in those companies locating in the City.

Residents and visitors alike find Hagerstown to be an ideal combination of city living and small-town charm. Downtown Hagerstown's Arts & Entertainment District is home to the historic Maryland Theatre, which hosts the Maryland Symphony Orchestra and other popular performing groups and acts. Area artists proudly display their work at the Washington County Arts Council and other local art galleries. The Washington County Museum of Fine Arts is one of four designated fine arts museums in the state of Maryland, and welcomes visitors to its galleries from the picturesque setting of City Park, profiled as the most beautiful city park by a national travel website.

The Hagerstown Cultural Trail connects the downtown Arts & Entertainment District with City Park and the Museum of Fine Arts. The trail is one of eight catalyst projects outlined in the Community's City Center Plan, a 10-year roadmap for downtown development that is being implemented through public-private partnerships. Spanning a half-mile, the brick paver pathway makes the route between these two popular destinations more walkable and features open green spaces, gathering areas, and public art that embraces our community's heritage, culture, and values while also inviting visitors to interact with the pieces. Featured artists along the Trail are regionally and even internationally recognized, including HENSE, who transformed four industrial building facades into a bold, contemporary mural.

City Park is one of 22 parks throughout the park system, which also includes the community's first Dog Park. All parks and recreation facilities owned and managed by the City are smoke-free, with the exception of Municipal Stadium and The Greens at Hamilton Run, a nine-hole golf course overlooking a mountain view. The Hagerstown Ice & Sports Complex hosts hockey games, figure skating competitions, and public skate for amateurs on the ice. The University System of Maryland at Hagerstown opened in the heart of downtown in January 2005; and, currently there are 6 universities offering 13 undergraduate programs, 8 graduate programs, and 1 doctorate-level degree. The City, in partnership with a private developer and USMH, works to provide student housing by renovating existing buildings into apartments for students.

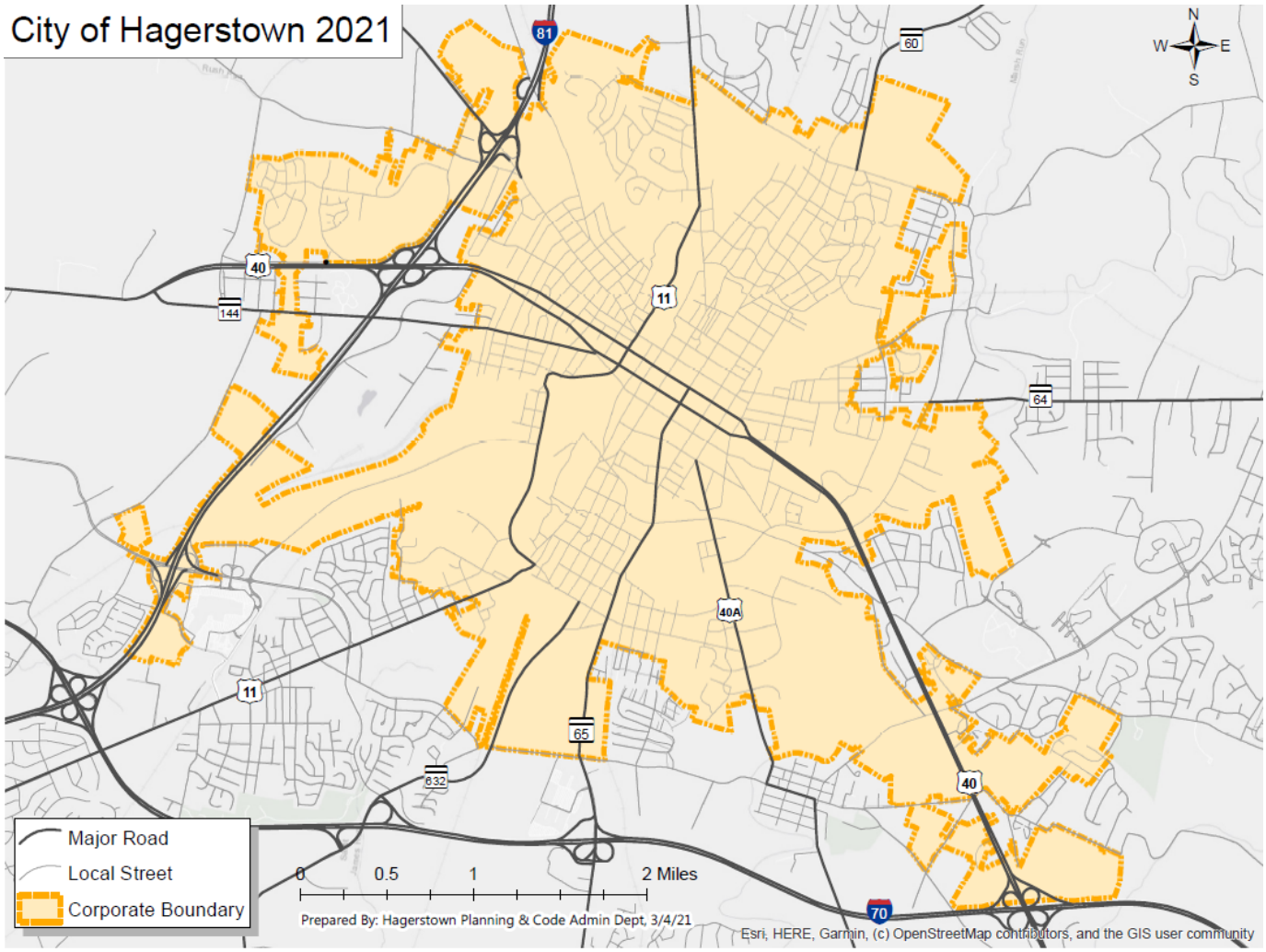
All levels of government - with USMH, the Maryland Theatre, and private developers – have been working in partnership on the Urban Improvement Project, a development that has expanded the urban educational complex and helped spur revitalization efforts in downtown Hagerstown. The proposed project includes shared classroom space for students from USMH and Barbara Ingram School for the Arts as well as an outdoor community plaza that ties into the Hagerstown Cultural Trail. The renovation of the Theatre included re-building the four-story façade at the street level while maintaining the space's historic character.

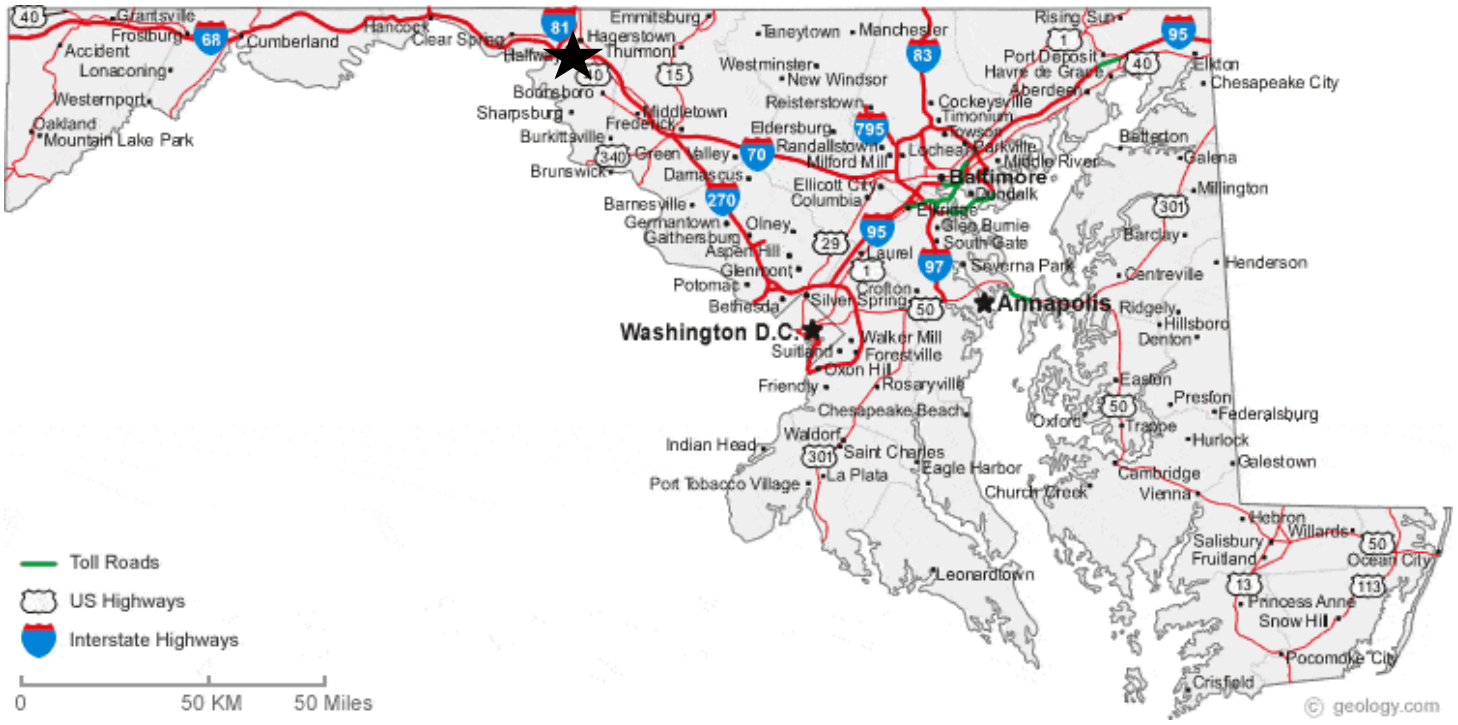
The City of Hagerstown is at the heart of a metro area of approximately 95,251 residents in Washington County and is strategically positioned at the crossroads of I-70 and I-81 in Western Maryland. The 2019 population estimate for the City of Hagerstown is 40,100 with the suburban fringe in the Hagerstown zip codes area containing another 55,151. The Washington County Public School system provides educational services to city residents in five regional or specialty high schools, four regional middle schools, and ten neighborhood/regional elementary schools. The City of Hagerstown maintains a top notch parks system with over 20 neighborhood and regional parks, a golf course, and a public pool. The City will be extending the new Cultural Art Trail which links the downtown with City Park in FY 2021 and FY 2022 to reach further into the heart of downtown to W. Washington Street. In the City of Hagerstown, there are currently 574 housing units with final plats or site plans in various stages of development and construction. There are an additional 374 units with preliminary plat approval. Many residents have organized into groups under the City's Neighborhoods 1st program to take responsibility for the well-being of their neighborhood and build community pride. It is a priority of the City to protect our neighborhoods from blight through a variety of proactive programs. In the Downtown

area, cultural, educational, and restaurant expansions, student housing projects, and office redevelopments are underway or in the planning stages with approximately $20 million in investment. There also continues to be an uptick in new commercial and industrial development in the arterial areas, business parks, and commercial districts outside the downtown in the City. The Northpoint development on Wesel Boulevard will bring $132 million of investment and 2.2 million square feet of flex warehouse space in FY 2021 and FY 2022. In continuing efforts to strengthen the fiscal sustainability of Hagerstown, the City has taken a pro-active approach on annexations in recent years to grow our tax base, particularly for developments on City water and within the City Fire Department mutual aid service area. In 2020, the City annexed 7 pre-annexation agreement parcels near Valley Mall with an assessed value of over $45 million.

The City of Hagerstown and its community partners are proud to organize and host special events that bring people together from Hagerstown and the surrounding region. The annual Augustoberfest is a weekend festival that celebrates the City's German heritage with Bavarian food, entertainment, and merriment. Hagerstown has received national attention for the Krumpe's New Year's Eve Donut Drop, which is hosted by a downtown business, High Rock Studios, and creates a mock midnight celebration for families who count down as a giant paper-mache donut descends from the clock tower in Public Square. The addition of a new music series in the month of June, Imagine Hagerstown, will celebrate the City music heritage and feature local artists and various music genres.

The City of Hagerstown continues to streamline operations for efficiency and provides the highest-quality services to enhance our community's quality of life, support community pride, and further the sustainability of the organization.


City of Hagerstown 2021
N
W
E
S
81
60
40
144
11
64
40A
11
65
632
40
70
Major Road
Local Street
Corporate Boundary
0
0.5
1
2 Miles
Prepared By: Hagerstown Planning & Code Admin Dept, 3/4/21
Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community


Grantsville
Frostburg
Accident
Lonaconing
Westernport
Oakland
Mountain Lake Park
Cumberland
Hancock
Clear Spring
Hagerstown
Thurmont
Emmitsburg
Taneytown
Manchester
Westminster
New Windsor
Boonsboro
Sharpsburg
Middletown
Frederick
Reisterstown
Eldersburg
Burkittsville
Brunswick
Green Valley
Damascus
Randallstown
Milford Mill
Barnesville
Germantown
Gaithersburg
Olney
Aspen Hill
Glenmont
Potomac
Bethesda
Silver Spring
Ellicott City
Columbia
Cockeysville
Timonium
Towson
Lochearn
Parkville
Middle River
Baltimore
Dundalk
Essex
Glen Burnie
South Gate
Severna Park
Laurel
Crofton
Annapolis
Washington D.C.
Suitland
Walker Mill
Forestville
Oxon Hill
Friendly
Rosaryville
Chesapeake Beach
Waldorf
Indian Head
Saint Charles
La Plata
Port Tobacco Village
Eagle Harbor
Church Creek
Rising Sun
Port Deposit
Havre de Grace
Aberdeen
Elkton
Chesapeake City
Betterton
Galena
Millington
Barclay
Centreville
Henderson
Ridgely
Hillsboro
Denton
Easton
Oxford
Trappe
Preston
Federalsburg
Hurlock
Galestown
Cambridge
Vienna
Hebron
Willards
Salisbury
Fruitland
Ocean City
Princess Anne
Snow Hill
Pocomoke City
Crisfield
Leonardtown
Toll Roads
US Highways
Interstate Highways
0
50 KM
50 Miles
© geology.com

City Charter Dates	
Date founded	1762
Date of incorporation	1813
Date of adoption of present City Charter	1983
Form of Government	Mayor, Council, and Administrator
Area (in square miles)	12.44
Fire Department	
Number of Stations (4 volunteer, 1 City owned)	5
Number of Fire Hydrants (within City limits)	845
Responses to Fire alarms	3,910
Average response time (in minutes)	4:52
Malicious False alarms (included in above number)	89
Public fire education programs	978
Persons in attendance at public education programs	7,924
Parks and Recreation	
Parks and Playgrounds (303 acres)	22
Municipal Stadium (9.94 Acres)	1
Outdoor Swimming Pool (Claude M Potterfield Pool, 1.5 acres)	1
Municipal Golf Course (The Greens at Hamilton Run, 61.9 acres)	1
Bike Lanes and Paths (miles)	59
Parking Facilities Department	
Number of lots	13
Number of Parking Spaces (metered or rented)	
Lots	699
Streets	333
Parking Decks:	2
Number of Parking Spaces	625
Number of Permit Holders	500
Police Department	
Parking ticket violations issued	7,928
Net parking fines	$ 85,325
Safe Speed Program citations issued	24,331
Calls for service	50,113
Alarm calls (included in above number)	369
Public Works	
Miles of paved streets and alleys	154.62
Number of traffic signals maintained	135

Population – per United States Census

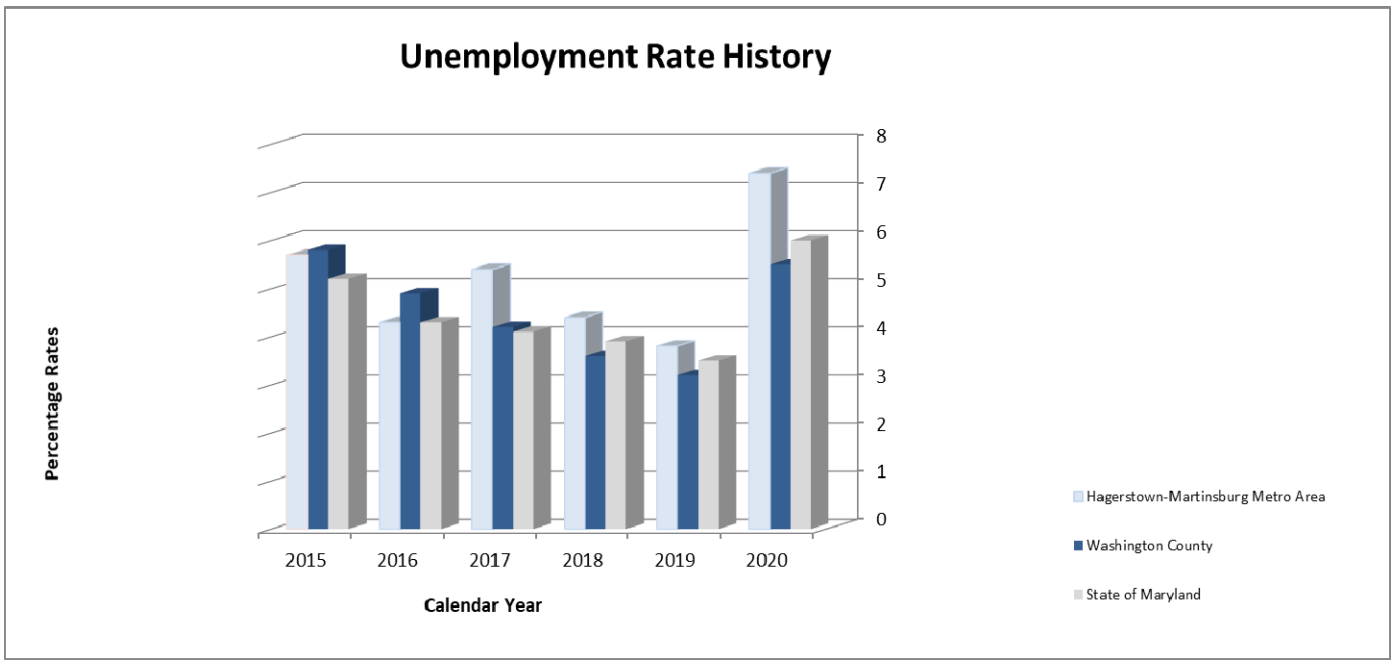
Fiscal Year	Population
1900	13,591
1910	16,507
1920	28,064
1930	30,861
1940	32,491
1950	36,260
1960	36,660
1970	35,852
1980	34,132
1990	35,445
2000	36,687
2010	39,996
2020 (estimate)	40,100

Electric Department	
Number of active accounts	17,215
Number of meters (in use)	17,761
Kilowatt hours purchased	314,633,291
Kilowatt hours sold	306,202,234
System peak demand-kilowatts	60,071
Number of substations – 34.5KV to 13.8KV	7
Water Department	
Number of active accounts-City	13,499
Number of active accounts-County	16,436
Total number of active accounts	29,935
Daily average productions in million gallons	
R.C. Willson Plant (365 days)	10.34
Wm. M. Breichner Plant (365 days)	0
Greatest consumption for a single day	11.58
Plant pumping capacity per day	20
Average daily metered consumption	7.797
Miles of water mains (estimate)	431
Wastewater Department	
Number of active accounts-City	13,229
Number of active accounts-County	3,071
Number of active accounts-District (JSA)	3,821
Number of active accounts-Total	20,121
Daily average of sewage treated (in million gallons)	5.56
Daily average plant capacity (in million gallons)	8
Number of City owned pumping stations	23
Miles of collection system – City owned	158

Principal Employers in the Metropolitan Area
Current Year and Nine Years Ago

	2020			2011		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Washington County Public Schools	3,100	1	4.77%	2,958	1	4.65%
Meritus Health, Inc. (Washington County Health System, Inc.)	2,740	2	4.22%	2,860	2	4.50%
Citicorp Credit Services, Inc	2,300	3	3.54%	2,067	5	3.25%
First Data Merchant Services	2,185	4	3.36%	2,170	4	3.41%
State of Maryland	1,994	5	3.07%	2,304	3	3.62%
Washington County Government	1,352	6	2.08%	1,149	7	1.81%
Volvo Powertrain NA (Mack Trucks, Inc.)	1,300	7	2.00%	1,165	6	1.83%
FedEx Ground	900	8	1.39%	734	8	1.15%
Hagerstown Community College	745	9	1.15%	689	10	1.08%
The Bowman Group, LLC	545	10	0.84%	695	9	1.09%
Total	**17,161**		**26.42%**	**16,791**		**26.39%**

Source: Principal Employers for Washington County MD provided by Maryland Department of Commerce
Total County employment for 2020 was 64,943 and 2011 was 63,577 supplied by Bureau of Labor Statistics.



Principal Property Taxpayers
Current Year and Nine Years Ago

	2020			2011		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Washington REIT Centre at Hagerstown	$ 56,375,700	1	2.31%			
Cortpark II LLC	32,936,300	2	1.35%	$ 22,050,300	5	0.75%
Lowes Home Centers, Inc.	29,824,200	3	1.22%	25,978,800	2	0.89%
Bowman Railway LLC	29,255,100	4	1.20%			
Homes For Hagerstown LLC	25,156,800	5	1.03%			
RPAI Hagerstown LLC	24,090,700	6	0.99%			
Stone House Maryland LLC (Oekos Stone House)	22,893,300	7	0.94%			
Tractor Supply Company	22,059,500	8	0.90%			
Walmart Real Estate Business Trust	19,852,800	9	0.81%	22,736,900	4	0.78%
Washington County Centre at Antietam	15,548,500	10	0.64%			
Hagerstown Plaza LLC				17,005,900	8	0.58%
Washington Real Estate				55,271,400	1	1.89%
Verizon-Maryland				23,202,100	3	0.79%
I-81 Hollyhook LLC				18,701,700	6	0.64%
OEKOS Stone House LLC				17,999,700	7	0.61%
York Pinewood Apartments LP				15,940,000	9	0.54%
Sams Real Estate Business Trust				15,890,000	10	0.54%
Totals	**$ 277,992,900**		**11.39%**	**$ 234,776,800**		**8.02%**

Source: City of Hagerstown FY2020 CAFR (Comprehensive Annual Financial Report)

ORDINANCE No. 0-21-08

ESTABLISHING THE BUDGET FOR
FISCAL YEAR JULY 1, 2021 TO JUNE 30, 2022
CITY OF HAGERSTOWN, MARYLAND

Pursuant to the Charter of the City of Hagerstown, the City Council is required to adopt a budget providing a complete financial plan for the budget year, with estimates of anticipated revenues and proposed expenditures for the coming year. The Charter further requires that the total anticipated revenues shall equal or exceed the total of the proposed expenditures.

In accordance with the provisions of the City Charter, Article VII, Finance, the City Administrator submitted a proposed budget to the Mayor and Council not less than ninety days before the beginning of the fiscal year, and a public hearing is being held on May 11, 2021 after eleven days' notice in a newspaper of general circulation.

NOW, THEREFORE BE IT RESOLVED, ENACTED and **ORDAINED** by the Mayor and Council of the City of Hagerstown, that the budget for the City for the fiscal year beginning July 1, 2021 and ending June 30, 2022, is hereby established as follows:

Funds	Proposed FY22 Budget	Mayor and Council Approved FY22 Budget
General Fund	$ 48,566,403	$ 48,566,403
Community Development Block Grant Fund	2,094,235	2,094,235
Special Revenue Funds	1,974,841	1,974,841
General/Capital Improvement Projects	13,716,416	13,716,416
Total Government Funds	**66,351,895**	**66,351,895**
Electric Fund	26,766,302	26,766,302
Water Fund	16,370,522	16,370,522
Wastewater Fund	16,408,002	16,408,002
Parking Fund	982,987	982,987
Golf Fund	622,038	622,038
Property Management Fund	615,073	615,073
Stormwater Fund	3,195,288	3,195,288
Total Enterprise Funds	**64,960,212**	**64,960,212**
Service & Trust Funds	10,723,518	10,723,518
Total Combined Uses of Funds	**$ 142,035,625**	**$ 142,035,625**

BE IT FURTHER ORDAINED that the effective date of the budget established herein is July 1, 2021 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

Emily Keller, Mayor

(SEAL)

Donna Spickler, City Clerk

Date of Introduction: *May 11, 2021*
Date of Passage: *May 18, 2021*
Effective Date: *July 1, 2021*

Record and return to: Donna Spickler, City Clerk
City Hall, Room 200
One East Franklin Street
Hagerstown, MD 21740

ORDINANCE No. O-21-07

ESTABLISHING THE TAX RATES
FISCAL YEAR JULY 1, 2021 TO JUNE 30, 2022
CITY OF HAGERSTOWN, MARYLAND

Pursuant to the Charter of the City of Hagerstown and the general public laws of the State of Maryland, the legislative body of the City of Hagerstown is charged with establishing tax rates; and the Mayor and Council, as the duly constituted legislative body for the City of Hagerstown has complied with all the provisions of the Annotated Code of the State of Maryland, the Charter of the City of Hagerstown and all other applicable laws in reference to establishing said tax rates.

NOW, THEREFORE, BE IT RESOLVED, ENACTED and **ORDAINED** by the Mayor and Council of the City of Hagerstown, that the tax rates for the City for the taxable levy year from July 1, 2021 through June 30, 2022, is hereby established as follows:

A. All real property excluding Apartments is hereby levied and chargeable on the basis of **$1.002** per $100 based on the assessed value of said properties as required by the Charter of the City of Hagerstown, the Maryland Constitution, and the Annotated Code of Maryland. Apartments are hereby levied and chargeable on the basis of **$1.032** per $100 based on the assessed value of said properties.

B. All business personal property, except as otherwise provided for by Ordinance 98-04 entitled *ORDINANCE ESTABLISHING THE ASSESSMENT LEVY FOR THE PERSONAL PROPERTY CATEGORIES OF MANUFACTURING MACHINERY & EQUIPMENT, COMMERCIAL INVENTORY AND MANUFACTURING INVENTORY for the CITY OF HAGERSTOWN, MARYLAND for the FISCAL YEAR JULY 1, 1998 and Thereafter*, is hereby levied and chargeable on the basis of **$2.505** per $100 based on the assessed value of said properties as required by the Charter of the City of Hagerstown, the Maryland Constitution, and the Annotated Code of Maryland.

C. Taxpayers who pay the taxes referred to herein, between the period of July 1, 2021 up to and including July 31, 2021, shall be entitled and are hereby granted a one quarter of one percent (1/4%) discount on the amount of said tax. Any property tax levy assessed and invoiced after September 30, 2021 shall be and is hereby granted a period of thirty (30) days from the invoice date to pay without additional interest or penalty.

D. A semiannual payment plan for all real property is established in accordance with state law. Any taxpayer who makes an election to pay taxes on a semi-annual payment plan shall pay a service charge on and with the second installment based on the amount deferred.

BE IT FURTHER ORDAINED that the effective date of the tax rate established herein is July 1, 2021 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

Emily Keller

Emily Keller, Mayor

Donna K. Spickler

Donna Spickler, City Clerk

Date of Introduction: *May 11, 2021*
Date of Passage: *May 18, 2021*
Effective Date: *July 1, 2021*

Neighborhoods

City of Hagerstown









OVERVIEW
SECTION 1

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City of Hagerstown, Maryland
City Administrator's Department

March 31, 2021

Mayor and City Council,

"The coronavirus has set us back physically, spiritually, and economically, but that does not mean we should give up. We have spaces that need to be transformed and people who need to be supported" **– Jane Golden.**

It is with my great appreciation to the many City staff members who helped in its development that I submit to the Mayor and City Council of the City of Hagerstown the Fiscal Year (FY) 2022 Budget.

At the time of the writing of the FY21 Budget message, we could not have anticipated the ramifications the COVID-19 pandemic would have upon the revenues and expenses of the City. The budget message presented in the FY21 book, though provided with "non-pandemic" reflections on the vision, mission and stated goals of the elected body, were quickly transformed into processes and decisions to simply maintain the sustainability of our City services during a time of extreme uncertainty and associated concerns for not only our general population, but also of our City employees who continued serving our citizens **without interruption** throughout the pandemic.

We moved forward with our FY21 Budget without amendment, looking to use it as the foundation for decision making as we perused on a daily basis the inflow of revenue from those sources that were being directly impacted by the severity of the pandemic. This was primarily our tax and utility revenue base. We also remained hyper vigilant on City expenses, ensuring that money spent was directed towards priority needs that maintained the overall services required and expected from our citizens. We have been extremely fortunate over the last twelve months to maintain, again without interruption, all of those services available to our citizens albeit in some instances in a modified form. We have also been fortunate and are thankful to a dedicated City management team and staff that were dedicated in this effort of service continuance, but also to show outstanding innovations and efficiency improvements to do this in the most cost-effective ways. These accomplishments will be detailed later in this message, including the expansion of our economic base, as well as service enhancements that provided our citizens and customers continued 24 x 7 access to the services they require.

We are finally seeing some light at the end of this pandemic tunnel. However, the work is not over. Thanks to the American Rescue Plan Act of 2021, the City will be receiving one-time funds to help supplement the costs of projects / initiatives delayed or postponed entirely during the pandemic, as well as provide needed relief to all of our City staff that have worked tirelessly and continuously throughout this pandemic, while maintaining the safety protocols and precautions to keep a major outbreak from being experienced by any City department. We will not, at the time of this publication, have had time to develop a strategy yet for the use of these funds. We will look at innovative ways to not only prioritize those projects that will provide the most impact to our City residents, but also ways in which to ensure that we have multiple years of assisted sustainability while our overall tax and other revenue bases recover. These one-time funds have a time limit for use that we will work to ensure is met while also putting this money to most effective use over this period of time. These one-time funds are also not reflected in this budget.

Therefore, the goals mentioned in the FY22 Budget message to follow are the same now as they were this time last year. You will see much of the same verbiage as last year's message, hopeful that the worst of the pandemic is behind us and we can again get back to what our goals were for transforming our community and our government to better serve our taxpayers. I am again very pleased to announce that the efforts to be made to fulfill the critical areas our Mayor and City Council have expressed as their priorities moving forward will be done in FY22 **without a tax increase** to our residents. The challenges remain, including a slow to recover assessable real property base, a business community impacted

financially by the pandemic, and a public safety staff that is being met with increased restrictions related to the rules and regulations from which they operate. However, this budget and the processes / regulatory enhancements associated with it, will work to transform our City and our government to be as representative and accountable to our residents as ever before.

As stated above, this proposed FY22 budget represents the hours of dedicated work done by each of our departments, with special notice to our Accounting/Finance group that produces the pages you see in this book. The City has earned numerous consecutive Government Finance Officers Association awards for this document and as presented should continue that recognition. This honor is not only one for the staff in Finance, but shared with the City staff as a whole who contribute much time into the preparation of their department budgets and accompanying information.

At the time of this budget preparation, our newly elected Mayor and City Council have not implemented their strategic plan in 2021, running through 2024. This budget and message was therefore crafted upon the current City Vision and Mission Statements:

VISION

The City of Hagerstown will promote a diverse, business friendly, and sustainable community with clean, safe and strong neighborhoods

MISSION

The City of Hagerstown shall be the model provider of the most efficient and highest quality customer services to be known as the municipal location of choice for all.

There are **nine core values** associated with this vision/mission, including

- Health, public safety and welfare
- Government transparency
- Providing the highest quality customer service for both internal and external customers
- Creative, progressive government
- Neighborhood protection
- Excellence and continuous improvement
- Partnerships and stakeholder feedback
- Budget stabilization
- Reversing the negative image perception by controlling image management

City staff have worked hard to accomplish projects that meet these core values. However, we have continuing challenges that will force the City to look to new ways of achieving more related to these core values, especially as it relates to budget stabilization. The constant yield notice from the State, stating that, during a time of regional expansion, our corporate boundary assessed values remained relatively flat, adds directly and more urgently to the core value of budget stabilization. It is imperative that staff and the elected body work together to place all operations / assets / benefits / staffing on the table during FY22 in order to produce the change in process and operations necessary to get us to a more stable and growing revenue base. The City looks to the following principles to guide us in this effort.

Reinvention and Rethinking City Operations

"The pessimist sees difficulty in every opportunity. The optimist sees the opportunity in every difficulty." **- Winston Churchill.**

This principle first appeared in the FY13 Proposed Budget document. As necessary as it was then during a time of struggling recovery, it is even more critical now. As the needs of our citizens and staff evolve, and the unfunded mandates from State and Federal government force us to continually evaluate our financial resources, it is critical that we identify and put into place changes to how we operate so that we streamline operations, eliminate redundant or no longer necessary processes, establish new, more productive processes, and continue to move the City forward. An example of this would be the

implementation of the Stormwater Management operation (FY21 implementation delayed due to COVID-19) and associated fee. This fee will be charged to each City parcel based upon the acreage of impervious surface on that parcel. This process and fee was devised by a joint public/private committee, and will be used to maintain a system that promotes cleaner water and other materials that empty into our river basins and ultimately the Chesapeake Bay. All parcels will also have the opportunity to apply for credits to lower their yearly costs as they work to maintain their own grounds for better stormwater reclamation. As a reinvention initiative related to this program, revenue from the fees will be used by the City to take over the curb and sidewalk renewal program that formerly was the responsibility of the property owner. This, along with other initiatives related to stormwater management, will continually evolve as new input and opportunities arise. Ultimately, it will be critical that all City departments across all enterprise funds review what they do, why they do it, and how it gets done. The reinvention and rethinking of how we do things as a government will be forefront in FY22 in looking to grow our revenue base and stabilize a budget for years to come.

Raising Up Our Neighborhoods

"The mark of a great city isn't how it treats its special places – everybody does that right – but how it treats its ordinary ones." - **Aaron M. Renn.**

The path to increasing revenues for City operations is through the increasing of assessed values of properties within all of our neighborhoods, but especially in the urban core. The assessed value of over 80% of our urban core parcels has remained flat or decreased over the last 10 years. The City must identify ways to raise our urban core neighborhoods up and identify, abate, rehabilitate or demolish the areas of blight within them. These areas may then be positioned to have a more productive use in the community which will lead to higher assessed values of nearby parcels. Through the continued level of funding for economic development initiatives, focus on use of community development funds, including CDBG and Community Legacy to name two, and an increased public safety presence in our neighborhoods, we should be able to begin down the path and provide some accomplishments in FY22. The City would also look to partner with our private developers and community social agencies in taking back our neighborhoods from blight and accelerating the transformation of our urban neighborhoods to being clean, safe, and strong communities.

We cannot fail to recognize the impact on our community related to racial / gender injustice that has been elevated to the forefront of our collective consciousness in this country over the past year. The City has, and will continue, to take strides to educate and make more inclusive our staffing and operational practices to ensure that we are doing the absolute best we can to make our minority communities feel safe and included within our City. We are proud of the strides taken on this effort through the results of our annual audit by the Human Rights Foundation in 2020, as well as the conversations that have been started with our staff and community related to recognizing the uniqueness and importance of all facets of our community. We will build on the positive communications that have been established with our minority and LGBTQ community as a priority to the continued success of our City.

Stewardship of Our Taxpayers Dollar

"Overcoming adversity not only makes you stronger, it makes you more hopeful." - **Valerie Jarrett.**

Stewardship is defined as the "careful and responsible management of something entrusted to one's care." The Mayor and Council have shown through past practice the seriousness of this responsibility. The proposed budget before you show the commitment City Staff has towards this philosophy as well. This requires City staff and management to ensure that we live within our means, providing the high standards of service to our citizens, business stakeholders and visitors. As noted, this proposed budget contains no real property or personal property tax rate increases. This was done even with the State's report of constant yield showing an improving, but still depressed, assessed value of parcels within the corporate boundary. City management spent hours reviewing both capital and operating budgets to compensate for this lack of revenue, as well as the increasing cost of doing business especially related to wage/benefits across the board. This expense reduction process, as we have come to know too well as City management, comes at a serious detriment to our ability to maintain our capital assets that continue to age without replacement and options to repair. It also comes at a detriment to our City staff in regard

to cost of living increases that are not affordable, while they continue to provide quality and timely services to our taxpayer. The most telling number again in this proposed budget is the fact that our FY22 forecasted tax roll revenue will be exceeded for the first time by the overall cost of wages/benefits in our General Fund. This remains unsustainable for our City, especially in a time of post-COVID-19 economic recovery that the City must be able to ride the wave of. This means a requirement of the City to re-evaluate our "purpose" as a service provider. This will result in a full review of all budgetary categories across all City funds, to include but not limited to citizen services provided, asset acquisition and management, real estate, employee and retiree wages/benefits, and overall organizational structure of the City. The goal of establishing a growth plan for our City and our staff cannot be accomplished without addressing these and other costs of services that may no longer fit within our ability, or priority, to provide. We must lead by example, which will require tough questions, and potentially tougher answers.

Maintaining Momentum of Economic Development

"If we fail to adapt, we fail to move forward." - **John Wooden.**

Arguably, it may be stated that within the operation of a municipality all programs and priorities ultimately lead to the ability of that government to attract and retain business and commercial constituents. Ensuring safe streets, having clean and vibrant parks, great neighborhoods for families to live, and other facets of City life ultimately lead to our ability to attract new residents and business and retain those that have called Hagerstown home. This proposed budget maintains the level of economic incentives which are setting Hagerstown apart as a potential destination of choice for developer's looking for an area that not only has infrastructure conducive to their needs, but also a community that fits their overall culture. The Mayor and Council have played an important role in the revitalization efforts of the City, specifically our urban core. Our partnership with our Washington County colleagues will continue to evolve as we face challenging discussions regarding public safety, tax differential, and other topics which matter to our City residents. Our recognition that economic development goes beyond business and to our residential neighborhoods makes it important to ensure that our housing options are of the highest quality for all levels of wage earners. This mindset, established by Mayor and Council and echoed by City staff as we go about our daily work serving the community, will be what lifts our values up and puts us solidly on the road to sustainability.

Looking Ahead

"The future will be a better tomorrow." - **Mahatma Gandhi.**

It remains very surreal at times to look back on the past year we have experienced not only as a community but as humans. The very core of our normality was removed from us as a magician removes a tablecloth from a fully dressed dinner setting. As stated, the best laid plans can have this happen to them as is the case with Hagerstown. However, we were able to salvage what have evolved into very positive events and activities over the past year. Moving forward, we can resurrect the visions and goals set forth in FY21, and again for FY22, and treat the past year as a speed bump in our path towards a more effective and productive government for our taxpayers. The challenges will remain for the foreseeable future and the solutions will evolve and shift with them. The plans and ambitions of this new administration will undoubtedly be more progressive and more innovative than we have seen at any time in our past, which will be necessary to maintain and attract an evolving population of which the COVID-19 pandemic has created.

The newly elected Mayor and City Council, as one of their first initiatives, implemented a Community Survey that is currently underway. There are two phases of this survey. Phase One involves the random selection of equal numbers of potential respondents in each of the four quadrants of the City. This process was selected to ensure at least the opportunity to receive proportional numbers of responses from these areas. That phase, as of this writing, is complete and results are being tabulated. Phase Two involves opening up the survey through our City website for any resident to respond. That effort is underway now, and we hope to have results in late spring. This community survey is the first done of its kind, and will allow the newly elected body to get an understanding of the important issues from our residents and business owners perspective. The body will take these responses and begin formulation of a strategic plan to guide them through their four years in office.

The future is bright for the City of Hagerstown as we emerge from what is undoubtedly the seminal moment in this City's existence over the past 100 years or more. City staff look forward to working with this history making Mayor and City Council in moving forward with their goals and visions for this community. Ultimately, it will take all of us who call Hagerstown "home" working together to continue to improve the quality of life for each other, and for those who visit here. Again, we look forward to this challenge in FY22 and beyond.

HAGERSTOWN'S ASSESSABLE BASE AND PROPERTY TAX RATE

The 2022 Constant Yield Tax Rate notice from the State Department of Assessments and Taxation (SDAT) indicates a July 1, 2022 constant yield tax rate of $0.9750 per $100 for all classifications excluding Apartments and tax rate of $1.0017 per $100 for Apartments Only. The constant yield tax rate is the calculated amount needed to maintain the current revenue levels in the next fiscal year and is based on estimates. The total amount reflected by SDAT as the constant yield tax rate is lower than the current real estate tax rate charged of $1.002 per $100 for all classifications except Apartments. This simply means that the current estimates reflect a growth of 2.71% in assessed values will occur which would generate approximately $742K more in revenue than the current fiscal year if the tax rate remains the same.

FY22 is the second year of the triennial assessment period which means that real estate market values will not be reassessed again until December 2022. In addition, there has been some new developments, as well as renovations within the city's enterprise zone area. Based on the current data available from SDAT, the City anticipates that there will be overall growth of 3.8% overall in total property tax revenue dollars. The assessed values and resulting revenues are primary funding sources for most of the governmental services that are provided by the City. The majority of all revenue in the City's General Fund is from total property revenue which includes personal property tax. In fact, total property tax revenues represent 70.2% of current revenue sources in the FY21 Proposed Budget or 68.0% of all revenue sources when including transfers and fund balance utilization.

A fifteen year history of the change in the City's assessable tax base and property tax revenues is included in Section 2 page 6.

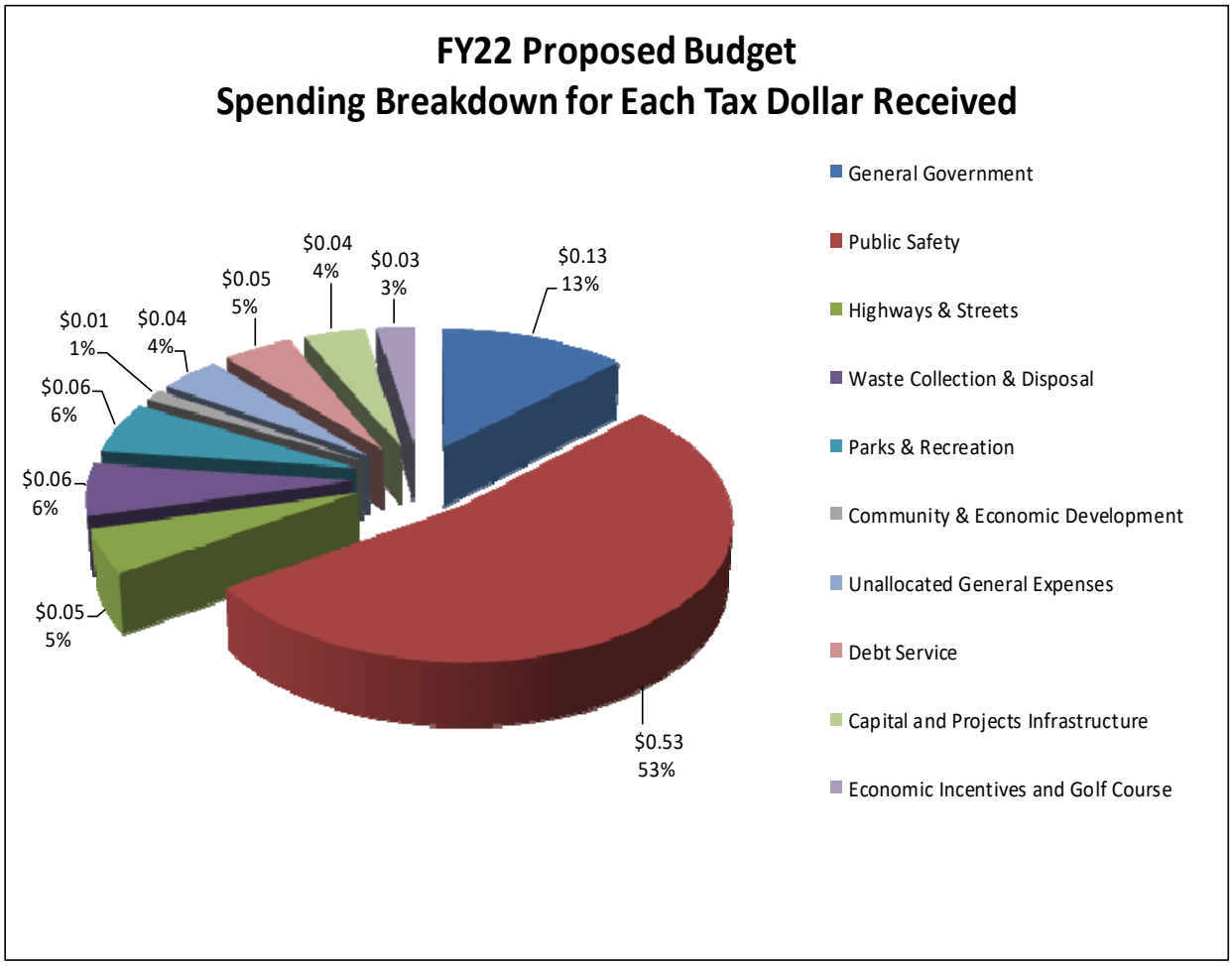
While property tax revenue is important to City operations, it impacts all citizens and business owners. The City strives to be fiscally prudent while balancing the needs of the surrounding community. The below chart reflects costs residential homeowners will pay on average based assessed home value:

Estimated Average Homeowner Tax Bill:

Home Values	**1.002** Annual Payment	**1.002** Monthly Average
$ 75,000	$ 751.50	$ 62.63
$ 100,000	$ 1,002.00	$ 83.50
$ 125,000	$ 1,252.50	$ 104.38
$ 150,000	$ 1,503.00	$ 125.25
$ 200,000	$ 2,004.00	$ 167.00

How is property tax revenue spent? The majority of property tax dollars will be spent to maintain existing City services at current levels; provide salary enhancements as approved in collective bargaining union contracts; cover increasing costs of employer paid benefits; invest in capital infrastructure improvements that have been deferred; and accommodate annual debt service requirements. The chart on the next page reflects a little more detail and specifics on how the City spends each tax dollar received:

HAGERSTOWN'S ASSESSABLE BASE AND PROPERTY TAX RATE (CONTINUED)



ECONOMIC INCENTIVES AND INCENTIVE PROGRAMS

One of the Mayor & Council Goals & Priorities is Economic Development and being business-friendly to support the community's needs. Economic Development encompasses a variety of departments, projects, programs, and services. To this end, the city has many types of incentive program and initiatives it provides as a vital component to supporting business growth and helping to grow strong neighborhoods. Some of the incentives are strictly locally administered and funded while others are administered and funded by various parties. The chart below summarizes at a very high level the majority of City administered and City funded incentives that are included in the FY22 Proposed Budget:

City Administered and City Funded Incentive Programs	City Fund	FY22 Proposed Budget
Individual/Customized Incentives	**Economic Redevelopment**	
Customized incentives primarily for businesses		35,000
Spring Sprout Grants	**Economic Redevelopment**	Included above
For-profit businesses in downtown CC-MU zoning district		
Funding is combined total with Individual/Customized Incentives		
Invest Hagerstown	**Economic Redevelopment**	
City Center Redevelopment Grant Program		500,000
City-wide Redevelopment Grant Program		125,000
Home Ownership Grant Program		112,500
Rental Property Rehab Grant Program		55,000
Façade Grant Program		26,500
Partners in Economic Progress (PEP)	**Economic Redevelopment**	
Propety owners & businesses in downtown CC-MU zoning district		131,500
Strategic Demolition Fund (SDF)	**Economic Redevelopment**	
Fire line water vault grant program for Main Street area		75,000
Student Housing Rental Guarantee and New Student Housing projects	**Economic Redevelopment**	
USMH Housing rental guarantee		21,650
New student housing		200,000
Hagerstown Revolving Loan Fund	**Business Revolving Loan**	
For-profit businesses city wide		200,000
CARES Covid Funding	**CDBG**	
Administered by third party non-profit agencies to disburse federal grants		
Income requirements apply		
CARES Act Funding Round One		190,545
CARES Act Funding Round Two		274,365
Single Family Rehab Loans & Rental Rehab Loans	**CDBG**	
Owner-occupied homeowners & investment owners of residential or mixed-use property city wide		75,000
Emergency Repair Grants	**CDBG**	
Owner-occupied homeowners city wide		30,000
Stormwater Management	**SWM**	
Large scale incentive projects		250,000
Total City Administered and City Funded Incentive Programs		**2,302,060**

A few other incentives that are administered by other parties have a direct impact in other ways to the City's budget and include:

- Arts & Entertainment (A&E) District incentives which is a State of Maryland Program and provides ten year tax credits on changes to assessed values from specific renovations projects; exemption from Admissions & Amusement Tax; and personal income subtractions for qualifying resident artists.
- Enterprise Zone Credit which is a State of Maryland Program and provides real estate property tax credits; and income tax credit for wages paid to eligible new employees.
- US Federal programs include: HUB Zone and Opportunity Zone

Again, the chart above is a summary only. For complete details and requirements on all of the incentives, please visit the City's website at www.hagerstownmd.org/dced for more information.

APPROPRIATION OF GENERAL FUND RESERVES

The City has a Fund Balance/Retained Earnings policy and adheres and remains with key guidelines of this policy. Specific policy details are reflected in Section 9 on pages 4-5 of this budget book document. The City does not utilize fund balance reserves for recurring operating type of expenditures. However, the City may utilize General Fund balance reserves when balances exceed the policy limits for capital infrastructure needs. A five year history of Unassigned Fund Balance is reflected in the chart below:

General Fund Reserve	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual
Unassigned Fund Balance	9,192	9,463	9,958	12,378	12,563
Total Operating Expenditures	39,502	39,781	40,808	42,625	42,909
Percentage	**23.3%**	**23.8%**	**24.4%**	**29.0%**	**29.3%**
Number of Month Expenditures	**2.8**	**2.9**	**2.9**	**3.5**	**3.5**
City Fund Balance Policy Minimum Target					
Percentage	**17.0%**	**17.0%**	**17.0%**	**17.0%**	**17.0%**
Number of Month Expenditures	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**

As a result of prior General Fund surplus and approved capital utilization, the FY22 Proposed Budget does include the appropriation and reallocation of General Fund reserves as a means to reduce General Fund direct transfers to CIP (Pay-go) and to help balance the budget. The balance of previously approved fund balance utilization included is $937K to fund a variety of needs across General Fund departments. While complete listings with detailed information of each of the projects are reflected in Section 7 under the CIP projects, a summary chart is included below for reference:

Funding Source: General Fund FB Reserves	Capital Project Number	FY22 Proposed Bud
Reallocated Use of FY19 and Prior Surpluses		
Market House Improvements	45-C0099	150,000
Consolidation of Public Safety Assets	45-C0687	250,000
Subtotal Reallocated Use of FB Reserves:		**400,000**
Previous Budget Approved Projects Not Yet		
Fire Department Vehicle Replacement	45-C0010	407,330
PW Operations Center Improvements	45-C0250	30,000
City Hall Improvements	45-C0326	25,000
Fairgrounds Park Improvements	45-C0626	75,000
Subtotal Approved Projects Not Yet Completed:		**537,330**
Total General Fund FB Reserves Used		**937,330**

Even though the proposed budget does not include a transfer to Economic Redevelopment Fund for the former Invest Hagerstown program, $250K remains reflected as Committed General Fund Balance to be utilized in the future when this project commitment moves forward. Details of ending General Fund Balance, including the unassigned reserve, can be found in Section 2 on the bottom of page 2.

COMMUNITY AMENITIES PROVIDED BY THE CITY

The City is committed to not only providing vital services to the community and citizens but also a wide range of amenities. The variety of amenities include green parks, open spaces, a municipal golf course, a municipal pool, parking decks and spaces, a historic farmers market, and many different events throughout the year. These amenities offer recreation opportunities for families and citizens to enjoy and participate with neighbors. Several of the Mayor and Council goals and priorities for the next several years center around providing amenities and the positive impact these enhancements provide to the community.

The amenities listed in the chart below are included in various sections and funds in the FY22 Proposed Budget. The chart below reflects and outlines the revenue and costs associated with providing this assortment and range of Community amenities across the City:

CITY OF HAGERSTOWN
SCHEDULE OF AMENITIES
FISCAL YEAR 2021 PROJECTED AND FISCAL YEAR 2022 BUDGET

	FISCAL YEAR 2021 PROJECTED ACTUAL					FISCAL YEAR 2022 PROPOSED BUDGET				
AMENITY DESCRIPTION	DIRECT REVENUE	DIRECT OPERATING EXPENSE	FUNDING FOR CAPITAL BY EXTERNAL PARTIES	CAPITAL EXPENSES	TOTAL	DIRECT REVENUE	DIRECT OPERATING EXPENSE	FUNDING FOR CAPITAL BY EXTERNAL PARTIES	CAPITAL EXPENSES	TOTAL
General Fund:										
Farmer's Market	$ 10,984	$ 55,776	$ -	$ -	$ (44,792)	$ 10,584	$ 51,125	$ -	$ 150,000	$ (190,541)
Potterfield Pool	59,980	156,308	-	-	(96,328)	69,900	168,445	-	40,000	(138,545)
Hager House	8,389	34,407	-	10,000	(36,018)	8,300	38,522	-	57,000	(87,222)
Train Museum	2,325	24,770	135,000	161,960	(49,405)	3,800	35,938	535,000	650,000	(147,138)
Municipal Stadium	-	52,201	-	-	(52,201)	-	52,236	-	-	(52,236)
All Other Parks*	66,260	1,847,658	720,634	1,855,201	(2,915,965)	72,750	1,983,376	1,910,500	3,244,000	(3,244,126)
Ice Rink	32,300	80,000	15,738	60,201	(92,163)	36,000	85,000	-	55,000	(104,000)
All Other Recreation	44,620	345,442	-	-	(300,822)	84,000	402,283	-	-	(318,283)
Events										
Public Functions	25,689	93,223	-	-	(67,534)	13,500	185,750	-	-	(172,250)
Recreation	8,625	54,000	-	-	(45,375)	15,125	83,500	-	-	(68,375)
Subtotal General Fund	**259,172**	**2,743,785**	**871,372**	**2,087,362**	**(3,700,603)**	**313,959**	**3,086,175**	**2,445,500**	**4,196,000**	**(4,522,716)**
Golf Fund:										
Golf Course	311,444	512,836	-	35,000	(236,392)	266,720	524,038	30,000	98,000	(325,318)
Subtotal Golf Fund	**311,444**	**512,836**	**-**	**35,000**	**(236,392)**	**266,720**	**524,038**	**30,000**	**98,000**	**(325,318)**
Parking Fund:										
Parking Decks	311,775	573,156	-	137,182	(398,563)	353,900	580,595	-	15,000	(241,695)
Parking Lots	266,660	258,110	-	-	8,550	291,510	271,533	-	10,000	9,977
All Other Parking Fund	88,745	107,495	-	-	(18,750)	88,502	105,859	-	-	(17,357)
Subtotal Parking Fund	**667,180**	**938,761**	**-**	**137,182**	**(408,763)**	**733,912**	**957,987**	**-**	**25,000**	**(249,075)**
Property Management Fund:										
Property Management	343,078	465,696	-	47,000	(169,618)	339,987	442,673	-	160,000	(262,686)
Burobox	6,400	12,400	-	-	(6,000)	3,200	12,400	-	-	(9,200)
Subtotal Property Management Fund	**349,478**	**478,096**	**-**	**47,000**	**(175,618)**	**343,187**	**455,073**	**-**	**160,000**	**(271,886)**
Total	**$ 1,587,274**	**$ 4,673,478**	**$ 871,372**	**$ 2,306,544**	**$ (4,521,376)**	**$ 1,657,778**	**$ 5,023,273**	**$ 2,475,500**	**$ 4,479,000**	**$ (5,368,995)**

*All Other Parks includes the Hagerstown Cultural Trail and Urban Improvement Project for FY21 Projected and FY22 Proposed Budget

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS

During FY21, the City has devoted time to financial related topics during Mayor and Council work sessions. The following schedule is a reminder of these. Hopefully, these discussions serve to assist you throughout the year and help you make informative FY22 Budget decisions.

July 7, 2020	Public Art Across Maryland Grants FY21 Budget Review: General Fund Agency Contributions
July 14, 2020	Approve Amendments to CDBG Annual Action Plan for CDBG- CV allocations Suns Rent Subsidy Amended Recommendation for Disposal of Gamewell Fire Alarm Boxes Annexation of Valley Mall Road Properties – Public Input Review Rent Guarantee Agreement Renewal for Patterson Hall Student Housing Project Transfer of Financial Incentive Agreement–ConAgra Foods Packaged Foods
July 21, 2020	Consolidated General Services Agreement Update FY21 Budget Update Invest Hagerstown Redevelopment Incentive Fund Acquisition and Demolition of 216 S. Prospect Street
July 28, 2020	Public Hearing – Annexation of Thomas Bennett Hunter & Other Lands Approve Valley Mall Road Properties Annexation Acceptance of Property at 216 S. Prospect Street Approve Amendment to Financial Incentive with ConAgra Foods Packaging Foods, LLC. Approve Second Rental Guarantee Agreement for 100 N Potomac St Student Housing Project Approve Amendments to Annexation Plan for Annexation of Cole Rd. Properties Approve Invest Hagerstown Grant Program Funding Levels and Updated Guidelines for the Grant Programs Approve 2020-2025 Axon Body Camera Contract Renewal Approve Sale of 70 Gamewell Fire Alarm Boxes
August 4, 2020	Request for Proposals for Developer/Partner for 3rd Model Student Housing Project Discussion of Tax Phase-In for Valley Mall Rd Properties Annexation Amendment to Water and Wastewater Policy
August 11, 2020	Tax Phase-In for Valley Mall Road Properties Annexation Review Public Input for Annexation of Thomas Bennett and Hunter Alexander House Commercial Space Renovation Project Request for City of Hagerstown Letter of Support
August 18, 2020	General Budget Update Tax Phase-In for Valley Mall Road Properties Annexation Electric Vehicle Charging Services Agreement Trademark Investments 114 N. Potomac Redevelopment Project Improvements to Wesel Boulevard
August 25, 2020	Approve Acquisition of 216 South Prospect Street Approval of Valley Mall Road Properties, Thomas Bennett Hunter, and Other Land Annexations Approve Electric Vehicle Charging Services Agreement Approve RFP for Developer/Partner for Student Housing Project Approve Amendments to Water and Wastewater Policy Approve Improvements to Wesel Boulevard Approve Sale of 2008 KME Pumper
September 1, 2020	Dehumidification System and Roof Insulation Upgrades and Rent Relief Due to COVID-19 at Hagerstown Ice and Sports Complex Parks Concession Services – Pandemic Rent Relief
September 15, 2020	General Budget and Status Update Self-Contained Breathing Apparatus Award – Grant Review of Financial Incentive Agreement with Hagerstown Commerce Center, Inc. Fuel Sales to Community Rescue Service Holiday Parking Program Annexation of Cole Road Properties Public Input
September 22, 2020	Waste Management Contract

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

September 29, 2020	Approve Cole Road Properties Annexation Accept Donation of Property for Stormwater Pond on Professional Blvd Approve Fuel Cost Reimbursement Agreement with Community Rescue Service Approve Snow Services Contract with Hart's Landscaping and Snow Removal, LLC. Approve Financial Incentive Agreement with Hagerstown Commerce Center, Inc. Approve Reimbursements Agreement with Convention and Visitors Bureau Inc. – BMX Tack Improvements Approve Memorandum of Understanding for Potomac Street at Howard St Signal Improvements Approve Reimbursement Agreement with Jamison Door Company Approve Collection and Disposal Contract Extension with Waste Management Approve Funding for Ice and Sports Roof Insulation Improvements
October 6, 2020	Community Coalition Legislative Priorities Request for Demolition Assistance Grant for 341 Jonathan Street FY21 Community Legacy and Strategic Demolition Fund Applications Renewal of Rental Contract with NIST for Space in Elizabeth Hager Center Additional CDBG CARES Act Funding Allocation
October 13, 2020	Approve Rental Contract with NIST Approve of City Park Tree Uplights Purchase Approve Sale of 1993 KME Pumper 2020 Hagerstown Ice and Sports Complex Annual Report FY21 Budget Review & FY22 Preliminary Budget: General Fund Agency Contributions
October 20, 2020	Approve Purchase of Used Vehicles for Hagerstown Police Dept. Removal of Parking Meters from Select Parking Lots Urban Improvement Project–Update of Funding & Land Acquisition Negotiations for Plaza Update on Cascades Tissue Group Review of Farmers' Market Property–25 W Church St and Possible Addition to the Competitive Negotiated Sale Program Request to Purchase 170 W. Washington Street City Sponsorships
October 27, 2020	Accept Donation of Real Property – Stormwater Pond on Professional Boulevard Approve Renewal of User Agreement with Hagerstown Fairgrounds Softball Association Approve Renewal of User Agreement with Hagerstown Area Police Athletic League Approve FY21 Community Legacy Grant Application Approve FY21 Strategic Demolition Fund Grant Application Approve Salt Utilization Agreement with Maryland State Highway Administration Approve Addition of Farmers' Market Property (25 West Church St) to the Competitive Negotiated Sale Process Acceptance of 2020-2021 Recruitment and Retention Grant for HPD Approve After School Program with BTJ Dance Class Approve After School Program at Parkside Community Center Approve Contractor Selection Process for Community Legacy Grant Funded Project for First Hose Company (33 S. Potomac St.) Approve Funding for Community Coalition Lobbyist Approve Property Abatement Fund Expenditure for Demolition of 341 Johnathan St
November 3, 2020	City of Hagerstown Election
November 10, 2020	Lobbyist Services for Maryland Renewable Portfolio Standard–Cap for Solar Requirements Request to Fill Three Firefighter Positions and One Position Over Complement Proposed "Holiday Cheer" Grant Program Strategy for Filling Current and Future Vacancies at 36-40 N. Potomac Street CDBG Amendment for Capital Improvement Project Funding Transfers
November 12, 2020	Informal Meeting of Incoming Mayor and City Council members

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

November 17, 2020	Approve Sale of 170 West Washington Street Approve Acquisition of Real Property for the Urban Improvement Project Approve Comprehensive Settlement Agreement & Mutual Release with Cascades Holding US, Inc. Approve Addendum to Lease Agreement for 11850 Indian Lane Approve Amendment to Agreement with American Traffic Solutions, Inc. dba Verra Approve Amendments to FY20 & FY21 CDBG Annual Action Plans–CIP Funding Reallocation Approve Purchase of Materials for NorthPoint and Former Cascades Projects Approve Change Order for the 2020 Pavement Preservation Program Approve Management Services for Potterfield Pool Approve Temporary Overfill of Fire Department Position
November 23, 2020	Oath of Office to New Mayor and City Council Administration
November 24, 2020	Review of Budget with New Administration Community Survey Overview
December 1, 2020	Governor's Maryland Strong Economic Recovery Initiative:Funding to Main Street Districts Skatepark Task Force Report
December 8, 2020	FY20 Audit Presentation Proposed Rates for 2020 at The Greens at Hamilton Run Program Open Space (POS) Annual Program Stormwater Protection Program – Update and Fee Implementation Second Allocation of CDBG CARES Act Funding (CDBG-CV)
December 15, 2020	Adoption of Rules of Procedure for New Administration Approve Lease Agreement for 26 N. Potomac Street – The Yarn Shop Approve Refuse Collection Agreement for McCleary Hill Development Approve Amending the Start of the Stormwater Utility Fee Approve Application and Accept Grant Funding from the Governor's Maryland Strong: Economic Recovery Imitative for a Main Street Hagerstown Business Stabilization Grant Program Acceptance of Community Development Block Grant CDBG-CV Funding Approve Skatepark in Fairgrounds Park Approve Rates for The Greens at Hamilton Run 2021 Season Approve Application for FY 2022 Program Open Space (POS) Projects
January 7, 2021	Discussion of Amendments to Hagerstown Police Department Union Contract Approve Increase to AFSCME 3373 Local Pay Scale Approve Non-Union Sworn Pay Scale
January 12, 2021	Budget Update Expansion of Heritage Area Boundary Future of Municipal Stadium Hager House Visitor's Center Upgrades Future Options for BuroBox Program at 60 W. Washington Street Final Development Plan Approval – Sale of 170 West Washington Street Property Recommendation on Developer/Partner for USMH Student Housing Project
January 19, 2021	Approve 170 West Washington Partners LLC Development Plan for Sale of 170 West Washington Street Milsoft Utility Solutions Software Proposed CDBG Action Plan Amendment for Reallocation of CDBG Funds Policy Addition for Department of Community and Economic Development Programs and Incentives
January 26, 2021	Approve Purchase of Milsoft Utility Solutions Software Approve Lease Agreement for 36 N. Potomac Street – The Yarn Shop Approve Capital Projects Grant Agreement with the State Board of Public Works for BMX Track Improvements Approve Amendment to User Agreement with Hagerstown BMX,Inc. Approve Policy Addition for Department of Community and Economic Development Programs and Incentives Approve Request for Expansion of the Heart of the Civil War Heritage Area

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

February 2, 2021	Atlantic League Baseball Discussion FY21 General Fund Budget Balancing and Adjustments Joint Services Area Expansion Request–Consolidated General Services Agreement Amendment 12 for Harp Property Cascades Tissue Substation
February 9, 2021	Comptroller Peter Franchot–State's Fiscal and Economic Climate Healthy Food Initiative Discussion FY20 Popular Annual Financial Report (PAFR) Stormwater Protection Program "At Your Door" Residential Hazardous Waste Collection Program Review of Public Service Funding Request for Second Allocation of CDBG-CV Funds
February 16, 20201	Discussion with Horizon Goodwill Regarding CDBG-CV Funds Discussion with Atlantic League of Professional Baseball Proposal to Use Municipal Stadium Urban Improvement Project Update Summer Camp Grant Program New Residential Lease for 36-40 North Potomac Street, Unit 4 Amendment to Police and Fire Employees' Retirement Plan
February 23, 2021	Approve Amendment to Comprehensive Settlement Agreement & Mutual Release with Cascades Holding US, Inc. Approve Lease Agreement with BG & J's, LLC Approve Amendment to Consolidated General Services Agreement–Amendment 12 Approve Residential Lease Agreement for 38 N Potomac St, Apt #4 Approve Agreement with Washington County Soil Conservation District – Stormwater Incentive Program Approve Annual Financial and Single Audit Contract for Three Years Approve FY21 General Fund Budget Adjustments Approve City-Wide Mowing Contract 2021: 3/15/21 – 12/15/21 Approve License Release and Nondisclosure Agreement with Columbia Gas Approve Amendments to FY21 CDBG Annual Action Plan Approve User Fee Rates in Parks and Recreation Approve Policy for Summer Camp Grant Program

EMPLOYEE WAGE ADJUSTMENT HISTORY AND FY22 PROPOSED

The following chart reflects the wage adjustments authorized by Mayor and Council through previous Fiscal Years back to FY16. It provides a good history of the City's employee pay adjustments.

FY16	**Non-Union:** 1% COLA and 1 step effective 7/1/15. **AFSCME 1540:** 1% COLA effective 7/1/15 and 1 step effective on Monday following anniversary date. Retroactive step restoration to 7/1/15 granted by arbitration case. As well as additional 1% COLA awarded from arbitration case. **IBEW 307:** 2% COLA, restorative step based on anniversary date. **AFSCME 3373:** 1 longevity step effective 7/1/15. **IAFF 1605:** 2% COLA effective 7/1/15 and 1 longevity step effective 7/1/15
FY17	**Non-Union, IAFF 1605, AFSCME 3373:** No COLA, no Steps **AFSCME 1540 & IBEW 307:** Longevity step based on anniversary date
FY18	**Non-Union:** 1 step effective 7/1/17 for those hired before January 1, 2017 **IBEW 307:** 2% COLA, continued longevity steps effective 7/24/17 **AFSCME 1540:** 1% COLA effective 1/1/18, continued longevity steps effective 7/1/17 **AFSCME 3373:** Restored longevity steps based on years of service, compressed longevity steps from 22 to 15, steps frozen until 7/2/18. **IAFF 1605:** restored step increases based on years of service, effective 7/3/17. Steps frozen for duration of contract, 6/30/17 (one year contract) Negotiation continue 3/1/18
FY19	**Non-Union:** Proposed step increase, proposed add step 14 **IBEW 307:** 2% COLA effective 7/2/18 **AFSCME 1540:** 1% COLA, add year 25 step effective 7/1/18 **AFSCME 3373:** Steps unfrozen effective 7/2/18 **IAFF 1605:** Move to step should be based on years of service as of 7/2/18; steps remain at that step through FY19
FY20	**Non-Union:** One step increase effective on anniversary date after 7/1/19 **IBEW 307:** 2% COLA effective 7/1/19 **AFSCME 1540:** 1% COLA effective 7/1/19; one step increase on anniversary date **AFSCME 3373:** One Step increase on anniversary date; 1.5% COLA for step 15 only on 7/1/19. **IAFF 1605:** Move to step should be based on years of service as of 7/1/19; steps unfrozen as of 7/1/19; one step increase on anniversary date.
FY21	**Non-Union:** One step increase effective on anniversary date after 7/6/20 **IBEW 307:** One step increase on anniversary date; wage reopener pending **AFSCME 1540:** One step increase on anniversary date; wage reopener pending **AFSCME 3373:** One step increase on anniversary date; average 10% COLA on 1/11/21 **IAFF 1605:** One step increase on anniversary date; wage reopener pending
FY22	**Non-Union:** One step increase effective on anniversary date **IBEW 307:** One step increase on anniversary date; wage reopener pending **AFSCME 1540:** One step increase on anniversary date; wage reopener pending **AFSCME 3373:** One step increase on anniversary date **IAFF 1605:** One step increase on anniversary date; wage reopener pending All groups will begin negotiations in December 2021 for full-contract renewals on July 1, 2022.

HIGHLIGHTS OF FY22 PROPOSED BUDGET

The following information included in this section of this budget message provides a summary of the key assumptions and highlights of this FY22 Proposed Budget. These highlights explain the most significant topics and assumptions needed in preparing a balanced FY22 Proposed Budget for Mayor and City Council's consideration. You will find the individual department and fund budget narratives, which appear later in this budget book provide a more detailed explanation.

City-wide Highlights:

1. **Federal Coronavirus Aid, Relief, and Economic Security (CARES) Grant Funding:** As a result of the COVID-19 pandemic impact, the City received some federal aid dollars in FY21 to help offset some expenses. In addition, the City received funding to help address specific low income priority issues direct from the US Department of Housing and Urban Development (HUD). The funds received from HUD are administered in the City's Community and Economic Development Block Grant Fund (CDBG) in collaboration with various third party non-profit agencies. The chart below reflects total CARES funding received by the City:

CARES Act Funding	City Fund	FY21 Estimated Actual	FY22 Proposed Budget
Personal Protective Equipment			
Reimbursement provided by Washington County Government	**General**	82,084	-
	Electric	6,606	-
	Water	6,778	-
	WasteWater	5,498	-
	Parking	573	-
	Golf	194	-
	Property Management	73	-
Public Safety Reimbursement			
Reimbursement provided by Washington County Government	**General**	1,354,552	-
CARES Covid Funding			
Administered by third party non-profit agencies to disburse federal grants			
Income requirements apply			
CARES Act Funding Round One	**CDBG**	282,300	190,545
CARES Act Funding Round Two		-	274,365
Total CARES Act Funding Received		**1,738,658**	**464,910**

2. **American Rescue Plan Act of 2021:** As of the completion of this budget document, the federal government approved a new federal stimulus plan that could provide the City with $20.0M in funding. The federal legislation was adopted too late to be incorporated into this budget document. Once details and more specifics become known, City leadership and Mayor and Council will work on a strategic plan to identify where the dollars will be spent and timing of when the dollars will be spent. As of the date of budget book completion, below are items known:
    a. 50% of funding will be received within 60 days of approval
    b. Remaining 50% balance of funding will be received 12 months after initial funds received
    c. Deadline to have all funds spent is December 31, 2024
    d. Allowable uses of funds:
        i. Respond or mitigate COVID-19 health emergency or its negative economic impacts, including assistance to households, small businesses, nonprofits, and aid for tourism, travel and hospitality
        ii. Provide essential workers with premium pay
        iii. Cover revenue losses incurred as result of COVID-19
        iv. Make necessary investments in water, sewer, or broadband infrastructure

3. **Staffing Levels:** The FY22 Proposed Budget includes 445 funded full-time positions with 306 in the General Fund and 139 in other funds and operations. Additionally, there are 35 unfunded positions with 23 unfunded in the General Fund and 12 unfunded in other funds and operations. The changes in staffing in the General Fund include: 8 full-time police position reductions that have been vacant in order to provide salary enhancements to retain current staffing; unfund 1 full-time vacant HR position; reallocate 5.4 position equivalents to newly created Stormwater fund from Public Works and Engineering; reallocate 0.7 position equivalents to CDBG fund from Economic Development. These increases to full-time staff are offset in the Enterprise funds: 5.4 positions reallocated to newly created Stormwater fund; and unfund 1 full-time position in Electric. A schedule of City staffing for all of our operations along with a five year history appears later in this Section on pages 27-28.

4. **Employee Compensation Package:** City employees are given a competitive total compensation package. It should be noted that the cost of wages, associated payroll taxes and benefits continues to be the largest expense segment of the overall budget. This is not unexpected as the City is a service provider. Multi-year contracts were negotiated and approved through FY23 for all four of the City's bargaining units: AFSCME 3373, AFSCME 1540, IAFF 1605, and IBEW 307. All four bargaining units have wage re-opener clauses that became effective July 1, 2020. However, as a result of the COVID-19 pandemic, only one of the collective bargaining contracts was updated in January 2021. In an effort to help retain sworn police, AFSCME 3373 contract was updated with an overall average of 10% increases by reducing approved staffing count by 8 full-time vacant positions and changing from four – ten hour work week shifts to better staff the community. The City had temporarily halted discussions and negotiations with other employee groups. At the time of budget preparation, the proposed budget includes overall enhancement amounts per current contract language for all employees to include mandated state minimum wage increases. A history of wages since FY16 is included in the summary appearing in this Section on Page 15. General Fund employee and retiree benefits detail information is included on Page 9 of Section 6. Due to current trends and some vendor changes approved by the Healthcare Committee, the health insurance plan for FY22 remains flat with no increase over FY21 costs. On another positive note, the contribution to City Police and Fire Pension will remain at 14% of salary. As shown on the top of page 10 in Section 6, the General Fund portion of employee and retiree health insurance and pension costs amounts to $7.1M, which is a <3.0%> decline over the FY21 Budget. In total, pension, health and dental insurance costs for all non-General Fund employees and retirees are $3.0M and appear in the presentation of other Funds throughout the Budget. At the bottom of page 10 in Section 6, the City's share of the cost for employees participating in the State of Maryland Retirement System is projected to be 10.57%, which is an increase of 3.2% over FY21. The five year history of the share of the City and Employee cost appears in the table at the bottom of page 10.

5. **Debt Service Expenditures and Bond Issues**: Information on the City's Bonded Debt Outstanding and Debt Levels and Affordability is presented starting on page 34 of Section 1. The City remains well within our benchmarks as established in our Debt Policy, which was last updated and approved by Mayor and Council in 2014. The chart below provides an overview (in thousands) of the annual debt service requirements compared to all expenses by fund that are included city-wide in the FY22 Budget:

Fund	Total FY22 Operating Expenses	Total FY22 Annual Debt Service Expenses	Percent
General Fund	48,566	2,273	4.7%
Electric Fund	25,474	56	0.2%
Water Fund	13,606	2,119	15.6%
Wastewater Fund	13,816	1,769	12.8%
Parking Fund	958	85	8.9%
Property Management Fund	455	9	2.1%
Stormwater Management Fund	2,183	57	2.6%
Subtotal of Funds:	**105,058**	**6,369**	**6.1%**

*Numbers in thousands

Section 6 provides five year projections and more information specifically on General Fund annual debt costs and statistics on pages 12-13. Additionally, it is anticipated that a GO bond issue will be needed in FY22 for a variety of projects across several different funds and are reflected below:

Fund	Departments	Project #	Amount
General	Fire	45-C0010	1,500,000
General	Public Works	45-C0065	290,000
General	Engineering	45-C0140	60,000
General	Fire	45-C0241	1,300,000
General	Parks	45-C0570	140,000
General	Engineering	45-C0685	750,000
General	Engineering	45-C0875	172,000
Total FY22 Proposed GO Bond Financing			**4,212,000**

Staff's assumptions on the size and timing of future Bond Issues including the future projects to need these bond funds appear in the Capital Improvement Program in Section 7 beginning on page 15.

6. **Overview of Capital Improvement Projects (CIP)**: The City's total Capital Improvement Program budget for FY22 at $21.2M is <43.6%> lower than the $36.5M in the FY21 Revised Budget. The CIP Section 7 presents comprehensive descriptions of major project needs for FY22 through FY26. At minimum, the capital needs are reviewed at least annually and include a five year forecast to strategically assist in implementing both short-term and long-term goals and priorities.

General Fund Highlights:

7. **FY22 General Fund Revenues and Expenditures:** The Proposed General Fund revenue of $48.6M for FY22 represents a decrease of <$1.3M> or <2.5%> under the FY21 Budget. The largest revenue source in the General Fund is total property tax revenue at $33.0M or 70.2% of all current revenue. Likewise, the Proposed FY22 Budget reflects a decrease of <$1.2M> or <2.4%> in General Fund expenditures for a total of $48.6M. The key factors for these offsetting decreases are summarized in this budget message on subsequent pages 36-38 in this Section. The three largest components of the $48.6M in expenditures are: wages and benefits at $31.7 or 65.2% of total and a decrease of 2.7% over FY21 Budget; contracted services at $5.4M or 11.1% of total and an offsetting increase of 3.8% over FY21 Budget; and annual debt service requirements at $2.3M or 4.7% of total which is a decrease in expenditures of 6.7% over FY21 Budget.

8. **General Fund Five Year Financial Projections:** Using a multi-year focus of the City's financial condition and projections has always been a part of the budget preparation and is continued in this FY22 Proposed Budget. It remains important to examine how the decisions made today and in the current year impact future operational and capital needs. The forecasts for future years encompass strategic planning and short and long term goals and priorities. Section 6 of this document includes the financial projections for various City Funds. The General Fund Projections begin on page 2. These budget deliberations mainly focus on FY22. On page 3 of Section 6, the General Fund reflects a lack of sufficient resources to cover the future projected cost of wages, benefits, and other operational and capital expenditures in FY23 and beyond. The current projections show a shortfall of $2.7M for FY23 with similar deficits in subsequent years. Without future changes to service levels, capital equipment and infrastructure, programs, amenities, or increases to revenue, the City cannot continue operations in the manner as projected.

9. **Highway User Revenue (HUR):** With almost full restoration of historical HUR funding in FY22, $100K of the total $1.6M in HUR will be utilized directly in the General Fund to cover a portion of the annual debt service requirements for projects that had to be funded with GO bond issues when there was not sufficient HUR funding from the state. The remaining anticipated balance of HUR funding will be utilized for capital and infrastructure projects as outlined in Section 7 on page 17. The chart below reflects historical trends and funding received from this state source by the City:

City of Hagerstown
State Shared Taxes: State Highway User Revenue Detail
as of March 31, 2021

	Total	Yearly Change	Over FY09	One-Time Allotments	Annual Allocation	Yearly Change	Over FY09
FY09 Actual	1,899,839.05				1,899,839.05		
FY10 Actual	217,621.80	-89%	-89%		217,621.80	-89%	-89%
FY11 Actual	161,387.12	-26%	-92%		161,387.12	-26%	-92%
FY12 Actual	469,325.59	191%	-75%		469,325.59	191%	-75%
FY13 Actual	301,934.70	-36%	-84%		301,934.70	-36%	-84%
FY14 Actual - includes one-time allotment	1,039,879.51	244%	-45%	722,881.83	316,997.68	5%	-83%
FY15 Actual - includes one-time allotment	1,081,978.18	4%	-43%	748,955.36	333,022.82	5%	-82%
FY16 Actual - includes one-time allotment	1,224,207.10	13%	-36%	884,465.39	339,741.71	2%	-82%
FY17 Actual - includes one-time allotment	1,206,124.86	-1%	-37%	873,766.19	332,358.67	-2%	-83%
FY18 Actual - includes one-time allotment	1,250,240.94	4%	-34%	916,032.11	334,208.83	1%	-82%
FY19 Actual - includes one-time allotment	1,375,305.00	10%	-28%	1,027,992.00	347,313.00	4%	-82%
FY20 Actual	1,558,315.73	13%	-18%	-	1,558,315.73	349%	-18%
Estimated FY21 based on 10/29/20 memo							
FY21 Projected Annual allotment	1,559,760.00	0%	-18%		1,559,760.00	0%	-18%
Preliminary Estimated FY22 budget based on 10/29/20 memo							
FY22 Preliminary Budget	1,612,000.00	3%	-15%	-	1,612,000.00	3%	-15%

10. **General Fund Agency Contributions:** A summary of the proposed General Fund appropriations for agency funding appears on page 57 of Section 2. In accordance with the General Fund Agency Funding Policy and the remaining approval for The Maryland Theatre annual pledge; the Proposed FY22 Budget includes $272K in funding for City support of community agencies from the General Fund. This includes $172K that the Mayor and Council set aside for the eight core agencies and an additional $100K for The Maryland Theatre. With the $172K across eight core agencies, the FY22 funding proration is proposed equal to the FY20 base funding for each agency. Subsequently to the balancing and development of the FY22 Budget, there have been discussions to extend funding to Heart of the Civil War Heritage Area.

11. **Important Supplemental Factors:** There are factors and items that impact the city and community that are or are not included in this FY22 budget:

a. American Rescue Plan Act of 2021 – it is too soon to define specifics on this new federal funding that was approved on March 10, 2021. City leadership, with Mayor and Council, will work on developing and implementing a strategy to encompass areas of spending and timing of spending for these dollars once more details are released.
b. Heart of the Civil War Heritage Area – there is no funding identified in the General Fund for contributions specifically for this initiative.
c. Ice Rink – there have been some discussions in the past surrounding the need for a second sheet of ice which would require an expansion of the current City-owned facility/building. As a result, there is some funding included in the five year projections in FY26 for this possibility to be funded primarily by others.
d. Multi-Use Facility – there is no funding included in the five year projections for city funding toward the construction of a new or renovated stadium or multi-use facility.
e. Municipal Stadium – discussions have started to open up Municipal Stadium for utilization by others since there is no longer a Minor League baseball team in Hagerstown. At the time of the budget, these discussions were not finalized so no revenue is included in this FY22 Proposed Budget document.
f. 911 Funding – there is $405K included in the General Fund expenses to continue to fund the existing 911 center contingent upon a signed agreement with the County.

General Fund/Capital Improvement Project Highlights:

12. **Capital Improvement Projects (CIP) for General Fund**: The General Fund portion in the Capital Improvement Program budget for FY22 represents 64.8% or $13.7M of the total $21.2M. Section 7 of this budget document provides greater details on the capital projects for the General Fund. The largest portion funding source for these projects is anticipated to be bond financing as reflected in the chart below:

Funding Sources	Amount	Percent
Bond Financing	4,663,670	34.0%
Contributions, PEG Fees, & Reforestation Funds	160,000	1.2%
Fund Balance Use: CIP Fund	851,500	6.2%
Fund Balance Use: General Fund	937,330	6.8%
Grants	3,873,416	28.2%
HUR	1,482,000	10.8%
Interest on Investments	5,700	0.0%
Transfers from Other City Funds (Pay-go)	1,748,500	12.7%
Total Funding Sources for General Fund CIPs	**13,722,116**	**100.0%**

Similarly, a breakdown on the spending of this $13.7M by General Fund department is outlined below with specific details to follow in Section 7:

Spend by Department	Amount	Percent
Engineering	5,476,000	39.9%
Fire	4,505,000	32.8%
Information Technology	411,000	3.0%
Parks & Recreation	2,165,000	15.8%
Planning & Code Amdinistration	30,000	0.2%
Police	429,916	3.1%
Public Works	699,500	5.1%
Total Capital Spend by Department:	**13,716,416**	**100.0%**

13. **Fire Department Capital Project Highlights (CIP45-C0241, CIP45-C0687, CIP45-C0870):** To address fire facility and deployment needs, several individual projects are included in the FY22 Proposed Budget for the Fire Department. These three projects total $1.7M or 1.2% of the total projects costs for the General Fund. Each of these projects provides opportunities to consolidate administrative staff, command staff, and training staff for the department. These projects should be explored collectively in an effort to provide a cohesive strategic plan and future composition of the City's Fire Department.

14. **Vehicles:** While the FY22 Budget includes vehicle and equipment replacements for aging equipment, it is important to note that there are no new additions to our existing vehicle fleet but only vehicle replacements. Overall, the FY22 Budget includes $2.9M for vehicle replacements which represents 21.5% of all planned capital projects for the General Fund. The City strives for a systematic vehicle replacement plan to eliminate costly repairs and to improve efficiency of operations. There is a detail listing that includes each specific vehicle to be replaced per department in Section 7 on pages 9-11. The chart below summarizes the total amount for vehicles each General Fund department has included in the FY22 Budget:

General Fund Departments	Amount	Percent
Vehicles:		
Fire	2,160,000	73.3%
Parks & Recreation	182,000	6.2%
Planning & Code Amdinistration	30,000	1.0%
Police	216,000	7.3%
Public Works	359,000	12.2%
Subtotal Vehicles:	**2,947,000**	**100.0%**
Grand Total All General Fund CIPs	**13,716,416**	**21.5%**

Other Governmental Fund Highlights:

15. **Community Development Block Grant Fund (CDBG):** The proposed CDBG Budget is included in Section 4. The City utilizes these Federal Grant funds to support downtown and neighborhood revitalization projects along with community agencies and other projects and priorities. For FY22 it is anticipated the CDBG grant entitlement will be $800K; which is a <0.5%> decrease from FY21. A history of the City's Entitlement Funding is shown on page 6 of Section 4 and reflects an of allocation growth from FY18 levels. Total CDBG expenditures are projected to be $2.1M in FY22, funded by a combination of new and carry over entitlement funds of $1.6M plus $250K in program income. These

projected expenditures include: $735K for Public Facilities and Improvements; $628K to support Public Services; $72K in Housing Rehab Projects; $75K in Commercial & Industrial Improvements; and $297K for program administration and demolition. A summary of CDBG revenues and expenditures appears on page 5 with more detailed information on pages 6-8.

16. **Economic Redevelopment Fund**: The proposed Economic Redevelopment Fund Budget is included in Section 4. The fund was established to promote the revitalization of the City's downtown and older neighborhood areas. It is used to promote businesses and home ownership in the City Center and has been used for the PEP Program, Invest Hagerstown, and holding real property for resale. For FY22, it is expected that expenditures will be $1.3M. Of the total expenditures, $132K for PEP program rent payments; $222K for USMH student housing project rent guarantees (Catalyst #3 of Community City Center Plan); $819K combined for Invest Hagerstown incentives; and the remaining $133K for general incentives and overall administration. One key property for resale opportunity remains at 170 West Washington. More detailed information of this Fund is found on pages 10-12.

Enterprise/Business-Type Fund Highlights:

17. **Utility Rates:** The FY22 Proposed Budget represents the third year of a five year rate adjustment that was adopted by Mayor and Council on March 26, 2019. These adjustments take place annually on July 1 and include 3% annual increases for our Water customers. For our Wastewater Customers, this five year schedule includes an annual rate increase of 2%. These approved rate adjustments are included in the FY22 Proposed Budget and in the five year financial projections. A contract for wholesale energy was negotiated in FY17 and the rates are $52.70 per megawatt hour through FY22. A two-year extension is in place beginning in FY23 with an expected wholesale rate decrease of <10.37%> through May 31, 2024. For all three of our utilities, our customers enjoy some of the lowest service charges in our region.

18. **Electric Fund Projects and Equipment:** The capital projects and equipment purchases are summarized in Section 7 page 30 and total $815K for the Electric Fund in FY22. Key purchases and projects include the following: 50-C0550 Kilpatrick Woods $225.5K; 50-C0259 System Reconductoring $187.5K; andd various smaller projects planned. Electric Fund Revenues and Private Contributions will provide the funding for all projects included in the FY22 Budget.

19. **Water Fund Capital Projects and Equipment:** In FY22, $2.8M is included for Water Fund capital projects and equipment. These expenditures are summarized beginning on page 32 of Section 7. Key purchases and projects include the following: CIP 52-C0117 Vehicles for $185K; CIP 52-C0166 Willson Treatment Plant for $750K; CIP 52-C0168 Edgemont Reservoir Improvements for $200K; CIP 52-C0322 Risk and Resiliency/Security $325K; CIP 52-C0653 Water Distribution System Meter Program for $325K; and CIP 52-C0709 Distribution System Rehab – Main Replacement for $400K. Water Fund Revenue will fund all projects in FY22.

20. **Water Fund - Edgemont Reservoir:** To address regulatory requirements as mentioned above in CIP 52-C0168, $14.9M has been included in the FY22-FY26 (over a 4 year construction period) Proposed Budget to complete the design and subsequent construction of the required MDE improvements in accordance with the direction by the Mayor and Council and as approved by MDE Dam Safety Division. Edgemont Reservoir (Warner Gap Hollow Dam), originally constructed in 1902 and used to supplement the Potomac River supply during emergencies, Edgemont Reservoir must be repaired to remain a viable resource. Work will include extensive grouting at the ogee and emergency spillway and the demolition and re-construction of the ogee and emergency spillway to meet the State Probable Maximum Precipitation (PMP) criteria. All work is to address identified seepage under the spillway and at the base of the left abutment (toe) and to meet the PMP requirements.

21. **Wastewater Fund Capital Projects and Equipment:** In FY22, $2.6M is included for Wastewater Fund capital projects and equipment and is summarized on page 34 of Section 7. Key purchases and projects include the following: CIP 54-C0004 Vehicles for $165K; continuation of CIP 54-C0327 Collection System rehab program for $400K; and CIP 54-C0800 Citywide – CS Rehabilitation for $460K. A combination of Private Contributions, Grants, and Wastewater Fund Revenue will fund all projects.

22. **Third Parking Deck (CIP 56-C0173) and Parking Fund Operations:** Discussions around the Urban Improvement Project (UIP) have indicated a desire for another parking deck in the downtown area. In addition, the construction of a third parking deck is part of Mayor & Council Goals & Priorities. As a result, the future budget projections include this identified project. Prior to moving forward, additional analysis and planning will be necessary to identify an exact location and timing of when this will be needed as the individual portions of the UIP are completed. For a new deck to be financially viable to the City, it is critical to have new and additional paying parking system customers in our downtown area beyond current levels. Details specifically on this $8.0M Third Parking Deck are included in Section 7 on page 160 with timing of this deck to be done over FY24 and FY25 with bond financing as the funding source.

    All of the factors above were considered when completing the five year operations outlook for the Parking Fund which begins in Section 6 on page 26 and outlines detailed assumptions. The operating revenues from the new deck, combined with other Parking Fund revenue need to meet total Parking operating expenses plus related debt service expenses to avoid General Fund subsidies. With the inclusion of a third parking deck, it is anticipated that there will be a deficit in FY25 which will begin to impact the Parking Fund cash balances in FY26. Rates for parking decks and parking lots were approved for a four year span by Mayor & Council. FY22 will begin the third year of this approved rate schedule and include annual increases of $2 each fiscal year. It is anticipated that a combination of the approved rate schedule and growth in usage will generate an approximate increase range of 1.9%-2.5% through FY25. The FY22 Proposed Budget does include a total of $25K for capital projects which will all be funded with Parking Fund revenues.

23. **Property Management Fund:** This Fund provides stewardship over downtown property owned by the City and leased to area business. In Section 3 on page 39 you will find the Expenditure and Revenue Summary showing FY22 Proposed Total Expenditures of $455K and Revenues of $343K. Beginning in FY22, there will be five properties remaining in this fund and only three of those buildings have tenants (Elizabeth Hager Center, 60 West Washington Street, and 36-40 North Potomac Street). There are also anticipated capital projects that total $160K in the FY22 Budget which will deplete the remaining cash reserves in this fund. More detailed assumptions through FY26 can be found in Section 6 on pages 31-32. Decisions about the continued viability of this fund and the properties held there will be needed as we are projecting a negative cash situation for FY22 and beyond, which would mean increased need for considering contributions from the General Fund.

24. **Stormwater Management Program:** Maryland municipalities have the authority to implement a stormwater utility fee. In 2018, the City completed Phase I of developing a cost rate model and addressing associated administrative issues related to a stormwater utility. In 2019, the City completed Phase II to further define a cost rate model and held several community outreach and information forums. The City is undertaking this initiative to address required mandates from a state and federal level. The goals of the Stormwater Management Program include: maintain and preserve the existing storm drainage system; limit flooding and runoff-related damages; improve the quality of the water in the Chesapeake Bay and Potomac River through the construction of new treatment facilities and the retrofit of existing facilities; and comply with permit requirements issued by the Environmental Protection Agency. It is estimated that the mandate requirements in improvements will cost the City approximately $24M. At this time, the FY22 Proposed Budget projections include revenue from a stormwater utility fee to be effective March 1, 2021. There is now a separate stormwater fund within the FY22 Proposed Budget. Due to the requirements of the City's MS4 stormwater permit received from Maryland Department of the Environment (MDE), the CIP budget does include project expenditures over the next five years. The funding for these specific projects will include stormwater fees and a future stormwater fund supported bond issue which is reflected in Section 7 on page 42. There are also current operating expenses reflected in the Stormwater Management Fund for service costs related to stormwater activity.
    a. Stormwater Operating Expenses - $2.2M in FY22 budget in Section 3 on page 45
    b. Stormwater Capital Expenses - $1.0M in FY22 budget in Section 7, pages 13, 42 and 43 in summary

COMBINED USES OF FUNDS
FY22 BUDGET BY FUND

The Adopted FY22 Budget includes $141.9M in expenditures for all of the City's funds. The City's largest operating fund, the General Fund, is projected at $48.6M for the coming year, a <2.4%> decrease over FY21. Our utility operations for next year include $26.8M for Electric, $16.4M for the Water Fund, and $16.4M for Wastewater. The City's General Capital Improvement Fund for next year is proposed at $13.7M. The Parking Fund's Budget is $983K and the Community Development Block Grant Fund totals $2.1M. These represent Hagerstown's major operating and capital funds. Other Special Revenue funds totaling $2.0M, along with Service and Trust Funds totaling $10.7M, are also included for next year. Details on the expenditure and revenue assumptions for each Fund, along with program information, is set forth in their individual budgets, which appear throughout the Adopted Budget.

2021/2022 BUDGET BY FUND

	Revised Budget 2020/2021	Proposed Budget 2021/2022	Increase / (Decrease)	Percent Change
General Fund	$ 49,748,203	$ 48,566,403	$ (1,181,800)	-2.4%
Community Dev. Block Grant Fund	1,983,408	2,094,235	110,827	5.6%
Special Revenue Funds	1,890,231	1,974,841	84,610	4.5%
General/Capital Improvement Projects	22,732,803	13,716,416	(9,016,387)	-39.7%
Total Government-type Funds	76,354,645	66,351,895	(10,002,750)	-13.1%
Electric Fund	26,748,713	26,766,302	17,589	0.1%
Water Fund	17,717,267	16,370,522	(1,346,745)	-7.6%
Wastewater Fund	20,740,949	16,408,002	(4,332,947)	-20.9%
Parking Fund	1,808,553	982,987	(825,566)	-45.6%
Golf Fund	529,957	622,038	92,081	17.4%
Property Management Fund	636,830	615,073	(21,757)	-3.4%
Stormwater Fund	3,816,958	3,195,288	(621,670)	-16.3%
Total Enterprise-type Funds	71,999,227	64,960,212	(7,039,015)	-9.8%
Service & Trust Funds	11,028,975	10,723,518	(305,457)	-2.8%
Total Combined Uses of Funds	**$ 159,382,847**	**$ 142,035,625**	**$ (17,347,222)**	**-10.9%**

COMBINED STATEMENT OF REVENUES AND EXPENDITURES

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE (ALL FUNDS)
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES BY TYPE					
Taxes-Property, Income & Other	$ 37,951,537	$ 37,012,568	$ 37,441,507	$ 38,883,272	5.1%
Charges for Services	65,141,646	65,222,090	63,899,359	67,710,692	3.8%
Licenses and Permits	2,144,423	2,671,414	2,573,950	2,186,750	-18.1%
Fines and Forfeitures	966,496	1,111,550	1,393,350	1,272,900	14.5%
Other Governmental	4,025,970	8,009,605	5,963,477	6,709,947	-16.2%
Other / Transfers In	24,151,361	30,602,438	20,488,596	18,914,917	-38.2%
Total Current Revenues	**$ 134,381,433**	**$ 144,629,665**	**$ 131,760,239**	**$ 135,678,478**	**-6.2%**
EXPENDITURES BY DEPARTMENT					
General Government	$ 5,875,501	$ 6,174,535	$ 5,875,217	$ 6,214,438	0.6%
Public Safety	23,774,917	25,933,732	25,189,091	25,724,724	-0.8%
Highways & Streets	2,644,230	2,432,563	2,463,288	2,504,290	2.9%
Waste Collection & Disposal	2,622,380	2,688,865	2,804,827	2,985,060	11.0%
Parks and Recreation	2,726,959	2,924,929	2,650,562	2,900,425	-0.8%
Community & Economic Development	602,568	591,691	575,058	647,804	9.5%
Community Development Block Grant	1,946,390	1,983,408	1,637,565	2,094,235	5.6%
Special Revenue Funds	1,828,269	1,890,231	1,812,808	1,974,841	4.5%
Enterprise Funds	63,498,173	71,999,227	58,825,454	64,960,212	-9.8%
Capital Improvement Projects Fund	7,323,373	22,732,803	12,543,340	13,716,416	-39.7%
Service and Trust Funds	9,644,582	11,028,975	9,404,698	10,723,518	-2.8%
Non-Departmental General Fund	8,230,712	9,001,888	7,131,630	7,589,662	-15.7%
Total Expenditures	**$ 130,718,054**	**$ 159,382,847**	**$ 130,913,538**	**$ 142,035,625**	**-10.9%**

Note: Statements are for budgetary purposes only and are not intended to satisfy GASB34 requirements.

COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2021/22

	GOVERNMENTAL FUND TYPES	ENTERPRISE FUND TYPES	SERVICE AND TRUST FUNDS	COMBINED TOTALS
REVENUES				
Property Taxes	$ 33,046,417	$ -	$ -	$ 33,046,417
Income and Other Taxes	5,836,855	-	-	5,836,855
Licenses and Permits	2,186,750	-	-	2,186,750
Intergovernmental Revenues and Grants	6,509,947	-	-	6,509,947
Charges for Current Services	3,529,051	54,909,035	9,965,930	68,404,016
Fines and Forteitures	1,272,900	-	-	1,272,900
Administrative Allocation Revenues	1,997,500	-	-	1,997,500
Program Income	476,271	-	-	476,271
Reforestation Fees	15,000	-	-	15,000
Premium on Bonds	-	8,247	-	8,247
Interest on Investments	48,360	33,720	9,110	91,190
Miscellaneous/Other General Revenues	373,805	1,833,463	439,988	2,647,256
TOTAL REVENUES	**$ 55,292,856**	**$ 56,784,465**	**$ 10,415,028**	**$ 122,492,349**
EXPENDITURES				
General Government	12,101,438	-	-	12,101,438
Public Safety	30,734,640	-	-	30,734,640
Highways and Streets	3,158,790	-	-	3,158,790
Waste Collection and Disposal	2,985,060	-	-	2,985,060
Parks and Recreation	5,065,425	-	-	5,065,425
Economic and Community Development	647,804	-	-	647,804
Unallocated General Expense	2,025,900	-	-	2,025,900
Debt Service - Principal and Interest	2,273,059	4,095,701	-	6,368,760
Operating Expenses	3,989,076	56,213,589	9,973,518	70,176,183
TOTAL EXPENDITURES	**62,981,192**	**60,309,290**	**9,973,518**	**133,264,000**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**(7,688,336)**	**(3,524,825)**	**441,510**	**(10,771,651)**
OTHER FINANCING SOURCES(USES)				
Add Back Depreciation	-	8,635,300	-	8,635,300
Bond Financing Proceeds	4,212,000	-	-	4,212,000
Prior Bond Proceeds	451,670	-	-	451,670
Developer Contributions	-	750,000	-	750,000
Benefit Charges	-	1,002,142	-	1,002,142
Operating Transfers From Other Funds	1,687,159	408,498	-	2,095,657
Capital Transfers From Other Funds	1,748,500	-	-	1,748,500
General Fund Balance Transfers From Capital Projects	937,330	-	-	937,330
Grants in Aid of Construction	-	200,000	-	200,000
Appropriated Use of Fund Balance	1,788,830	-	-	1,788,830
Non-Cash Developer Contributions	-	(750,000)	-	(750,000)
General Fund Balance Transfers (to) Capital Projects	(937,330)	-	-	(937,330)
Capital Transfers (to) Other Funds	(1,116,240)	(37,260)	-	(1,153,500)
Operating Transfers (to) Other Funds	(1,317,133)	-	(750,000)	(2,067,133)
Capital Outlay	-	(7,944,500)	-	(7,944,500)
TOTAL OTHER FINANCING SOURCES (USES)	**7,454,786**	**2,264,180**	**(750,000)**	**8,968,966**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ (233,550)**	**$ (1,260,645)**	**$ (308,490)**	**$ (1,802,685)**
Beginning Fund Balance	**$ 21,841,336**	**$ 173,249,341**	**$ 7,738,638**	**$ 202,829,315**
Less Appropriated Use of Fund Balance	(2,240,500)	-	-	(2,240,500)
Ending Fund Balance	**$ 19,367,286**	**$ 175,378,734**	**$ 7,430,148**	**$ 202,176,168**

(Cash Basis)

STAFFING CHARTS

STAFFING SCHEDULE
DETAIL OF UNFUNDED FULL-TIME POSITIONS
FISCAL YEAR 2021/22

Department / Description	Proposed Unfunded
Engineering & Parks	
Parks Maintenance Worker I-III	4.00
Department Total	**4.00**
Fire Department	
Firefighter	3.00
Fire Deputy Chief	1.00
Fire Training Captain	1.00
Fire Public Safety Educator	1.00
Department Total	**6.00**
Human Resources	
HR Coordinator	1.00
Department Total	**1.00**
Police Department	
Officers	8.00
Department Total	**8.00**
Public Works	
Sign/Lines Maintenance Worker I-III	1.00
PW Maintenance Worker I-IV	2.00
Truck Driver	1.00
Department Total	**4.00**
TOTAL GENERAL FUND	**23.00**
Water Department	
Maintenance Technician I	1.00
Field Operations (Construction & Maintenance) Technician III	2.00
Engineering Technician	1.00
Department Total	**4.00**
Wastewater Department	
Collection System Operator IV	2.00
Department Total	**2.00**
Electric Department	
Senior Meter Repairer	1.00
Meter Reader	1.00
Utility Serviceperson/Building Maintenance	1.00
Senior Electric Construction Worker	1.00
Substation Technician	1.00
Lineworker	1.00
Department Total	**6.00**
TOTAL OTHER FUNDS	**12.00**
TOTAL ALL FUNDS	**35.00**

STAFFING SCHEDULE (FULL-TIME AND PART-TIME POSITIONS ONLY)
FIVE YEAR COMPARISON
FISCAL YEARS 2017/18 THROUGH 2021/22

DEPARTMENT	FISCAL YEARS 2017/18 FULL-TIME	2017/18 PART-TIME	2018/19 FULL-TIME	2018/19 PART-TIME	2019/20 FULL-TIME	2019/20 UNFUNDED	2019/20 PART-TIME	2020/21 FULL-TIME	2020/21 UNFUNDED	2020/21 PART-TIME	2021/22 FULL-TIME	2021/22 UNFUNDED	2021/22 PART-TIME
Office of The Mayor	0.33	-	0.33	-	0.33	-	-	0.33	-	-	0.33	-	-
City Administrator	1.33	-	1.33	-	1.33	-	-	1.33	-	-	1.33	-	-
City Clerk	1.34	0.50	1.34	0.50	1.34	-	0.50	1.34	-	0.50	1.34	-	0.50
Community & Economic Development	6.75	2.00	6.75	2.00	6.75	-	1.30	6.85	-	1.28	6.15	-	2.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	6.75	2.00	6.75	2.00	6.75	-	1.30	6.85	-	1.28	6.15	-	2.00
Planning & Code Administration	20.00	1.00	20.00	1.00	20.00	-	1.00	20.00		2.00	20.00		1.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	20.00	1.00	20.00	1.00	20.00	-	1.00	20.00	-	2.00	20.00	-	1.00
Finance	8.50	-	8.50	-	8.40	-	-	8.40		-	8.00		-
Support Services & Billing								9.00		3.00	9.00		3.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	8.50	-	8.50	-	8.40	-	-	17.40	-	3.00	17.00	-	3.00
Information Technology &	14.10	5.50	14.10	5.50	13.10	-	5.50	6.00	-	-	6.00	-	-
Communications								2.00		2.50	2.00		2.50
**Included Support Services until FY21													
Unfunded Positions	-	-	(1.00)	-	-	1.00	-	-	-	-	-	-	-
Total Funded Positions	14.10	5.50	13.10	5.50	13.10	1.00	5.50	8.00	-	2.50	8.00	-	2.50
Human Resources	5.00	4.00	5.00	4.00	5.00	-	4.00	5.00	-	4.00	4.00	1.00	4.00
Engineering & Parks	30.92	9.00	30.92	7.00	26.41	-	7.00	26.27	-	7.28	24.75	-	7.28
Unfunded Positions	(3.00)	-	(3.00)	-	-	4.00	-	-	4.00	-	-	4.00	-
Total Funded Positions	27.92	9.00	27.92	7.00	26.41	4.00	7.00	26.27	4.00	7.28	24.75	4.00	7.28
Police Sworn	112.00	-	112.00	-	112.00	-	-	112.00	-	-	104.00		-
Police Administrative/Civilian	15.00	14.00	15.00	14.00	15.00		13.00	16.00	-	13.00	16.00	-	12.00
Unfunded Positions	(1.00)	-	(1.00)	-	-	-	-	-	-	-	-	8.00	-
Total Funded Positions	126.00	14.00	126.00	14.00	127.00	-	13.00	128.00	-	13.00	120.00	8.00	12.00
Fire	83.00	-	83.00	-	78.00	-	-	78.00	-	-	78.00	-	-
Unfunded Positions	(6.00)	-	(6.00)	-	-	6.00	-	-	6.00	-	-	6.00	-
Total Funded Positions	77.00	-	77.00	-	78.00	6.00	-	78.00	6.00	-	78.00	6.00	-
Public Works	32.90	-	32.90	-	23.55	-	-	24.95	-	-	24.95	-	-
Stormwater (Gen Fund Operations)	-	-	-	-	*5.86*	-	-	*3.86*	-	-	-	-	-
Unfunded Positions	(4.00)	-	(4.00)	-	-	4.00	-	-	4.00	-	-	4.00	-
Total Funded Positions	28.90	-	28.90	-	29.41	4.00	-	28.81	4.00	-	24.95	4.00	-
Total General Fund	**331.17**	**36.00**	**331.17**	**34.00**	**317.07**	**-**	**32.30**	**321.33**	**-**	**33.56**	**305.85**	**-**	**32.28**
Unfunded Total - General Fund	**(14.00)**	**-**	**(15.00)**	**-**	**-**	**15.00**	**-**	**-**	**14.00**	**-**	**-**	**23.00**	**-**
Total Funded Positions-General Fund	**317.17**	**36.00**	**316.17**	**34.00**	**317.07**	**15.00**	**32.30**	**321.33**	**14.00**	**33.56**	**305.85**	**23.00**	**32.28**
Electric	35.55	-	35.55	-	31.51		-	29.96		-	28.85		-
Unfunded Positions	(6.00)	-	(4.00)	-		4.00	-		5.00	-		6.00	-
Total Funded Positions	29.55	-	31.55	-	31.51	4.00	-	29.96	5.00	-	28.85	6.00	-
Water	54.52	-	54.02	-	50.36		-	48.67		-	50.60		-
Unfunded Positions	(4.00)		(4.00)			4.00			4.00			4.00	
Total Funded Positions	50.52		50.02		50.36	4.00	-	48.67	4.00	-	50.60	4.00	-
Wastewater	48.26	-	48.76	-	46.56		-	46.95		-	45.55		-
Unfunded Positions	(2.00)	-	(2.00)	-		2.00	-		2.00	-		2.00	-
Total Funded Positions	46.26	-	46.76	-	46.56	2.00	-	46.95	2.00	-	45.55	2.00	-
Stormwater (Enterprise Fund)	-	-	-	-	-	-	-	-	-	-	5.36	-	-
Golf Course	2.25	2.00	2.25	1.00	2.25	-	1.00	2.24	-	1.72	2.24	-	1.72
Parking	2.20	10.00	2.20	10.00	2.20	-	10.00	2.80	-	9.00	2.80	-	9.00
Property Management	0.90	1.00	0.90	1.00	0.90	-	0.70	0.90	-	0.72	0.90	-	-
Community Dev Block Grant	2.00	-	2.00	-	2.00	-	-	2.00	-	-	2.70	-	-
Business Revolving Loan Fund	0.15	-	0.15	-	0.15	-	-	0.15	-	-	0.15	-	-
City-wide Staffing Levels	**477.00**	**49.00**	**477.00**	**46.00**	**453.00**	**-**	**44.00**	**455.00**	**-**	**45.00**	**445.00**	**-**	**43.00**
Unfunded Total - City-wide	**(26.00)**	**-**	**(25.00)**	**-**	**-**	**25.00**	**-**	**-**	**25.00**	**-**	**-**	**35.00**	**-**
Total Funded Positions - City-wide	**451.00**	**49.00**	**452.00**	**46.00**	**453.00**	**25.00**	**44.00**	**455.00**	**25.00**	**45.00**	**445.00**	**35.00**	**43.00**
General & Oth Govt Operations	**123.32**	**22.00**	**123.32**	**20.00**	**114.22**	**9.00**	**19.30**	**117.48**	**8.00**	**20.56**	**110.70**	**9.00**	**20.28**
Public Safety: (Police & Fire Only)	**210.00**	**14.00**	**210.00**	**14.00**	**205.00**	**6.00**	**13.00**	**206.00**	**6.00**	**13.00**	**198.00**	**14.00**	**12.00**
Enterprise Funds	**143.68**	**13.00**	**143.68**	**12.00**	**133.78**	**10.00**	**11.70**	**131.52**	**11.00**	**11.44**	**136.30**	**12.00**	**10.72**

FY18 No changes in FT positions: PT positions reflect a shift of Parking Enforcement staffing from Police to Parking Fund
FY19 FT Changes: Unfund 1 full-time IT position in General Fund. Separtely funded a prior Electric Foreman position that was unfunded (approved by M&C 10/3/17)
FY20 FT Changes: 1 new position in Fire Department for a third DFM
FY21: Transitioned/moved Support Services from Info Tech & Communications umbrella to report under Finance. Transitioned/moved Billing from Utilities to report under Support Services
FY21 FT Changes: 1 new position in Police civilian; 1 new Billing; 1 new Support Services; Unfund 1 in Electric
FY22 FT Changes: Shift of 0.7 from GF to CDBG; Shift 5.36 FT related to Stormwater to new Enterprise Fund; Unfund 1 FT position in HR; Unfund 8 sworn positions in Police; Unfund 1 FT position in Electric

GOVERNMENTAL FUNDS - COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2021/2022

	GENERAL	SPECIAL REVENUE	CAPITAL IMPROVEMENT FUNDS	TOTAL
REVENUES				
Property Taxes	$ 33,046,417	$ -	$ -	$ 33,046,417
Income and Other Taxes	4,354,855	-	1,482,000	5,836,855
Licenses and Permits	2,186,750	-	-	2,186,750
Intergovernmental Revenues and Grants	362,544	2,273,987	3,873,416	6,509,947
Charges for Current Services	3,529,051	-	-	3,529,051
Fines and Forfeitures	1,272,900	-	-	1,272,900
Administrative Allocation Revenues	1,997,500	-	-	1,997,500
Program Income	-	476,271	-	476,271
Reforestation Fees	-	15,000	-	15,000
Interest on Investments	40,000	2,660	5,700	48,360
Miscellaneous/Other General Revenues	271,016	22,789	80,000	373,805
TOTAL REVENUES	**47,061,033**	**2,790,707**	**5,441,116**	**55,292,856**
EXPENDITURES				
General Government	6,214,438	-	5,887,000	12,101,438
Public Safety	25,724,724	-	5,009,916	30,734,640
Highways and Streets	2,504,290	-	654,500	3,158,790
Waste Collection and Disposal	2,985,060	-	-	2,985,060
Parks and Recreation	2,900,425	-	2,165,000	5,065,425
Community and Economic Development	647,804	-	-	647,804
Unallocated General Expense	2,025,900	-	-	2,025,900
Debt Service - Principal and Interest	2,273,059	-	-	2,273,059
Operating Expenses	-	3,989,076	-	3,989,076
TOTAL EXPENDITURES	**45,275,700**	**3,989,076**	**13,716,416**	**62,981,192**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**1,785,333**	**(1,198,369)**	**(8,275,300)**	**(7,688,336)**
OTHER FINANCING SOURCES(USES)				
Operating Transfers From Other Funds	570,492	1,036,667	80,000	1,687,159
Capital Transfers From Other Funds	-	-	1,748,500	1,748,500
Operating Transfers (to) Other Funds	(1,237,133)	(80,000)		(1,317,133)
Capital Transfers (to) Other Funds	(1,116,240)			(1,116,240)
Prior Bond Proceeds	-	-	451,670	451,670
Bond Financing Proceeds	-	-	4,212,000	4,212,000
Appropriated Use of Fund Balance	937,330	-	851,500	1,788,830
General Fund Balance Transfers From Capital Projects	-	-	937,330	937,330
General Fund Balance Transfers (to) Capital Projects	(937,330)	-	-	(937,330)
TOTAL OTHER FINANCING SOURCES (USES)	**(1,782,881)**	**956,667**	**8,281,000**	**7,454,786**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	$ 2,452	$ (241,702)	$ 5,700	$ (233,550)
Beginning Fund Balance	**$ 14,536,888**	**$ 4,820,815**	**$ 2,483,633**	**$ 21,841,336**
Less Appropriated Use of Fund Balance	(937,330)	-	(1,303,170)	(2,240,500)
Ending Fund Balance	**$ 13,602,010**	**$ 4,579,113**	**$ 1,186,163**	**$ 19,367,286**
DETAIL OF ENDING FUND BALANCES:				
Nonspendable	$ 350,000	$ -	$ -	350,000
Restricted	-	1,858,813	-	1,858,813
Committed	250,000	605,100		855,100
Assigned	1,000,000	2,121,025	1,186,163	4,307,188
Unassigned	12,002,010	(5,825)	-	11,996,185
Ending Fund Balance	**$ 13,602,010**	**$ 4,579,113**	**$ 1,186,163**	**$ 19,367,286**

SOURCES OF FY22 GENERAL FUND REVENUE

The Proposed General Fund revenue of $48.6M for FY22 represents a <2.5%> decrease compared to the FY21 Budget. The primary reasons for this decrease in General Fund revenue is: $1.2M growth in Property Tax Revenue as a result of an estimated 2.71% growth in assessed values, and addition of two significant new and redevelopment projects within the Enterprise Zone tax credit area which is reflected in Income & Other Taxes. There are offsetting decreases in Intergovernmental Revenue due to one-time CARES Act funding in FY21; Licenses & Permits due to the creation of a separate Stormwater Management fund; and Appropriated Use of Fund Balance utilization for capital infrastructure and projects.

The following table illustrates the change in the sources of General Fund Revenues from Revised Budget FY21 to Proposed Budget FY22.

Sources of General Fund Revenue Growth			
FY 21/22 General Fund Budgeted Revenues	**$**	**48,568,855**	
FY 20/21 General Fund Budgeted Revenues	**$**	**49,832,060**	
Revenue Growth (Decrease)		**(1,263,205)**	**-2.5% Decrease**
	Sources		
Property Tax Revenue		1,221,423	
Income & Other Taxes		647,041	
Licenses & Permits		(484,664)	
Intergovenmental Revenues		(1,468,374)	
Charges for Current Services		(75,315)	
Fine & Forfeitures		161,350	
Unallocated Revenues		20,710	
Transfers From Other Funds		156,294	
Appropriated Use of Fund Balance		(1,441,670)	
Total	**$**	**(1,263,205)**	

EXPENDITURES OF FY22 GENERAL FUND RESOURCES

The change in the Proposed General Fund Budget for expenditures in FY22 totals <$1.2M> representing a 2.4% decrease in expenditures from the revised FY21 Budget of $49.7M. The following table illustrates the changes in the use of General Fund budget resources by category of expenditure from FY21 to FY22. The total General Fund expenditure decrease is primarily a result of the following: Wages & Benefits and Wage & Overhead Allocations; Debt Service; Transfers to Other Funds; and Fund Balance Transfers.

Uses of General Fund Revenue Growth			
FY 21/22 General Fund Budgeted Expenditures	**$**	**48,566,403**	
FY 20/21 General Fund Budgeted Expenditures		**49,748,203**	
Expenditure Growth (Decrease)		**(1,181,800)**	**-2.4% Decrease**
	Uses		
Wage & Benefits		(879,274)	
Wage & Overhead Allocations		(49,114)	
Contracted Services		200,601	
Materials, Supplies & Utilities		100,772	
Insurance		284	
Capital Expenditures		500,179	
Debt Service		(163,253)	
Transfers To Other Funds		(88,744)	
Other Expenditures		638,419	
Fund Balance Transfer		(1,441,670)	
Total	**$**	**(1,181,800)**	

ALLOCATION OF FY22 GENERAL FUND EXPENDITURES BY FUNCTION

The following table illustrates the allocation of General Fund expenditures by function and helps to show the alignment of our resources with priorities for our community and operations:

	Allocation	Percent
Public Safety		
Police	$14,701,004	30.3%
Fire	8,766,553	18.1%
Highways, Streets, & Signal Department	3,023,268	6.2%
Engineering, Parks & Recreation	3,833,285	7.9%
Waste Collection & Disposal	2,985,060	6.1%
Planning & Code Administration	2,231,350	4.6%
Information Technology	1,102,149	2.3%
Communications	269,556	0.6%
Economic & Community Development	1,035,663	2.1%
Finance	1,249,195	2.6%
Support Services	35,000	0.1%
Human Resources	600,666	1.2%
City Hall	282,473	0.6%
Legal Counsel	246,000	0.5%
City Administrator	229,149	0.5%
Mayor & Council	215,779	0.4%
City Clerk	170,591	0.4%
Retiree Benefits	1,502,000	3.1%
Contributions to Other Agencies	272,100	0.6%
Debt Service	2,273,059	4.7%
Capital Transfers to Other Funds	1,116,240	2.3%
Fund Balance Transfers	937,330	1.9%
Unallocated Expenses/Transfers *	1,488,933	3.1%
Total	**$48,566,403**	**100.0%**

* Includes Operating Transfers, Contingency, Inventory Adjustments, and Termination Pay

GENERAL FUND CAPITAL INVESTMENT

The following table summarizes our history of General Fund capital investment since FY05.

Fiscal Year	Capital Outlay	Approriation To CIP Fund	GF Fund Balance Transfer to CIP	Total
2004/2005	202,262	1,061,767	-	1,264,029
2005/2006	161,135	1,090,294	-	1,251,429
2006/2007	186,154	985,262	-	1,171,416
2007/2008	201,312	1,267,000	-	1,468,312
2008/2009	164,018	1,179,314	-	1,343,332
2009/2010	45,781	397,563	-	443,344
2010/2011	69,225	666,506	-	735,731
2011/2012	658,297	336,952	-	995,249
2012/2013	88,123	1,102,759	-	1,190,882
2013/2014	177,981	832,268	-	1,010,249
2014/2015	178,836	353,507	546,903	532,343
2015/2016	248,127	822,655	103,869	1,174,651
2016/2017	235,928	1,042,752	-	1,278,680
2017/2018	131,439	307,740	632,107	1,071,285
2018/2019	191,131	1,105,492	205,419	1,502,042
2019/2020	156,194	997,562	1,311,227	2,464,983
Estimated Actual:				
2020/2021	186,853	658,686	659,493	1,505,032
Proposed Budget:				
2021/2022	186,688	1,116,240	937,330	2,240,258
2022/2023	188,688	2,763,550	-	2,952,238
2023/2024	208,688	2,049,350	-	2,258,038
2024/2025	213,688	1,730,250	-	1,943,938
2025/2026	223,688	1,501,850	-	1,725,538

Although we expect that we will encounter financial challenges over the next several years, we will attempt to be prudent in maintaining adequate levels of funding for capital projects so that the City's assets and infrastructure are replaced and maintained for our citizens' safety and recreational needs.

*The Proposed Budget for FY22 above includes the use of General Fund Balance reserves to maintain levels needed for capital improvement projects.

BONDED DEBT OUTSTANDING

In current FY21, the budget originally included a preliminary $6.3M General Fund bond issue. However at this time, it is not anticipated that bond issue will occur until later in calendar year 2021. As a result, FY22 includes future bond issue assumptions to include FY21 approved projects plus new requests for FY22 projects.

In the FY22 Proposed Budget, staff has included a general fund supported bond issue that totals $4.2M to the General Fund. These proposed capital expenditures are described in detail in the Capital Improvement Program (Section 7).

The following table illustrates the balance of bonded debt outstanding at the end of each fiscal year over a 12-year period since FY11. It is separated into tax supported general bonded debt and self-supporting enterprise fund debt for the City's Electric, Water, Wastewater, Parking, and Property Management funds. As reflected in the table below, the largest growth in total outstanding debt over this 12-year period is in the self-supporting enterprise funds.

Fiscal Year	Total Bonded Debt	General Tax Supported	Self-Supporting Enterprise
2010/2011	63,755,733	18,695,138	45,060,595
2011/2012	66,363,883	17,459,565	48,904,318
2012/2013	62,885,398	16,013,064	46,872,334
2013/2014	66,322,847	15,168,166	51,154,681
2014/2015	75,417,227	18,093,422	57,323,805
2015/2016	70,939,759	16,621,899	54,317,860
2016/2017	73,754,525	20,398,887	53,355,638
2017/2018	69,769,925	19,902,356	49,867,569
2018/2019	68,050,106	21,109,308	46,940,798
2019/2020	61,980,642	18,840,748	43,139,894
2020/2021 Estimated Actual	56,911,954	17,175,388	39,736,566
2021/2022 Proposed Budget	56,053,425	19,655,945	36,397,480
12 Year Increase in Outstanding Debt	**$ (7,702,308)**	**$ 960,807**	**$ (8,663,115)**

Finally, the City may continue to experience both direct and indirect impacts from federal spending cuts and repeated uncertainty in the Municipal Bond Market. There continue to be a variety of discussions regarding municipal bonds and how changes may impact the bond market interest rates and the cost of issuance with those bonds. As part of a prior national stimulus package, the City issued taxable Build America Bonds as part of its 2009 issuance. With this issue, the federal government was originally reimbursing 35% of the total interest paid to bondholders until December 2012 when the reimbursements were reduced. For this reason, the FY22 Proposed Budget anticipates minimal interest reimbursement.

DEBT LEVELS AND AFFORDABILITY

Neither State law nor the City's Charter places a limitation upon the amount of general obligation debt the City may incur. However, the City has strictly adhered to a debt management policy which is included as part of the fiscal policies section of this document to ensure it prudently and responsibly manages its debt. The debt management policy was last amended on December 16, 2014. While the City issues general obligation bonds for its utilities to lower interest costs, this debt is considered self-supporting from utility user service charges. Only non-utility general obligation financing bonds are considered to be tax supported.

As the table below demonstrates, the City's General Fund debt as currently proposed is below the limits established in the City's debt policy.

TAX SUPPORTED GENERAL FUND OBLIGATION DEBT RATIOS

Fiscal Year	Total Taxable Assessed Value	Gov't Debt as Percentage of Total Taxable Assessed Value	Gov't Debt Per Capita	General Fund Debt Service as % of General Fund Operating Revenue
2010/2011	2,880,838	0.65%	471	6.41%
2011/2012	2,559,162	0.68%	440	6.80%
2012/2013	2,633,731	0.61%	404	5.31%
2013/2014	2,665,127	0.57%	382	4.80%
2014/2015	2,541,960	0.71%	448	4.44%
2015/2016	2,618,007	0.63%	411	4.85%
2016/2017	2,659,606	0.77%	504	5.15%
2017/2018	2,659,872	0.75%	494	5.51%
2018/2019	2,713,633	0.78%	525	5.49%
2019/2020	2,754,271	0.68%	469	6.42%
2020/2021 Estimated Actual	2,762,455	0.62%	427	4.62%
2021/2022 Proposed Budget	2,827,345	0.70%	489	4.77%
City Debt Policy		**10.00%**	**$ 1,000**	**10.00%**

GENERAL FUND

REVENUES

The sources of funds to support the proposed General Fund budget are as follows:

	Revised Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Property Tax Revenue	$ 31,824,994	$ 32,247,483	$ 33,046,417	3.8%
Income & Other Taxes	3,707,814	3,714,264	4,354,855	17.5%
Licenses & Permits	2,671,414	2,573,950	2,186,750	-18.1%
Intergovernmental Revenues	1,830,918	1,817,794	362,544	-80.2%
Charges for Current Services	3,479,365	3,281,953	3,529,050	1.4%
Fines & Forfeitures	1,111,550	1,393,350	1,272,900	14.5%
Administrative Allocation Revenues	1,997,500	1,997,500	1,997,500	0.0%
Contributions & Donations	49,750	18,814	36,700	-26.2%
Interest on Investments	120,000	34,500	40,000	-66.7%
Other Unallocated General Revenues	245,557	251,655	234,317	-4.6%
Transfers from Other Funds	414,198	411,237	570,492	37.7%
Appropriated Use of Fund Balance	2,379,000	-	937,330	-60.6%
Total Current Revenue	**$ 49,832,060**	**$ 47,742,500**	**$ 48,568,855**	**-2.5%**

1. Overall Property Tax revenue is estimated to increase from FY21 Budget to FY22 Budget by $1.2M or 3.8% as a result of two primary factors. One factor is the impact of keeping the current real estate tax tier rates of 1.002 per $100 of assessed values for all excluding apartments and 1.032 per $100 assessed value for apartments. A second factor is a projected 4.0% growth based on trends versus data from SDAT that reflected an overall increase of 2.71% in our assessed values in the second year of the triennial cycle. This total increase in revenue is needed to cover rising costs for salary enhancements, employer benefits, capital infrastructure improvements and updates, and annual debt service requirements. Total Property Tax revenue is the primary source of revenue for the General Fund at 70.2% excluding Transfers from Other Funds and Appropriated Use of Fund Balance and 68.0% when including these other funding sources.

2. Intergovernmental Revenues are expected to decrease by <$1.5M> or <80.2%> compared to FY21 Budget due to one-time CARES Act funding received in FY21.

3. Interest on Investments are projected to decrease overall by <$80K> or <66.7%>. This is primarily the result of the effects of the COVID-19 pandemic on interest rates.

4. Appropriated Use of Fund Balance reflects a total request of $937K to be utilized from prior years' General Fund balance for a variety of purposes. This represents a decrease of <60.6%> over FY21 Budget amounts. The City had approved the utilization of a FY19 surplus in the General Fund for capital infrastructure needs. The $973K in the FY22 Budget is the remaining balance of those reserves to be reallocated to a few new projects and for a few previously approved projects that have not yet been completed. It is anticipated that the City will remain in compliance with its General Fund/Retained Earnings policy if all is spent.

COST BY FUNCTION

The General Fund expenditures by City functions are shown as follows:

	Revised Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Police	$ 14,901,400	$ 14,363,836	$ 14,701,004	-1.3%
Fire	8,728,697	8,742,552	8,766,553	0.4%
Subtotal Public Safety	**23,630,097**	**23,106,388**	**23,467,557**	**-0.7%**
Highways, Streets, & Signal Department	3,050,882	2,933,872	3,023,268	-0.9%
Engineering, Parks & Recreation	3,893,816	3,625,374	3,833,285	-1.6%
Waste Collection & Disposal	2,688,865	2,804,827	2,985,060	11.0%
Planning & Code Administration	2,141,332	2,066,214	2,231,350	4.2%
Information Technology	984,893	1,002,925	1,102,149	11.9%
Communications	273,897	246,272	269,556	-1.6%
Economic & Community Development	1,081,449	917,279	1,035,663	-4.2%
Finance	1,164,898	1,247,445	1,249,195	7.2%
Support Services	20	2,092	35,000	174900.0%
Human Resources	676,092	576,440	600,666	-11.2%
City Hall	278,472	276,048	282,473	1.4%
Legal Counsel	268,000	152,000	246,000	-8.2%
City Administrator	226,579	222,981	229,149	1.1%
Mayor & Council	220,586	220,734	215,779	-2.2%
City Clerk	166,437	157,152	170,591	2.5%
Retiree Benefits	1,468,700	1,502,000	1,502,000	2.3%
Contributions to Other Agencies	112,500	112,500	272,100	141.9%
Debt Service	2,436,312	2,205,332	2,273,059	-6.7%
Capital Transfers to Other Funds	611,757	658,686	1,116,240	82.5%
Fund Balance Transfers	2,379,000	659,493	937,330	-60.6%
Unallocated Expenses/Transfers*	1,993,619	1,993,619	1,488,933	-25.3%
Total General Fund	**$ 49,748,203**	**$ 46,689,673**	**$ 48,566,403**	**-2.4%**

* Includes Operating Transfers, Contingency, Inventory Adjustments, and Termination Pay

1. The Police Department FY22 Proposed Budget includes a decrease of <1.3%> or <$200.4K>. The majority of this decrease is due to the elimination of eight full-time vacant police officer positions and one part-time crime lab scientist position to offset salary enhancements that average approximately 10.0%

2. Waste Collection & Disposal is anticipated to be 6.1% or $296.2K higher in the FY22 budget. This increase a small inflation factor for these contracted services plus the addition of a new program titled At Your Door that includes removal of some biohazardous materials.

3. The FY22 proposed budget for Debt Service is estimated to be <$163.3K> lower than FY21 Budget. This reduction includes no new bond issues in FY21 as originally estimated; continued payments of principal on current issues; several issues paid in full; and timing for potential new issue for FY22 to include only one interest payment.

4. Capital Transfers to Other Funds includes an increase of 2.3% or $505K in the FY22 Proposed Budget. This increase over the prior budget reflects utilization of operating pay-go revenue at a higher level versus reliance fund balance reserves for capital infrastructure and project needs.

5. The FY22 Proposed Budget for Fund Balance Transfers reflects a decrease of <60.6%> or <$1.4M>. The FY22 Budget utilizes no new fund balance reserves but reflects the spending for the remaining balance approved during the prior budget that was not completed. In addition, more operating pay-go revenue and transfers are available for capital infrastructure projects than FY21.

EXPENDITURES BY TYPE

The use of funds by General Fund expenditures can also be analyzed as follows:

	Revised Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Salaries and Wages	$ 21,969,759	$ 21,453,237	$ 21,287,789	-3.1%
Employee Benefits	10,565,639	10,238,238	10,368,335	-1.9%
Total Wages and Benefits	**32,535,398**	**31,691,475**	**31,656,124**	**-2.7%**
Wage & Overhead Allocations	(1,414,143)	(1,375,916)	(1,463,257)	3.5%
Contracted Services	5,210,810	5,122,653	5,411,410	3.8%
Materials, Supplies & Utilities	2,019,044	2,045,335	2,119,816	5.0%
Insurance	306,657	301,615	306,941	0.1%
Advertising & Printing	241,809	217,297	224,445	-7.2%
Rentals	115,090	114,321	116,005	0.8%
Maintenance & Repairs	1,218,280	1,237,335	1,374,164	12.8%
Vehicle Expenditures	783,445	644,986	694,165	-11.4%
Professional Development	200,914	105,362	189,718	-5.6%
Communication Expenditures	363,728	369,239	378,788	4.1%
Other General Expenditures	705,733	627,230	1,070,534	51.7%
Unallocated General Expenditures	517,500	552,500	737,100	42.4%
Debt Service	2,436,312	2,205,332	2,273,059	-6.7%
Capital Outlay - Non CIP	190,992	186,853	186,688	-2.3%
Operating Transfers to Other Funds	1,325,877	1,325,877	1,237,133	-6.7%
Capital Transfers to Other Funds	611,757	658,686	1,116,240	82.5%
Fund Balance Transfer to CIP Fund	2,379,000	659,493	937,330	-60.6%
Total All Expenditures	**$ 49,748,203**	**$ 46,689,673**	**$ 48,566,403**	**-2.4%**

The major variances in General Fund expenditures by type are as follows:

1. The <$879.3M> or <2.7%> decrease in Total Wages & Benefits reflects salary enhancements per collective bargaining contracts for all employee groups including minimum wage increases impacting part-time and seasonal staff. Offsetting these increases is a reduction in total staffing within the General Fund by 15.5 full-time positions resulting from reallocation of staffing to other funds and unfunding several vacant positions. At a combined total of $31.7M, General Fund Wages & Benefits represent 65.2% of the total annual operating expenditures for FY22 Proposed Budget and is the largest component of all General Fund expenditures. All four of the City's collective bargaining units expire in June 2022 and three remaining have wage re-opener clauses that were halted during the COVID-19 pandemic.

2. Contracted Services is projected to increase $201K or 11.1% as a result of the increased trash services fees, credit card transaction fees, and grounds services costs.

3. The change of $365K or 51.7% in Other General Expenditures is a result of transition of billing and postage costs from the Electric Fund to the Support Services and Billing group in the General Fund and the inclusion of $120K for overall general contingency in FY22.

4. The $220K or 1.5% increase in Unallocated General Expenditures reflects increase related to NTF reimbursements paid to the County and for adding back agency contributions that were removed in the FY21 budget due to COVID-19.

5. Capital Transfers to Other Funds is projected to increase by $505K or 82.5% as more infrastructure and capital projects will be funded with operating pay-go revenue in FY22 than relying on fund balance reserves to fund.

6. The <$1.4M> decrease in Fund Balance Transfer to CIP Fund reflects the utilizing the remaining prior year's approval for fund balance reserve utilization for one-time infrastructure and capital projects. In FY22, more funding for capital projects if covered with operating pay-go revenue instead of needed additional reserve funds.

ENTERPRISE FUNDS

ELECTRIC FUND

	Revised Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Operating Revenues	$ 24,933,839	$ 24,474,401	$ 25,102,870	0.7%
Operating Expenses	25,219,214	24,739,164	25,453,894	0.9%
Operating Income (Loss)	**(285,375)**	**(264,763)**	**(351,024)**	**23.0%**
Non-Operating Revenues (Expenses)	135,032	19,459	(3,668)	-102.7%
Gain (Loss) on Fixed Asset Disposal	(10,000)	(18,695)	175,000	-1850.0%
Transfers from (to) Other Funds	10,959	10,959	41,616	279.7%
Capital Contributions & Grants	200,000	90,000	150,000	-25.0%
Increase (Decrease) in Retained Earnings	**50,616**	**(163,040)**	**11,924**	**-76.4%**
Add Back Depreciation	1,081,000	975,000	1,002,500	-7.3%
Capital Outlay/Fixed Assets	(1,492,500)	(873,725)	(1,292,000)	-13.4%
Repayment of Principal on Debt	(44,894)	(44,893)	(47,150)	5.0%
Non-Cash Developer Contributions	(200,000)	(90,000)	(150,000)	-25.0%
Net Surplus (Deficit)	**$ (605,778)**	**$ (196,658)**	**$ (474,726)**	**-21.6%**

Compared with the previous year, the major revenue changes in the Proposed Budget are:

1. No electric rate increases have been projected for FY22. The proposed budget reflects the power supply contract extensions through May 31, 2022 with Energy Harbor. A two-year extension will begin on June 1, 2022 with an expected wholesale rate decrease of 10.37% through May 31, 2024.

2. Electric revenue shows an overall 0.7% increase which reflects the continuation of current FY21 customer trends and usage.

The major expenditure changes in the Proposed Budget are as follows:

1. Purchased power costs are projected to be higher by 1.8% or $321.0K compared to FY21 Budget and reflects the charge per megawatt hour (MWh) of $52.70 which was effective June 1, 2017 and higher utilization trends as experiencing in FY21.

2. Non-operating revenues reflect a decrease of <102.7%> or <$138.7K> due to estimated decreases in interest revenue.

3. Capital Contributions are expected to decrease by <25.0%> or <$50.0K> due to a decrease in new planned developments in FY22.

4. Depreciation expense from FY21 Budget to FY22 Proposed Budget includes a decrease of <7.3%> or <$78.5K>.

5. Capital outlay totals for fixed assets are expected to decrease by <$200.5K> to total $1.3M. The Capital Improvement Program, Section 7, provides details on all the Electric Fund projects anticipated for FY22 beginning on page 110.

6. Annual debt service expenditures are expected to increase by 5.0% or $2.3K which is reflected in the Repayment of Debt Principal line above. There are no new anticipated bond issues expected for the Electric Fund.

WATER FUND

	Revised Budget 2020/2021	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Operating Revenues	$ 12,229,149	$ 12,467,713	$ 12,781,672	4.5%
Operating Expenses	12,895,592	12,432,625	13,166,653	2.1%
Operating Income (Loss)	**(666,443)**	**35,088**	**(384,981)**	**-42.2%**
Non-Operating Revenues (Expenses)	(403,253)	(448,142)	(414,957)	2.9%
Gain (Loss) on Fixed Asset Disposal	10,000	-	-	-100.0%
Transfers from (to) Other Funds	11,052	23,552	71,515	547.1%
Capital Contributions & Grants	1,102,200	1,002,142	852,142	-22.7%
Increase (Decrease) in Retained Earnings	**53,556**	**612,640**	**123,719**	**131.0%**
Add Back Depreciation	3,938,000	3,817,000	3,892,000	-1.2%
Capital Outlay/Fixed Assets	(4,345,000)	(1,680,937)	(2,765,000)	-36.4%
Repayment of Principal on Debt	(1,788,379)	(1,788,379)	(1,691,982)	-5.4%
Non-Cash Developer Contributions	(350,000)	(350,000)	(350,000)	0.0%
Bond Proceeds	1,700,000	-	-	-100.0%
Net Surplus (Deficit)	**$ (791,823)**	**$ 610,324**	**$ (791,263)**	**-0.1%**

Compared with the previous year, the major revenue changes in the Proposed Budget are:

1. Annual rate increases have been approved through FY24. The increase effective July 1, 2019 is an average of 3.0% for inside customers and 3.0% for outside customers and is reflected in the total operating revenue increase of 4.5%. The service rate increase is part of a multi-year plan to offset increasing debt service costs, rising depreciation expense, and decreasing capital contributions.

The major expenditure changes in the Proposed Budget are as follows:

1. The FY22 Proposed Budget includes an increase of 2.1% or $271.1K for total operating expenses. The FY22 Budget includes approved salary enhancements. The current AFSCME 1540 union contract is effective through June 2022. The primary reasons for this total increase are: an increase in Pumping & Water Treatment of $83.9K; an increase of $23.1K in Transmission & Distribution; and an increase of $202.3K in General & Administrative Expenses.

2. Capital Contributions are expected to remain flat at $350.0K due to new planned developments in FY22.

3. Capital outlay totals for fixed assets are estimated to decrease by <36.4%> or <$1.6M>. Projects include Edgemont Reservoir Improvements, Willson Treatment Plant Improvements, and Distribution System Rehabilitation and Main Replacement in the FY22 Proposed Budget figures. In future years, Edgemont Reservoir Improvements has $14.4M budgeted for a construction period which begins in FY22. The Capital Improvement Program, Section 7, provides details on all the Water Fund projects anticipated for FY22 Budget beginning on page 133.

4. Annual debt service expenditures are expected to decrease by <5.4%> or <$96.4K> as reflected in the Repayment of Debt Principal line above. This includes a 2019 MDE loan plus additional bond needs for FY22 planned improvements.

WASTEWATER FUND

	Revised Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Operating Revenues	$ 13,992,376	$ 13,768,525	$ 14,131,927	1.0%
Operating Expenses	14,301,280	12,889,709	13,517,726	-5.5%
Operating Income (Loss)	**(308,904)**	**878,816**	**614,201**	**-298.8%**
Non-Operating Revenues (Expenses)	(393,846)	(299,632)	(279,463)	-29.0%
Gain (Loss) on Fixed Asset Disposal	1,000	8,000	8,000	700.0%
Transfers from (to) Other Funds	19,200	19,200	59,681	210.8%
Capital Contributions & Grants	1,790,000	1,070,000	1,190,000	-33.5%
Increase (Decrease) in Retained Earnings	**1,107,450**	**1,676,384**	**1,592,419**	**43.8%**
Add Back Depreciation	3,546,000	2,869,000	3,156,000	-11.0%
Capital Outlay/Fixed Assets	(5,985,000)	(1,448,438)	(2,592,000)	-56.7%
Repayment of Principal on Debt	(1,714,966)	(1,456,966)	(1,482,705)	-13.5%
Non-Cash Developer Contributions	(250,000)	(250,000)	(250,000)	0.0%
Bond Proceeds	8,105,000	-	-	-100.0%
Net Surplus (Deficit)	**$ 4,808,484**	**$ 1,389,980**	**$ 423,714**	**-91.2%**

Compared with the previous year, the major revenue changes in the Proposed Budget are:

1. Annual rate increases have been approved through FY24. The increase effective July 1, 2020 is 2%. The 2% rate increase for FY22 is reflected in the total operating revenues increase of 1.0% or $139.6K in the chart above. The rate increases are part of a multi-year plan to ensure the fund continues to be self-supporting and to meet the Wastewater revenue requirements.

The major expenditure changes in the Proposed Budget are as follows:

1. The FY22 Proposed Budget includes an overall decrease of <5.5%> or <$783.6K> for total operating expenses. The FY22 Budget includes approved salary enhancements. The current AFSCME 1540 union contract is effective through June 2022. The primary reasons for this total decrease are: a decrease in magnesium hydroxide and polymers expenditures and a decrease in meter reading allocations.

2. Capital outlay totals for fixed assets are projected to decrease by <56.7%> or <$3.4M>. The Capital Improvement Program, Section 7, provides details on all the Wastewater Fund projects anticipated for FY22 Budget beginning on page 145.

3. The City is not anticipating to borrow for Wastewater Fund projects in the FY22 Proposed Budget. Annual debt service expenditures are expected to decrease by <13.5%> or <$232.3K> as reflected in the Repayment of Debt Principal line above.

PARKING FUND

	Revised Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Operating Revenues	$ 1,039,251	$ 664,935	$ 731,910	-29.6%
Operating Expenses	888,120	916,665	939,870	5.8%
Operating Income (Loss)	**151,131**	**(251,730)**	**(207,960)**	**-237.6%**
Non-Operating Revenues (Expenses)	(25,031)	(16,451)	(14,075)	-43.8%
Transfers from (to) Other Funds	(3,400)	(3,400)	(2,040)	-40.0%
Increase (Decrease) in Retained Earnings	**122,700**	**(271,581)**	**(224,075)**	**-282.6%**
Add Back Depreciation	273,000	268,400	287,000	5.1%
Capital Outlay/Fixed Assets	(880,000)	(137,182)	(25,000)	-97.2%
Repayment of Principal on Debt	(66,399)	(66,399)	(69,098)	4.1%
Bond Proceeds	1,367,000	-	-	0.0%
Net Surplus (Deficit)	**$ 816,301**	**$ (206,762)**	**$ (31,173)**	**-103.8%**

Compared with the previous year, the major revenue changes in the Proposed Budget are:

1. Parking rate increases have been projected for FY22 Proposed Budget. Parking decks and permitted parking will increase as of July 1, 2021.

2. Operating revenues are anticipated to decrease by <29.6%> or <$307.3K> from FY21 Budget to FY22 Budget. This is primarily due to an anticipated decrease in parking due to the COVID-19 pandemic.

The major expenditure changes in the Proposed Budget are as follows:

1. Total operating expenses in the FY22 Proposed Budget reflects an increase of 5.8% or $51.8K. The primary reasons for this increase is a total personnel (salary, overtime, & benefit) increase of $28.4K as a result of potential salary enhancements for full-time staff; and much lower regular operating expenses. The current AFSCME 1540 union contract is effective through June 2022.

2. Depreciation expense from FY21 Budget to FY22 Proposed Budget includes an increase of 5.1%, or $14.0K.

3. Transfer to CIP Fund decreased by <$1.4K> for FY22 Proposed Budget.

4. Capital outlay totals for fixed assets are projected to decrease by <$855.0K>. The Capital Improvement Program, Section 7, provides details on all the Parking Fund projects anticipated for FY22 beginning on page 160.

GOLF COURSE FUND

	Revised Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Operating Revenues	$ 203,200	$ 311,030	$ 296,500	45.9%
Operating Expenses	494,957	512,836	524,038	5.9%
Operating Income (Loss)	**(291,757)**	**(201,806)**	**(227,538)**	**-22.0%**
Non-Operating Revenues (Expenses)	100	414	220	120.0%
Transfers from (to) Other Funds	271,657	271,657	200,466	-26.2%
Increase (Decrease) in Retained Earnings	**(20,000)**	**70,265**	**(26,852)**	**0.0%**
Add Back Depreciation	42,268	48,500	65,500	55.0%
Capital Outlay/Fixed Assets	(35,000)	(35,000)	(98,000)	180.0%
Net Surplus (Deficit)	**$ (12,732)**	**$ 83,765**	**$ (59,352)**	**366.2%**

Compared with the previous year, the major revenue and expenditure changes in the Proposed Budget are as follows:

1. Overall operating revenues are anticipated to increase by 45.9% or $93.3K from FY21 Budget to FY22 Proposed Budget. The current FY21 trends are ahead of the FY21 Budget levels and it is anticipated that FY22 will improve even more as a result of the COVID-19 pandemic. This is also due to increased rates and rentals and a decrease in the amount of special rate programs and discounts given. The last rate adjustments for the Golf Course happened on January 1, 2021.

2. The operating expenses in the FY22 Budget are 5.9% or $29.1K higher than FY21 Budget. The FY22 Budget does include salary enhancements for full-time employees as the current AFSCME 1540 union contract is effective through June 2022. The increase in total operating expenses results from a $3.7K increase in total personnel costs (salary, overtime, and benefits), a $2.8K increase in contracted services, and $23.2K increase in other operating expenditures.

3. Depreciation expense is expected to increase 55.0% or $23.2K from FY21 Budget to FY22 Proposed Budget.

4. Capital outlay totals for fixed assets are expected to increase from FY21 Budget to FY22 Budget. The Capital Improvement Program, Section 7, provides details on the Golf Fund project anticipated for FY22 on page 164.

PROPERTY MANAGEMENT FUND

	Revised Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Operating Revenues	$ 325,908	$ 336,405	$ 330,187	1.3%
Operating Expenses	485,789	474,056	451,198	-7.1%
Operating Income (Loss)	**(159,881)**	**(137,651)**	**(121,011)**	**-24.3%**
Non-Operating Revenues (Expenses)	8,959	9,033	9,125	1.9%
Increase (Decrease) in Retained Earnings	**(150,922)**	**(128,618)**	**(111,886)**	**-25.9%**
Add Back Depreciation	140,000	133,200	141,000	0.7%
Capital Outlay/Fixed Assets	(147,000)	(47,000)	(160,000)	8.8%
Repayment of Principal on Debt	(5,511)	(5,511)	(5,555)	0.8%
Net Surplus (Deficit)	**$ (163,433)**	**$ (47,929)**	**$ (136,441)**	**-16.5%**

Compared with the previous year, the major revenue and expenditure changes in the Proposed Budget are as follows:

1. Overall operating revenues are anticipated to increase by 1.3% or $4.3K due to rental income.

2. Total operating expenses in the FY22 Proposed Budget reflect an overall decrease of <7.1%> or <$34.6K> compared to the FY21 Budget primarily due to a decrease in salaries and wages associated with no longer maintaining a City operated Art Gallery.

3. Depreciation expense is projected to increase by 0.7% or $1.0K from FY21 Budget to FY22 Proposed Budget.

4. Capital outlay totals for fixed assets are projected to decrease by <$13.0K> as a result of normal improvements for FY22. The Capital Improvement Program, Section 7, provides details on the various Property Management Fund projects anticipated for FY22 Budget beginning on page 166.

STORMWATER MANAGEMENT FUND

	Revised Budget 2020/2021	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
Operating Revenues	$ 1,334,718	$ 769,443	$2,944,432	120.6%
Operating Expenses	1,326,718	1,065,011	2,160,210	62.8%
Operating Income (Loss)	**8,000**	**(295,568)**	**784,222**	**9702.8%**
Non-Operating Revenues (Expenses)	-	(23,994)	(20,078)	100.0%
Transfers from (to) Other Funds	77,264	77,564	-	-100.0%
Capital Contributions & Grants	-	529,072	-	0.0%
Increase (Decrease) in Retained Earnings	**85,264**	**287,074**	**764,144**	**796.2%**
Add Back Depreciation	-	74,000	91,300	100.0%
Capital Outlay/Fixed Assets	(2,490,240)	(664,487)	(1,012,500)	-59.3%
Repayment of Principal on Debt	-	(32,932)	(34,348)	100.0%
Non-Cash Developer Contributions	-	-	-	0.0%
Bond Proceeds	1,000,000	-	-	-100.0%
Net Surplus (Deficit)	**$(1,404,976)**	**$(336,345)**	**$ (191,404)**	**-86.4%**

Compared with the previous year, the major revenue changes in the Proposed Budget are:

1. The annual Stormwater rate for calendar year 2021 is $32.00 per 1000 square feet of impervious surface. In calendar year 2022, the rate increases to $34.00 per year.

2. Operating revenues are projected to increase 120.6% or $1.6M in FY22 due to the first full year of stormwater fees being collected.

Compared with the previous year, the major revenue and expenditure changes in the Proposed Budget are as follows:

1. Overall operating revenues are anticipated to increase by 120.6% or $9.1K due to the first full year collection of the stormwater fee.

2. Total operating expenses in the FY22 Proposed Budget reflect an overall increase of 62.8% or $833.5K compared to the FY21 Budget. This is due to increases in salary and wages, benefits, wage allocations, and other general expenses.

3. Depreciation expense is projected to increase by $91.3K from FY21 Budget to FY22 Proposed Budget due to investment in infrastructure in the newly created fund.

4. Capital outlay totals for fixed assets are projected to decrease by <59.3%> or <$1.5M> as a result of normal improvements for FY22. The Capital Improvement Program, Section 7, provides details on the various Stormwater Management Fund projects anticipated for FY22 Budget beginning on page 170.

SPECIAL REVENUE FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

	Revised Budget 2020/21	Estimated Actual 2020/21	Proposed Budget 2021/22	Percent Change
CDBG Grant Revenues	$ 1,659,922	$ 1,292,822	$ 1,629,910	-1.8%
Program Income	298,606	346,004	249,693	-16.4%
Total Operating Revenues	**1,958,528**	**1,638,826**	**1,879,603**	**-4.0%**
Commercial/Industrial Improvements	-	-	75,000	100.0%
Clearance & Demolition	150,000	75,000	75,000	-50.0%
Public Facilities & Improvements	789,748	445,384	735,000	-6.9%
Public Services	636,345	470,800	628,410	-1.2%
Contra Principal Payments	95,000	320,254	66,000	-30.5%
Cost of Properties Held for Resale	-	-	221,000	100.0%
Housing Rehab	149,250	125,620	71,774	-51.9%
Program Administration	-	30,520	59,527	100.0%
Administration	163,065	169,987	162,524	-0.3%
Total Operating Expenditures	**1,983,408**	**1,637,565**	**2,094,235**	**5.6%**
Net Change in Fund Balance	**$ (24,880)**	**$ 1,261**	**$ (214,632)**	**762.7%**

Compared with the previous year, the major revenue changes in the Proposed Budget are as follows:

1. Total Revenues reflect an overall decrease of <$78.9K> or <4.0%> from FY21 Budget. This is a result of an anticipated decrease in the use of Entitlement monies by <$30.0K> or a <1.8%> decrease, and from a decrease in program income by <$48.9K> as a result of an anticipated sale of a CDBG funded property. There is chart that reflects the City's entitlement funding history in Section 4 on page 6.

Compared with the previous year, the major expenditure changes in the Proposed Budget are:

1. Commercial/Industrial Improvements are projected to be $75.0K for FY22 Budget due to a micro loan grant for low income businesses.

2. Cost of Properties Held for Resale is budgeted to be $221.0K which is the expected loss from the sale of one unit at 261 S. Prospect St.

3. Total Housing expenses are estimated to decrease by <$77.5K> or <51.9%> due to decreased funding in the single family loan program, and in residential single family emergency repair funding.

4. Program Administration costs are projected to be $59.5K in FY22 due to a reallocation of salaries and wages to specific programs and initiatives instead of reflecting 100% in general administration.

THE BUDGET SCHEDULE

The Municipal Charter of Hagerstown requires the City Administrator to submit a budget to the Mayor and Council at least 90 days before the beginning of the fiscal year. The Charter states that the "budget shall provide a complete financial plan for the budget year and shall contain estimates of anticipated revenues and proposed expenditures for the coming year. The total of the anticipated revenues shall equal or exceed the total of the proposed expenditures." The Charter also states that the budget shall be adopted no later than June 1st of each year.

The budget schedule for this year is as follows:

November 16 – November 20, 2020	Department review meetings for 1st Quarter FY21 financial operating results
December 3, 2020	First Public Hearing on Community Development Block Grant funding needs held virtually
January 4 – January 22, 2021	Department budget requests and start of review meetings between Department Directors and Budget Committee
February 2, 2021	FY21 General Fund Budget Balancing and Adjustments review with Mayor and City Council
February 3, 2021	Begin prioritizing department requests and developing City Administrator adjustments. This process includes discussing proposed adjustments, obtaining further input, and agreement on adjustments with departments.
March 31, 2021	City Administrator's Proposed Budget submitted to Mayor and City Council
April 6 – May 18, 2021	Mayor and City Council review of Proposed Budget and Capital Improvement Program
April 29, 2021	Second Public Hearing on Community Development Block Grant funding needs
May 11, 2021	Introduction of Ordinances: FY22 Budget and Property Tax Rates
May 11, 2021	Public Hearing on FY22 Budget and Capital Improvement Program; Public Hearing on property tax rates
May 18, 2021	Adoption of Ordinances: FY22 Budget and Property Tax Rates

DISTINGUISHED BUDGET PRESENTATION AWARD

This was the 17th consecutive year that the Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Hagerstown, Maryland for its annual budget for the fiscal year beginning July 1, 2020. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operating guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe this proposed budget continues to conform to program requirements, and we will be submitting it to GFOA to determine its eligibility for another award.

ACKNOWLEDGEMENTS

This proposed budget is a result of the unified efforts of the City's Senior Leadership Team across all departments and Funds and their staff who have given hours of thought and diligence to prioritizing the programs and projects for inclusion. We commend and thank them for their work.

Preparation of the budget is a unified effort, but we must recognize the Finance Team as the lead in guiding the budget preparation. We wish to especially acknowledge Finance team members: Brooke Garver, Accounting & Budget Manager; Jeff Lear, Senior Financial Accountant; and Brooke Gue, Senior Accountant, who had key responsibilities in the process this year. The entire Finance staff deserves special acknowledgment and credit for the extra hours worked in assisting with and coordinating the production of this year's budget. Nelia Tidler, Utilities Finance Manager assisted in the preparation of utility revenue projections as well as reviewing and analyzing all of the utility fund budgets. Human Resources staff provided oversight on personnel and fringe benefit budget issues. All of the mentioned contributions have resulted in this comprehensive presentation of the FY22 budget. We also would like to thank Dani Frye and Jason Miller for their administrative assistance with the budget message and coordination of the many meetings scheduled.

The staff and I look forward to reviewing this proposed budget with you.

Respectfully submitted,



Scott Nicewarner
City Administrator

Organizational Structure

City of Hagerstown Elected Officials



Mayor
Emily
Keller



Councilmember
Kristin B.
Aleshire



Councilmember
Robert E.
Bruchey, II



Councilmember
Tiara
Burnett



Councilmember
Tekesha
Martinez

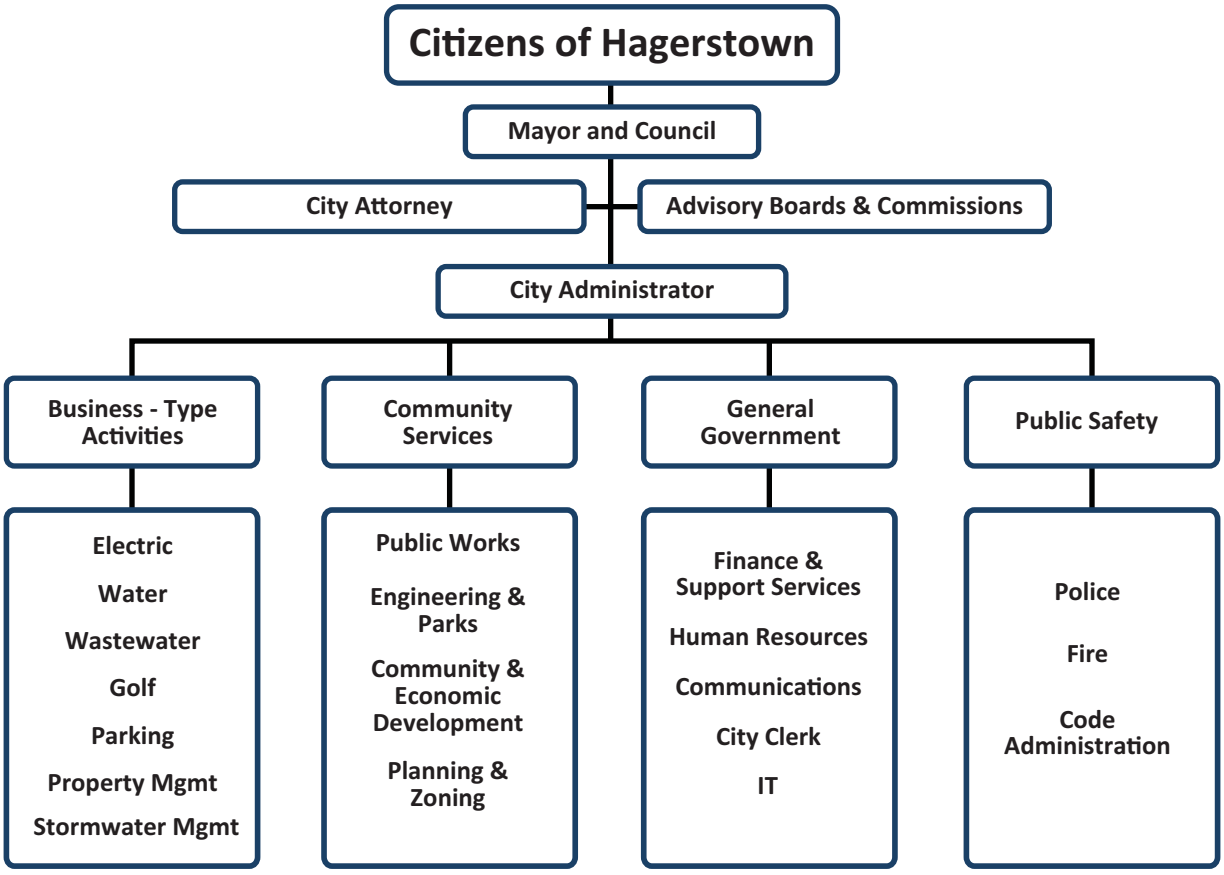


Councilmember
Shelley
McIntire

City of Hagerstown Structure



Scott Nicewarner, City Administrator



City Wide Department Cross Matrix

Department	General-Other	Type of Fund	Related Sections
Mayor	General	Governmental	Section 2
City Council	General	Governmental	Section 2
City Administrator	General	Governmental	Section 2
City Clerk	General	Governmental	Section 2
Legal	General	Governmental	Section 2
Public Functions	General	Governmental	Section 2
Communications	General	Governmental	Section 2
Registration/Elections	General	Governmental	Section 2
Finance	General	Governmental	Section 2
Support Services	General	Governmental	Section 2
Information Technology	General	Governmental	Section 2
Human Resources	General	Governmental	Section 2
City Engineer	General	Governmental	Section 2
City Hall	General	Governmental	Section 2
Planning	General	Governmental	Section 2
Code Administration	General	Governmental	Section 2
Community & Economic Development	General	Governmental	Section 2
Sanitation	General	Governmental	Section 2
Parks & Recreation	General	Governmental	Section 2
Police	General	Governmental	Section 2
Fire	General	Governmental	Section 2
Public Works	General	Governmental	Section 2
CIP-General	Captial Improvement	Governmental	Section 7
Community Development Block Grant	Special Revenue	Governmental	Section 4
Economic Redevelopment	Special Revenue	Governmental	Section 4
Business Revolving Loan	Special Revenue	Governmental	Section 4
Forest Conservation Fund	Special Revenue	Governmental	Section 4
Flexible Spending Fund	Special Revenue	Governmental	Section 4
Excise Tax Fund	Special Revenue	Governmental	Section 4
Grant Fund	Special Revenue	Governmental	Section 4
Electric	Utility Fund	Enterprise/Business Type	Section 3, Section 7
Water	Utility Fund	Enterprise/Business Type	Section 3, Section 7
Wastewater	Utility Fund	Enterprise/Business Type	Section 3, Section 7
Parking	Parking Fund	Enterprise/Business Type	Section 3, Section 7
Golf Course	Golf Course Fund	Enterprise/Business Type	Section 3, Section 7
Property Management	Property Management Fund	Enterprise/Business Type	Section 3, Section 7
Stormwater Management	Stormwater Management Fund	Enterprise/Business Type	Section 3, Section 7
Workers Compensation	Workers Compensation Fund	Service & Trust	Section 5
Health Care	Health Care Fund	Service & Trust	Section 5
Dental Care	Dental Care Fund	Service & Trust	Section 5
Bloom Carlile	Bloom Carlile Fund	Service & Trust	Section 5

SECTION 1 - MAYOR & COUNCIL GOALS & PRIORITIES 2018-2020

Through a combination of financial management policies, land use and forecasting, the City will ensure stability by maximizing its use of resources. To assist the Mayor and City Council, a five year forecast of the City's General and Enterprise Funds is included in the City's budget document to illustrate the financial impact of their decisions. On November 27, 2018, Mayor and Council adopted their new Goals & Priorities for 2018 through 2020. As outlined below, these priorities are categorized under ten "pillar" goals which were derived from Mayor and Council's Mission and Vision Statement that was also approved by the elected body November 27, 2018.

Vision Statement: The City of Hagerstown will promote a diverse, business-friendly, and sustainable community with clean, safe and strong neighborhoods.

Mission Statement: The City of Hagerstown shall be the model provider of the most efficient and highest quality customer services to be known as the municipal location of choice for all.

The City will emphasize the following Core Values through the implementation of the Mayor & Council's Goals & Priorities:

- Health, public safety and welfare
- Government transparency
- Providing the highest quality customer service for internal and external customers
- Creative, progressive Government
- Neighborhood protection
- Excellence and continuous improvement
- Partnerships and stakeholder feedback
- Budget Stabilization
- Reversing negative image perception by controlling image management

NEIGHBORHOODS REVITALIZATION & SUSTAINABILTY

The citizens of Hagerstown experience a high quality of life in their neighborhood.

- Create a Strategic Demolition Plan with funding model.
- Identify and prioritize blighted structures and rehabilitation of these parcels to allow placement back on the real property tax roll.
- Sustaining and improving Planning, Code and Zoning policies and laws for continued neighborhood protections.
- Promote neighborhood-based services and citizen engagement by defining neighborhood boundaries and identities and also by expanding Neighborhoods 1st programming.
- Continue to improve conditions in neighborhoods by working with owners, tenants and investors utilizing the Rental Facilities and Vacant Structures programs.






PUBLIC SAFETY

The City of Hagerstown ensures that all who live, work, and play in the City of Hagerstown are safe.

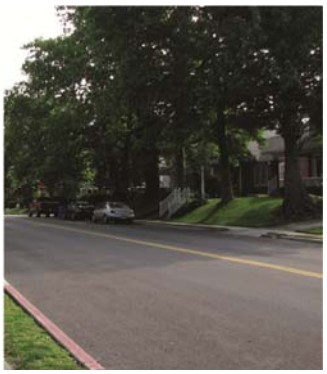
- Within budget support the manpower and capital needs of the City Police, Fire, Code and Public Works Departments.
- Focus attention and resources to Retention and Recruitment in the Police Department.
- Sustain a focus for the City Fire System and the all hazards mission.
- Work with State delegation and community stakeholders to develop legislation and programs to address gangs, violence, drug activity and juvenile crimes.
- Continue focus on the opioid epidemic through partnering with community stakeholders and through the continuing opioid litigation.

PUBLIC FACILITIES AND INFRASTRUCTURE

The City of Hagerstown establishes and maintains quality services and infrastructure that support residents and businesses in a cost-effective manner.

- Planning for construction of a third parking deck in the Urban Improvement Project area and incorporate new technologies that provide and promote a more customer-oriented parking experience throughout the City owned parking facilities and lots.
- Implementation of Stormwater Management Plan and possible fee structure to abide by the new National Pollutant Discharge Elimination System (NPDES) permit regulations.
- Support current improvement plan to the Breichner Water Plant, Edgemont Reservoir and surrounding watershed properties.
- Using the data from an updated street Pavement Condition Survey, make future pavement maintenance decisions and continue to seek restored funding of Highway User Revenue.



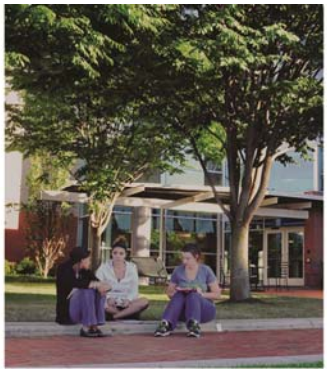



ECONOMIC DEVELOPMENT

The City of Hagerstown has a diverse, business-friendly economy that supports the community's needs.

- Implement the Community's City Center Plan to promote economic development and strong neighborhoods in our core concentrating resources on the following catalyst projects.
    - **Catalyst Project #1** - Select a developer to construct new Class-A offices on the Central Parking Lot.
    - **Catalyst Project #2** - Work with public and private partners to support the expansion of Maryland Theatre programming and facilities.
    - **Catalyst Project #3** - Work in support of USMH to expand academic program offerings and facilities, including student housing.
    - **Catalyst Project #5** - Construct a multi-use trail linking the Arts & Entertainment District with City Park and the WCMFA.
    - **Catalyst Project #6** - Expanded Downtown Arts/Events Programming
    - **Catalyst Project #8** - Expanded and Targeted Home Ownership Support

- Explore creation of a City Economic Development Board.
- Continued support of the partners of the Urban Improvement Project including the City's focus on the Plaza portion.
- Review of Pre-annexation agreements and continue to explore new possibilities for annexation opportunities.
- Continued marketing of City owned properties to the private sector and attracting tenants to available space in City-owned property and managing lease agreements and lease renewals.
- Business Retention, Expansion and Attraction. Work with existing and prospective businesses and investors to retain, expand and attract jobs and investment in Hagerstown.
- Continued administration of incentive programs including the new Invest Hagerstown Grant.



BUDGET STABILIZATION

The City of Hagerstown will strive for continuous improvement of fiscally responsible decision making on both sides of the Budget equation.

- Study the possibility of City wide Payment in Lieu of taxes (PILOTS) for real property exempt parcels.
- Grow assessable base (see Neighborhood Revitalization & Sustainability).
- Promote improvements to the State tax assessment and appeals process.
- Continue to strive for the most efficient management of departmental resources and expense controls.
- Evaluate the future structure and delivery of City services within the availability of our community's financial resources and in response to the needs of Hagerstown's citizens and businesses.
- Continued review of Fiscal policies and make recommendations for any changes.
- Continue work on the new Utility Rate structures for Water, Wastewater and Electric.

PARKS & RECREATION FOR ACTIVE/HEALTHY LIVING

The City of Hagerstown supports a rich, social and culturally vibrant community.

- Construct a Splash Pad ideally along the Hagerstown Cultural Trail.
- Continue to develop and expand programs through the Parks & Recreation Division to increase active, healthy living for our citizens.
- Continue to develop programs that add public art throughout City neighborhoods, parks and public gathering places on an annual basis.






INNOVATIVE/ PROGRESSIVE GOVERNMENT

The City of Hagerstown is committed to employee development, excellence in services, and adapting to meet the needs of the community and the organization.

- Full Service / 24 hour access to City services through implementation of a customer kiosk in the Downtown area.
- Automated Pay-by-Phone. Since our phone system and financial software do not support this ability at this time, explore the requirements and costs of this enhancement.
- Provide ability for application for all types of City permits online, 24x7 access.
- Charter and City Code amendment review. (Possible creation of Ad-Hoc committee).
- High focus on Customer Service innovations to enhance the customer service experience.
- Human Resource technology focus on ways to automate or streamline routine tasks in order to shilt time and staff resources from transactional administrative work to more strategic focuses including employee and other possible surveys.

COMMUNITY PROMOTION / PRIDE

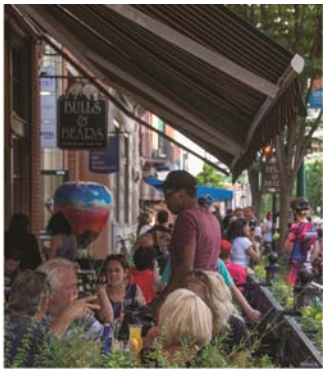
The City of Hagerstown will take the lead in improving our Community Image by releasing factual, timely and transparent messaging.

- Creation of an Image/Marketing Plan with creation of creative hash tag identifier.
- Taking image management and enhancement messaging outside of Hagerstown and Washington County.
- Utilize all means of media outlets and partners to promote our messaging including our own studio and help of organizations such as MML, trade shows, professional conferences, Chamber etc.









ECONOMIC DEVELOPMENT THROUGH SPORTS AND TOURISM

The City of Hagerstown will be creative and diversify opportunities for Economic Development through nontraditional means.

- Indoor Sportsplex RFP.
- Multi-use Stadium Complex Study through the MD Stadium Authority.
- Research other opportunities for sport tourism.

CITIZEN-BASED GOVERNMENT

The City of Hagerstown believes in an ethical and financially responsible government, while supporting an engaged citizenry to make the community more than the sum of its parts.

- Promote awareness and understanding of the City's finances through accessible and easy-to-use data presentations.
- Grow the Hagerstown Strong Program - a volunteer outreach group pairing volunteers with government staff.
- Continue to support the Main Street Program and those volunteer groups.
- Grow a foundation of active and engaged residents to serve on various City boards and commissions.
- Improve access to City website information for mobile device users.
- Promote engagement of Youth in Local Government.






SECTION 1 – DEPARTMENTAL GOALS 2021

This Mayor and City Council took office in November 2020 and are currently working toward approving new Goals and Priorities that will set the foundation to be built upon during the next four years of this Administration. Our current mission: *The City of Hagerstown shall be the model provider of the most efficient and highest quality customer services to be known as the municipal location of choice for all.* This is our current focus and is carried on through the Departmental Goals of this section. You will find that some of the goals are multi-year and phases have been carried forward from 2020, and may be carried beyond 2021. We recognize that this is a working plan and that at times priorities may shift. We also understand that the plan is subject to fiscal constraints. In general, these goals as presented to you here solidify the team's commitment to the City's mission.

CITY CLERK

- Update the records management program, beginning with rebuilding the outdated Record Retention Schedule.
- Provide electronic access to documents and communications for citizens and staff members.
- Implement electronic filing capability for candidates in the 2024 election cycle.

DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

The following objectives for the Department of Community & Economic Development (DCED) encompass our programmatic work.

- To drive new development and investment in the City and Downtown resulting in the stabilization and growth of the City's assessable base and new jobs.
- To strengthen City neighborhoods and homeownership through community engagement and addressing blighted/abandoned properties and housing stock issues.
- To promote and advance the image and quality of life of the City for the economic benefit of existing businesses and for new residential and commercial investment.

The following are programmatic-level goals for the Department of Community & Economic Development (DCED).

Community's City Center Plan. Implement catalyst projects identified in the 10-year Community's City Center Plan.

- Catalyst Project #1: Office Development and Recruitment
- Catalyst Project #2: Maryland Theatre Expansion of Programming and Facilities
- Catalyst Project #3: USMH Expansion Support
- Catalyst Project #5: Linking City Park/WCMFA and the A&E District with Trail & New Housing
- Catalyst Project #6: Expanded Downtown Arts/Events Programming
- Catalyst Project #8: Expanded and Targeted Home Ownership Support

Monitor opportunities related to select catalyst projects.

- Catalyst Project #4: Hotel/Conference Center and Heritage Center/Commemorative Park
- Catalyst Project #7: Expanded Operations of the City Farmer's Market

Urban Improvement Project. The Urban Improvement Project includes expansion of the Maryland Theatre, Barbara Ingram School for the Arts (BISFA) and the University System of Maryland at Hagerstown (USMH) as well as the creation of a plaza. Support the Mayor and City Council's work to expand cultural and academic opportunities in City Center.

Grants Management. Administer multiple grants through the State of Maryland Community Legacy Program, Strategic Demolition Fund and other grant sources to support redevelopment projects and incentive programs.

COMMUNITY DEVELOPMENT

- **Community Development Block Grant & Supported Programs.** Manage the Community Development Block Grant (CDBG) Program, which provides funding to Public Service Programs, Homeowner Rehabilitation Programs, Capital Improvement Projects, and additional programs.

- **Neighborhoods 1st Program.** Manage the Neighborhoods 1st Program creating a venue for neighborhood-based citizen groups to engage and collaborate with local government in community building and placemaking through events and projects.

- **Community Engagement and Growing Volunteerism.** Lead engagement efforts, dialogue and external relations. Explore action items that enhance our efforts to become a more sustainable and viable City. Continue to grow volunteerism to foster civic engagement and understanding of local government operations.

- **Youth Engagement.** Support and grow the initiatives and activities of the Hagerstown Youth Advisory Council (HYAC). The effort will provide a voice for youth in City government and will foster civic engagement.

- **Strategic Demolition and Repurposing of Abandoned Property.** Work cross department to fully launch and administer a program to repurpose problem, abandoned properties that fail to transfer ownership through the traditional tax sale process. This includes demolition of dilapidated, abandon property (when necessary) and transfer of ownership to a qualifying entity or homeowner.

- **Public Art.** Work cross department to identify additional locations for public art in neighborhoods throughout the City.

ECONOMIC DEVELOPMENT

- **Business Retention, Expansion and Attraction.** Work with existing and prospective business owners and investors to retain, expand and attract investment in Hagerstown. These efforts include the administration of a range of incentives and programs (Partners in Economic Progress (PEP), Invest Hagerstown Grant Programs, and others) as well as services such as grand opening and anniversary events.

- **Sports Tourism.** Monitor and support economic development opportunities related to sports and sports-tourism industries.

- **Hagerstown Revolving Loan Fund.** Manage a business revolving loan program designed to provide financing for new and expanding businesses for working capital, equipment, property acquisition and property rehabilitation.

- **Entrepreneurship and Business Resource Center.** Explore options to evolve the BuroBox Program, an entrepreneurship and business resource center at 60 West Washington Street, with the goal of supporting the needs of a broader market of entrepreneurs, small businesses, and telecommuters.

- **Arts & Entertainment District.** Maintain the City's designation as an Arts and Entertainment District and manage supporting programs.

- **Main Street Hagerstown.** Maintain the City's designation as a Main Street Community and manage volunteer engagement and programs using the 5-point Main Street Maryland model: (1) Promotions; (2) Design; (3) Business Relations; (4) Clean, Safe and Green; and (5) Organization. Manage key programs such as the "Adopt-A-Block" Program, Clean Up & Beautification Days and annual events. Explore the continued growth, evolution and partnership options for this program.

- **Property Management.** Lease available space in City-owned properties including attracting tenants and manage lease renewals.

- **Commercial Development and Competitive Negotiated Sale (CNS).** Catalyze commercial development by enhancing City-owned properties and marketing these properties to private investors through the Competitive Negotiated Sale process (CNS) with the goal of returning properties to the private sector for active, contributing uses.

- **Annexation Opportunities.** Explore opportunities to facilitate annexation as a means of enhancing the tax base of the City and facilitating provision of services.

SPECIAL EVENTS AND FESTIVALS

- **City Organized, Partnered and Supported Events.** Plan and implement a range of special events and festivals delivered by the City of Hagerstown and/or in partnership. Provide support through sponsorship of additional events. Events include, but are not limited to: Imagine Hagerstown, AugustoberFest, Thunder in the Square, the Mummer's Parade, the Tour of Washington County Downtown Criterium, the Tree Lighting event, HollyFest, the Donut Drop and more.

- **Support for Downtown Events.** Encourage and provide support to organizations that select Downtown Hagerstown as the venue for their events. Provide guidance to outside event planners with the goal of increasing the number of events held annually downtown.

- **City Farmers' Market.** Operate and manage the City Farmers' Market and explore related opportunities.

FINANCE AND SUPPORT SERVICES

FINANCE

Stormwater Management Implementation. With the implementation of this new program, a new fund must be created. The establishment of the fund will allow for electronic utilization of existing software but requires creation of this new fund and accounts in all areas including, time & attendance, purchasing and procurement, inventory, accounts payable, and overall general accounting for audit and budget purposes.

Popular Annual Financial Report (PAFR). The Popular Annual Financial Report (PAFR) is a document that is intended to convey the financial results of the City's operations to those stakeholders of the City that do not necessarily have a background in public finance. The PAFR is derived from the City's Comprehensive Annual Financial Report. The PAFR typically uses graphics and visuals to communicate the financial message. Finance will be producing a Popular Annual Financial Report in late 2021 to present FY21 financial data in an easy-to-use format.

Update P-Card and Purchasing Policy. A primary portion of the expenses across the City are monitored via the existing purchasing and p-card policies. These policies establish key limits of authority across all areas including Director of Finance and City Administrator. Like any other fiscal policy, this specific needs to be reviewed and updated and will require a cross department team to make suggestions for ultimate Mayor and Council approval.

SUPPORT SERVICES

Stormwater Billing Implementation. The City enacted a Stormwater User Fee to go into effect on July 1, 2020. Due to the COVID-19 pandemic, the implementation date was postponed. Staff will continue to work in preparation of the Stormwater User Fee implementation which will be added onto utility bills with water, wastewater and trash fees.

Customer Needs Automated Communication Project. Staff will begin planning for implementation of an Interactive Voice Response system that will integrate directly with the MUNIS Cashiering system to allow for direct entry of utility payment into the system. This will provide citizens with another option to pay their utility bill, as well as address some of the volume of representative assisted phone and lobby interactions.

Update City Website. Update the Support Services and Utility Billing section of the City website to make it more user-friendly with quicker access to links in order to meet the needs of customers through the COVID-19 pandemic.

FIRE DEPARTMENT

- Participate in both the FY21 wage reopener and prepare for the FY22 term negotiations processes with an emphasis on staffing and human resources needs. Priorities include a part-time dedicated Plans Review Specialist, reclassification of the civilian Executive Admin position and hiring of an Administrative Specialist for the Fire Marshal Division, replacement of the retiring Fire Chief, and phase -1 of a three person/company staffing plan.

- Create an amendment to the City Charter to rename the HFD to “Hagerstown Fire-Rescue” that will: a) assume responsibility for all elements of the all-hazards mission including haz-mat, specialty rescue and EMS, and b) develop a single volunteer division under the centralized authority of the HFD Chief for all certified and operational volunteers.

- Fully implement the replacement ESO/FH software records management software program.

- Complete the Insurance Services Office (ISO) Five-Year Public Protection Classification (PPC) review.

- Post COVID, fully implement an in-service inspection and pre-planning program for non-sprinklered, commercial buildings using Insurance Service Office (ISO) criteria.

- Working with the Water Division to develop an in-service plan to inspect, flow-test, color-code and maintain fire hydrants to the ISO standard of 20% sampling in each water zone.

- Continue to implement the strategic recommendations and action items enumerated in the HFD Five-Year Strategic Plan and integrate that plan into the City Comprehensive Plan.

- Initiate recommendations and policy revisions from the joint management/labor safety/wellness committee that will reduce the number of vehicle collisions in the HFD. Acquire cameras for the fleet that will provide accurate data recordation of driver and vehicle actions.

- Continue to implement the multi-year renovations and improvements CIP project(s) to create a fully equipped fire tactical village at the Bowman Avenue training center.

- Continue to seek equal and fair funding for all City of Hagerstown fire-rescue facilities redirected to the municipal budget from Washington County government.

- Continue to seek to change the governance model of the Washington County Volunteer Fire & Rescue Association (WCVFRA) and Emergency Services Advisory Commission (ESAC), and the radio system governance board that provides voting representation for the HFD.

- Accelerate replacement of Reserve Truck 3 and a replacement chassis for Utility 3 based upon mechanical failures with both vehicles. The goal is to order a replacement chassis for Utility 3 as soon as FORD motor permits FY22 orders, and to place an order for RT-3 as soon as bond financing is available.

HUMAN RESOURCES

Negotiation of Collective Bargaining Agreements. As budget allows, Human Resources will engage in wage reopeners with all four of the City's Collective Bargaining Units in late FY2021. All union contracts have an end date in June 2022. Wage reopeners for all bargaining units began in January 2020 and were suspended because of the COVID Pandemic. We will continue to meet with the unions to discuss the budgets and look for a way to move forward as the budget condition becomes clearer.

Wellness Program. Staff is working with our benefits consultants and will continue to transform wellness by converting it into a Total Wellbeing Program. This new program will bring a 2021 philosophy by moving beyond just health, nutrition, and exercise by including programs that focus on financial and emotional wellbeing as well.

Healthcare Initiatives. The Healthcare Committee will provide Mayor and Council with recommended changes to the healthcare plans in an effort to reduce the increasing administrative and claims costs. Human Resources will work with the Health Care Committee to explore integrating wellness initiatives to promote healthier lifestyles (smoking cessation, participating in quarterly programs) in order to reduce premiums for medical coverage. Human Resources will host a Benefits Fair for employees, retirees, and their dependents to provide education about the various benefits plans available, prior to launching online open enrollment scheduled for April and May. We will work to meet various Affordable Care Act requirements for reporting healthcare coverage for employees, retirees and dependents as required by law. Overall Plan costs are down, although that amount is impacted by the effects of the Pandemic. Last year's Benefits Fair for employees was cancelled due to the Pandemic. We will be focusing on virtual ways of engagement until we can move back to group events. Staff will be providing an update to Mayor and Council on the plan's performance and discuss future projections.

Technology. Staff will continue to automate and streamline routine tasks in order to shift time and staff resources from transactional administrative work to more strategic focuses. Re-introduction of Employee Self Service (ESS) within MUNIS to all employees to streamline HR services/communications and implementation of online benefits enrollment is planned for April and May of 2021. Introduction of the Munis ESS app is planned as an additional resource for employees to access personal, pay, tax, time off and benefits information. Staff will continue to focus on ways to make the HR website more useful by consolidating various processes, policies, and forms. We will continue to create and rollout a total compensation report for all employees in FY22.

Training. Human Resources will continue utilizing Kantola Training Solutions for a variety of offerings for development of City employees. Newly promoted supervisors will be offered training with AMA (American Management Association). We will continue to make customer service training a priority. We will also be providing tools to staff to develop their supervisory and coaching skills, specifically in areas related to performance management and succession planning and city-wide refresher training on anti-harassment and

sensitivity, diversity, and inclusion in the workplace. We will continue to review and update employment policies as needed throughout the year.

Compensation. Changes in the budget position because of the continuing Pandemic has made any change beyond steps impossible for the time being. This will continue to be a primary focus as we move into the next calendar and fiscal years.

Performance Management. Staff will focus on developing and introducing a new performance management and review process.

Employee Recognition. Staff will be working to develop updated employee recognition programs this calendar year including the re-introduction of the HIP Award Program. HR will continue to focus on ways to recognize our employees.

Deferred Compensation. Empower will continue to offer employees investment training classes and will incorporate financial planning training for employees/spouses. With the new upgrade to the Empower website and the introduction of the Empower App, employees will be encouraged to utilize technology to make changes or update their accounts as well as review balances and monitor performance of their contributions.

Risk Management. We will continue to work to minimize losses due to workers' compensation and liability incidents. Staff will work closely with all departments to ensure goals are met to address risk management concerns. Classroom training conducted by internal and outside instructors is paramount to reducing City losses. We plan to increase the utilization of online training through services provided by our insurers. We will continue courses (some on-line) despite the Pandemic to maintain our required training levels in critical areas. Injury and liability claims stayed relatively steady from 2020 to 2021.

INFORMATION TECHNOLOGY

Network Infrastructure Analysis/Upgrade. Staff will undergo a thorough review and analysis of our current network infrastructure, providing recommendations for upgrading of equipment to newer/current hardware technologies as well as undertaking a project to increase the operating standard of City network capacity throughput from 1G to 10G.

Virtualize Hardware Infrastructure. Staff will continue to move our hardware infrastructure from individualized servers to a virtualized environment, allowing for greater flexibility and performance of our existing systems while simplifying overall support of the hardware landscape.

Increased Integration into Cloud Services. Staff will continue to evaluate and recommend data storage solutions that are cloud based (instead of on-premises). This enhances data security and backup capability for sensitive information that is integral to our overall IT operations.

Security Awareness Education. As businesses and municipalities continue to come under increased threats of hackers utilizing more sophisticated phishing and virus-laden emails, IT continues to partner with HR to provide training and awareness to our City staff concerning safe and secure technology usage.

Standardization of Technology Across City Departments. Staff will continue to work with the various departments in order to standardize and upgrade all hardware and software so that all users are on common/supportable levels.

Upgrade City Financial System. Staff will work with our software vendor to upgrade the City's financial system (MUNIS) to the latest version, allowing for additional functionality and to increase operational efficiency of services.

Implementation of New Utility Billing Software. Staff will work with Utilities and Customer Service to implement a new Utility Billing Software package, which will also include a new online payment system and Interactive Voice Response (IVR) system. This will enhance and simplify both the Utility Billing process for staff and introduce many new user-friendly enhancements to our citizens for utility billing payment options.

Increased Community Network/Wifi Access. Staff will work to update, improve, and expand opportunities for citizen network/wifi access throughout the city, with increased connection opportunities in the downtown corridor, City Park, and Fairground Park.

Video Surveillance Wireless Network Expansion. Continue to add equipment to allow for enhanced video coverage for wireless camera connections throughout the City.

Overall Business Process/Technology Updates. Staff will meet with various departments to better understand their business processes and make recommendations for either utilizing technology (to replace manual processes) or streamlining operations, where applicable.

COMMUNICATIONS

The Communications Department is committed to constant evolution in an effort to boost the City's image through both style and substance. To that end, here are the goals the department is prioritizing:

- The creation of a City Branding/Marketing Campaign that would create consistency in message and appearance.
- An ongoing review of the City's current website to update and streamline content; and as an aside, the exploration of creating a City app.
- Working with the Mayor & City Councilmembers to increase and promote their vision, visibility, and voice through media outlets, our cable channel, and social media platforms.

PARKS & ENGINEERING DEPARTMENT

- Since the Suns were eliminated due to the MiLB contraction, develop plan for maintenance and operation of Municipal Stadium in 2021 and beyond.
- Continue exemplary maintenance of parks and facilities.
- Complete numerous park improvement projects including: Skatepark in Fairgrounds Park, new bathroom in City Park, creek access at Mt Aetna Road, installation of ornamental fence along Virginia Avenue adjacent City Park, improvements to the BMX track, remodel BMX/ FIT Room restrooms, complete Pangborn Park lake reconstruction, repairs to the Hager House, add to the south playground at City Park with a play-mound and "T-Rex" climbing structure, and complete the stabilization of the Fairgrounds Park entrance building. We will consider acceptance of Woodland Way Park when offered by Washington County.
- Continue innovative and creative approach to recreation by adapting recreation programs for the post-COVID world. Celebrate the 100th anniversary of City Park with programs and a special celebration with fireworks on the lake in August.
- Implement the stormwater utility fee as part of the Stormwater Protection Program and continue project construction to meet NPDES-permit compliance as mandated by 2025.

- Complete the Plaza and 2nd phase of the Cultural Trail behind the Maryland Theatre as the final part of the Urban Improvement Project. Begin construction of the widening of Professional Court in conjunction with the new bridge over the Antietam Creek. Complete the reconstruction of Wesel Boulevard, the installation of traffic signals at the Mitchell Avenue railroad overpass and Potomac/Howard intersection and continue pavement preservation and curb/sidewalk replacement programs.

PLANNING & CODE ADMINISTRATION

Continue Efforts to Enhance the City's Fiscal Health through Facilitation of Investment Projects and Strategic Annexations

- **Development Review**. Facilitate speedy processing of site plans, subdivisions, and building plan proposals for the city and pre-annexation agreements for outside city development. Participate in prospect introduction and construction progress meetings to help attract investment and keep projects on track.

- **Annexation**. Continue implementation of strategic plan to proactively annex tracts of land on borders and nearby pre-annexation agreement tracts which would benefit the tax base of the city.

- **Process Enhancements and Customer Service Enhancements.** Continue to make process enhancements where appropriate to be business friendly and provide fast, yet excellent service. Continue to review customer service surveys sent to all permit applicants after an application is submitted, after a site plan is completed, and after an inspection is conducted. Staff to maintain customer service interaction skills by participating in training programs, particularly those geared towards regulatory agencies.

- **Land Management Code Update.** Complete review of 2020 package of amendments with the Mayor and City Council. The 2020 package includes revisions to facilitate micro-breweries in the downtown area and other economic development in our commercial areas. Work with Planning Commission on any desired amendments for 2021.

- **Medium Range Growth Area Update.** Once updates to utility agreements and plans are concluded, staff will work with the Planning Commission on updates to the Water Resources Element and Growth Management Element of the Comprehensive Plan to incorporate the recommended revisions to the Medium Range Growth Area (MRGA) boundary. These revisions incorporate updated County growth goals while protecting the City's interests for growth.

- **Civil War Battlefield Park.** Present an approach to the Mayor and City Council to implement the heritage park proposal in *Catalyst Project #4 in the Community's City Center Plan.* Staff have explored potential partnerships and funding sources to implement a low-maintenance heritage park to be not only a public park for our residents but a destination for heritage tourists in our region.

- **Promotion and Image Enhancement.** Utilize our social media platforms to promote investment activities and to thank investors for investing in our community. We will also continue to provide behind the scenes looks at the workings of our department and the plans and codes we administer.

Continue to Protect Neighborhoods and Commercial Districts from Blight through Enforcement of Nuisance and Zoning Codes, Strategic Demolitions, Acquisitions and Flipping of No Bid Tax Sale Properties, Etc.

- **Property Maintenance Code and Other Nuisance Abatement Codes.** Continue neighborhood

sweeps and response to complaints on property nuisance and safety issues to ensure properties throughout the City meet minimum livability standards, do not create blight, and contribute to the quality of life in their neighborhoods.

- **Strategic Demolition Plan.** Evaluate blighted vacant structures to determine which are not salvageable and prioritize for demolition proceedings. Adopt a standardized residential demolition contract to fast-track demolitions and secure contractor through an RFP process. Ratify contract with a structural engineer to formalize this type of service for structural integrity analyses.

- **No Bid/Tax Sale Properties.** Work with interdepartmental committee on implementation of our strategy for the "no bid/tax sale" properties. The goal being to remove blight through tax sale acquisition either for demolition or transfer to new tax paying investors.

- **Creation of Land Bank.** Work with City Attorney on preparations needed to establish a land bank to facilitate the No Bid/Tax Sale Properties project.

Continue to Protect Public Safety through Enforcement of Building and Trade Codes, Rental Licensing Program, Vacant Structures Program, and the Property Maintenance Code.

- **Building and Trades Codes.** Staff will work with contractors review committee on review of the State's 2021 Building and Trades Code updates in preparation of the package for Mayor and City Council adoption. Plan review and inspections staff will continue to administer these codes to ensure construction activity is safe for present and future occupants.

- **Rental Licensing and Vacant Structures Programs.** In addition to annual administration of these programs to ensure properties are safe for residents and first responders, continue to work through the inventory of "never inspected" rental units to bring them into compliance with the code and work with owners of vacant structures to address blight. Utilize *Tolemi-Building Blocks* software to identify unlicensed rental and vacant properties and pursue compliance as appropriate.

- **Education.** Continue to explore opportunities through our social media platforms, web site, podcasts, webinars, and newsletter to educate the public on our codes. Fewer conflicts result when customers are more knowledgeable on code expectations for renovation and property management activities.

POLICE DEPARTMENT

Quality of Work Life. Employee safety and career development will remain a priority this year. The employee driven safety committee will meet to discuss issues and specialized training programs focusing on officer safety. Career development will take shape by utilizing individual surveys and interviews of staff to develop training and education to further the employee's career. Specific training areas in such fields as Advanced Emergency Medical Training, Accident Reconstruction, and Drug and Gang Interdiction and leadership/supervision training will promote career development. Additional training will focus on community expectations of policing in today's world, to include de-escalation, implicit bias, and modern policing tactics.

Engaging the Community. Community engagement for the Police Department relies on information and the receiving of feedback through a variety of sources. The Department will continue to follow recommendations identified in the President's 21st Century Policing Report and CALEA standards. District commanders and officer participation in community events and meetings to listen and share information will continue. Information will also be shared through the increased use of social media and our website to provide timely and relevant information. Feedback through our website, community meetings, and involvement with the faith-based, minority and ethnic community groups will be used to shape our responses, service needs and

recruiting concepts. Based on the community acceptance and success of the Community Resource Officer (CRO) program, as manpower allows, we will expand the program into more neighborhoods.

Crime Reduction. In response to concerns over youth and gang related violent crime we will continue utilize intelligence led policing, grant initiatives, and ad hoc task forces, along with patrol and investigatory resources. The primary goal is to develop resources such as specific units to permanently address violence, gangs, and criminal networks organizing, or attempting to organize in our community.

PUBLIC WORKS

Sidewalk Repairs Due to Street Tree Damage: This is an on-going project in conjunction with the Engineering Department. Tree roots damage and heave up sidewalks created tripping hazards. Portions of the sidewalk generally have to be removed and replaced. All attempts are made to save the trees but sometimes the tree has to be removed and replaced when possible.

Street Sweeping and Stormwater: The City operates two street sweepers weekdays throughout the year to keep the city clean and to meet specific goals under the MDE stormwater guidelines. Street sweeping operates in three ways:

1. Downtown streets are permanently posted and swept weekly.
2. The City is divided into four quadrants (northeast, northwest, southeast, southwest). The sweepers will clean the streets quadrant by quadrant without posting for no parking.
3. Streets outside the downtown are posted for no parking for sweeping operations.

Tree Maintenance: Tree maintenance will continue on the City's street trees. These are the trees that are defined by code to be located between the curb and sidewalk or wholly within the sidewalk (i.e. downtown). Work includes pruning and sometimes removal to make room for new trees. The Department works closely with the Engineering Department in the replacement of street trees.

Festival and Event Support: Public Works will continue support such as setup, cleanup and traffic control for events held in the streets and downtown. Some of these events include the Augustoberfest, Mummers Parade, Thunder in the Square, Bike Night, Tour of Washington County, and the Donut Drop (New Year's Eve event) to name a few of the larger events. Emphasis continues to be placed on holding more events in the downtown so other events could be added as they come online.

Traffic Signal Modifications on Wesel Boulevard: The reconstruction of Wesel Boulevard involves modifications to the traffic signals at the cross streets of Rhine Way, Sister City Drive, Heister Street and Burhans Boulevard. The existing traffic loops that currently control traffic flow will be replaced by City staff with traffic controlling cameras.

Parking Deck Security Cameras: Work is underway to replace the entire security camera system at both the Arts & Entertainment District Parking Deck and the University District Parking Deck. The existing cameras and support system can no longer be upgraded. Once completed, the new system will be off the City's network and be wholly contained within the Parking System. This will take some strain off the City's internal internet network.

Stormwater Improvements: Public Works, Engineering and the Wastewater Department are working together to make stormwater improvements at the City's storage and transfer site at Eldridge Drive. This site is used for storage but it is also the location for our washout of the street sweepers. A collection system has been designed to ensure wash water from the sweepers is properly collected and contained in the City's wastewater system to be properly treated.

UTILITIES DEPARTMENT

ELECTRIC

System Safety and Reliability. The safety of all HLD employees and City residents in our highest priority and is accomplished by continuous review of safe work practices, safety regulations, and training related to high voltage electrical systems. System coordination and reliability studies are ongoing along with implementation of upgrades associated with improvement of these values.

Customer Service. Upgrade customer communication processes to ensure accurate and seamless transmission of information when it's needed most. The Division maintains warehouse to ensure all essential parts and equipment is available to efficiently respond to outages and customer service requests.

Rate Structure & Revenue. Manage the financial operations of the Electric Division to ensure that our existing rate structure remains in place. The combination of the revenue losses, reduced wholesale power supply costs, and projected increases in wage and benefits will force the Division to continue to extend the life of our existing assets as required.

Wholesale Power. Staff continues to gather baseline information, utilizing consultants, legal counsel, and trade data, regarding the ownership of generation assets, offsets in our renewable energy standards, or rate structures, utilizing a mix of long term and short-term purchase for our wholesale power supply contracts. Savings of this nature may be used to offset the expected increase in future energy costs. Additionally, we may continue with our current conservative approach regarding Wholesale Power Supply Agreement extensions as long as the market allows for a decrease in the out-year costs. Staff continues to work with our supplier regarding market conditions and any future contract extensions.

WATER

Water Meter Service Program. The Water Division inspects and upgrades services through the service area to ensure the accuracy of the metering equipment and address possible public safety concerns. The Divisions continues to test the 350 commercial and industrial meters annually and repair and/or replace defective meters as needed. The Water Division is responsible for approximately 28,000 meters.

Water Production Upgrades. Staff continues to work with Hazen & Sawyer and the MDE on the Edgemont Reservoir and Breichner Plant projects to ensure compliance with Dam Safety regulations as well as Safe Drinking Water Act requirements associated with the Edgemont raw water supply. Work continues for the Risk and Resiliency regulatory requirements and includes cyber security, chemical security, SCADA upgrades, etc.

Distribution System Upgrades. The Water Division will continue budget for rehabilitation and main replacement projects utilizing data from the leak detection program. The hydrants flushing and maintenance is ongoing and staff with work with ISO in FY22 to re-evaluate the water system from a fire flow perspective. Work will continue in FY through our coordinated efforts with the City/County/State roadway rehabilitation projects in an effort to minimize unnecessary road repairs.

Water Five Year Rate Model. Staff will continue to manage the financial operations of the Water Division to ensure that our existing five-year rate model is followed. FY21 rates are in place and the rates for FY22-FY24 have been approved by Mayor and City Council. The City will continue to update the financial information annually and forward the information to our rate consultant for inclusion into the model.

WASTEWATER

Wastewater Plant Upgrades. Staff continues to work with Synago ensure the pelletizing operation (Class A Biosolids Facility) and beneficial re-sue of biosolids maintains compliance with all applicable Federal and State regulatory standards. Work is ongoing to replace the SCADA system, pump replacement, electrical upgrades

and replacement of laboratory equipment to ensure continuous operation and reliability for compliance with the Clean Water Act.

Wastewater Collection System. Administrative and Collections Staff will utilize the Capacity Management Operation & Maintenance (CMOM) evaluation to implement upgrades to the sewer collection system to reduce inflow and infiltration and increase system capacity. Staff requested and was awarded grant funding through ARC to continue the lining program to remove extraneous flow from the collection system. Staff will continue to request funding from MDE Water Quality Financing Administration for Inflow and Infiltration remediation. Staff is also working with developers and funding agencies to relocate Pump Station 9 to address capacity and aging infrastructure concerns.

Wastewater Five Year Rate Model. Staff will continue to manage the financial operations of the Wastewater Division to ensure that our existing five-year rate model is followed. Mayor and City Council adopted the current 5-year rate plan in FY20 establishing rates though FY24.

ADMINISTRATIVE

Regulatory Requirements. The Utilities Department Administrative, Regulatory, and Engineering staff will work to meet all regulatory reporting requirements including but not limited to the Maryland Public Service Commission, Federal Energy Regulatory Commission, the Maryland Department of the Environment, the US Environmental Protection Agency, and all local agencies having jurisdiction.

Policy and Code Amendments. Administrative and Engineering Staff continues to review and update City Code and Department Policy and Procedures for consistency with industry standards.

City Enhancements. The Utilities Department Administrative, Regulatory, and Engineering Staff will continue to assist on all economic development projects.

The City of Hagerstown is the county seat of Washington County, Maryland. It is located approximately 70 miles northwest of Washington, D. C. and Baltimore, Maryland. Founded in 1762 and incorporated in 1813, the City's area is 12.44 square miles; its population is 40,100 according to the most recent 2019 census estimate.

The City adopted its present charter in 1983. The legislative functions of the City are vested in the five Council members. The Mayor serves as President of the Council, participates in all Council discussions, and has veto power on all ordinances passed by the Council. The Mayor is also the ceremonial head of the City government. The Mayor and all Council members are elected on an at-large basis for four year terms.

The City Administrator serves as the chief administrative officer of the City and is responsible to the Council for the administration of all City affairs. The Director of Finance is the chief financial officer of the City and has been delegated the task of supervising and directing the proper accounting of all revenues and expenditures, and the preparation of the annual operating budget. The books and accounts of the City are audited annually by an independent public accountant selected by the Council.

The City provides the full range of municipal services that is contemplated by statute or charter. This includes public safety (police and fire), highways and streets, sanitation, electric, water, and wastewater service, parks and recreation, public improvements, economic development, planning and zoning, property management, and general administrative services.

FUND ACCOUNTING

As shown on the fund structure organizational charts preceding each major section of the budget, the City's accounts are organized into funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

GOVERNMENTAL FUNDS:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all functional resources not required to be accounted for in another fund.

Special Revenue Funds - These funds, such as the Community Development Block Grant Fund, Economic Redevelopment Fund, Business Revolving Loan Fund, Forest Conservation Fund, Flexible Spending Fund, Excise Tax Fund, and Grant Fund are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Capital Improvement Projects Fund - This fund is used to account for the acquisition of major capital facilities within the Governmental Funds. Revenue sources include, but are not limited to, grants from other governmental agencies, appropriations from other City funds, outside financing, and prior year's appropriated fund balances.

PROPRIETARY FUNDS:

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that costs of providing goods or services are to be recovered primarily through user charges. The Electric Fund, Water Fund, Wastewater Fund, Parking Fund, Golf Course Fund, Property Management Fund, and Stormwater Management Fund all operate as Enterprise Funds.

FIDUCIARY FUNDS:

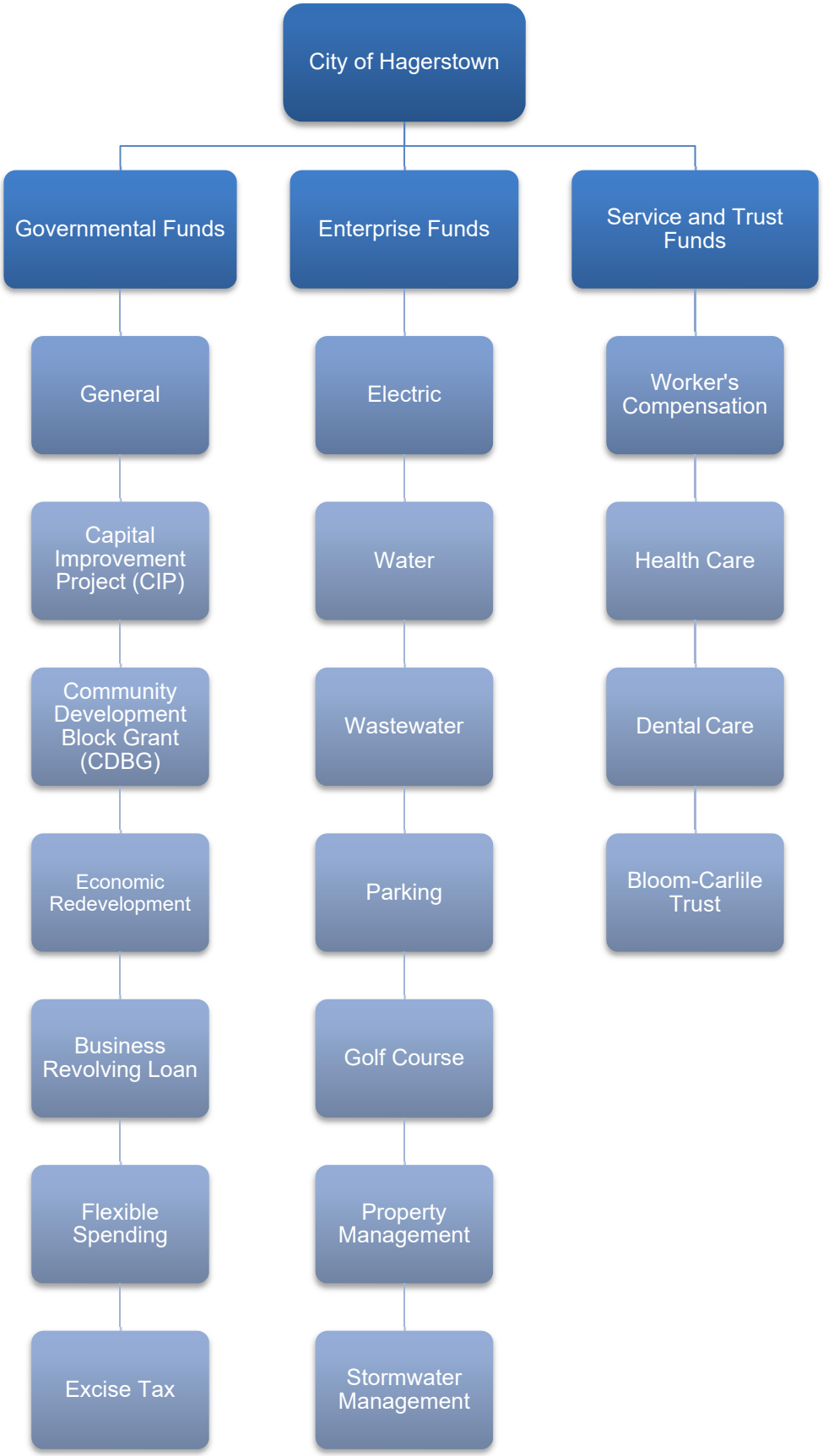
Trust Funds - These funds are used to account for assets held by the City in a trustee capacity. The Bloom-Carlile Trust Fund operates as a Trust Fund.

INTERNAL SERVICE FUNDS:

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency of a government to other departments or agencies on a cost-reimbursement basis. The Worker's Compensation Fund, Health Care Fund, and Dental Care Fund are used to provide for potential uninsured liability claims and worker's compensation, health, and dental care claims below the City's insurance policy deductibles.

BASIS OF ACCOUNTING AND BUDGETING

Basis of accounting and budgeting refers to the recognition and timing of when revenues and expenditures are recorded in the accounts and reported in the financial statements. All governmental and expendable trust funds use the modified accrual basis of accounting and budgeting. Certain revenues, primarily property taxes, are accrued when they are both measurable and available. In addition, certain grant revenues are accrued when the funds are earned. Expenditures are generally recognized when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due. All proprietary and non-expendable trust funds use the accrual basis of accounting and budgeting, which means that expenses are recorded when the liabilities are incurred and revenues are recorded when earned.


City of Hagerstown
Governmental Funds
Enterprise Funds
Service and Trust Funds
General
Capital Improvement Project (CIP)
Community Development Block Grant (CDBG)
Economic Redevelopment
Business Revolving Loan
Flexible Spending
Excise Tax
Electric
Water
Wastewater
Parking
Golf Course
Property Management
Stormwater Management
Worker's Compensation
Health Care
Dental Care
Bloom-Carlile Trust

Explanation of Funds:

General Fund - This fund is the general operating fund for the City. It is used to account for all resources except those required to be accounted for in another fund. The principal activities accounted for in the General Fund are general government, public safety, public works, and recreation. These activities are funded primarily by property taxes, shared state taxes, and intergovernmental revenue from other governmental units.

Capital Improvement Project Fund (CIP) - Used to account for the purchase or construction of major capital facilities which are not financed by the Enterprise funds. The source of the funds are grants from other governmental agencies, appropriations from other City funds (primarily the General Fund), and bond proceeds.

Community Development Block Grant (CDBG) Fund - This fund is used to account for activities which promote the rehabilitation and development of residential and commercial neighborhoods by providing loans, grants, and public facilities and services.

Flexible Spending Fund - This fund was established to account for the City Employee Flexible Spending Account (FSA) Program. Funds are designated on a pre-tax basis to this fund by employees participating in the FSA Program for unreimbursed medical and dependent care costs and reimbursements are made to employees for these costs up to the annual amounts each employee chose to designate. Employer FICA savings are contributed to this fund and are used to pay for administrative costs.

Economic Redevelopment Fund - This fund is used to account for activities related to purchase and redevelopment of targeted properties in the City's downtown central business district. These activities are primarily funded by federal and state grants.

Business Revolving Loan Fund - This fund is designed to assist in the recruitment, retention, and expansion of businesses within the City of Hagerstown, Maryland.

Excise Tax Fund – This fund was created to account for funds received from the excise tax. Revenues from the excise tax imposed through Washington County may only be used for specific purposes and this fund will be used to account for those funds.

Electric Fund - This fund is used to account for the activities of the City's electric distribution operations.

Water Fund - This fund is used to account for the activities of the City's water treatment and distribution operations.

Wastewater Fund - This fund is used to account for the activities of the City's sewage collection and treatment operations.

Parking Fund - This fund is used to account for the activities of the City's parking lots and decks.

Golf Course Fund - This fund is used to account for all activities relating to the City's public golf course.

Property Management Fund - This fund is used to account for all activities related to rental properties owned and managed by the City.

Stormwater Management Fund – This fund is used to account for the activities of the City’s Stormwater Management Program that seeks to limit flooding and runoff-related damage as well as improve the quality of water in the Chesapeake Bay, the Potomac River, and all of the tributary streams in Washington County.

Bloom-Carlile Fund - The Bloom-Carlile Trust Fund was established to segregate funds received from the estates of S. Martin Bloom, Annie Gill Carlile, and others from the general accounts of the City. The donors' intent was to establish a permanent endowment fund. The income earned on investments of the fund is used to provide assistance to the poor and needy of Hagerstown.

Explanation of Funds (continued):

Health Care Fund - The City manages a self-insurance program for health care for its active and retired employees and their dependents in this Internal Service fund. Under this self-funded plan, the City pays a standard monthly administrative fee for each covered member and accepts claim risks up to a specific stop loss for each individual covered. In addition, a second level of insurance called the aggregate stop loss assures that the City does not pay more than a maximum of projected expenses. All funds to which employees are assigned participate in the Health Care Fund. It allocates costs by billing a pre-established internal insurance rate for each fund's employees, retirees and dependents. This charge represents the funding sources for the Health Care Fund from which all health care related administrative and medical reimbursements costs are paid.

Workers Compensation Fund - The City manages its uncovered workers' compensation risks and sets aside assets for claim settlement in this Internal Service Fund. Workers Compensation Fund services claims for risk of loss to which the City was exposed for workers' compensation injuries. All funds to which employees are assigned participate in the Workers Compensation Fund. It allocates the cost of providing claims servicing and claims payments by charging a premium to each fund based on its exposure. This charge considers recent trends in the actual claims experience of the City as a whole and makes provisions for catastrophic losses.

Dental Care Fund – Similar to the Health Care Fund this Fund manages the Dental Insurance. It allocates the costs by billing a pre-established internal “insurance” rate for each fund’s employees, retirees, and dependents. This charge represents funding sources from which the dental care related administrative and reimbursement costs are paid.


Governmental Funds
General Funds
Special Revenue Funds
Capital Improvemment Projects Fund
General Government
Public Safety
Highway & Streets
Waste Collection & Disposal
Culture & Recreation
Community & Economic Development
Unallocated General Expense
Debt Service
Transfer To Other Funds
Community Development Block Grant (CDBG) Fund
Economic Redevelopment Fund
Business Revolving Loan Fund
Forest Conservation Fund
Flexible Spending Fund
Excise Tax Fund
Grant Fund

Public Safety

City of Hagerstown









GENERAL FUND
SECTION 2

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STATEMENT OF REVENUE,EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2021/2022

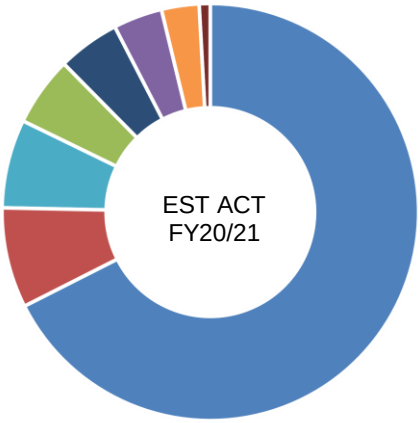
ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES BY TYPE					
Property Taxes	$ 32,399,365	$ 31,824,994	$ 32,247,483	$ 33,046,417	3.8%
Income and Other Taxes	4,268,856	3,707,814	3,714,264	4,354,855	17.5%
Licenses and Permits	2,144,423	2,671,414	2,573,950	2,186,750	-18.1%
Intergovernmental Revenues	419,557	1,830,918	1,817,794	362,544	-80.2%
Charges for Current Services	3,172,170	3,479,365	3,281,953	3,529,051	1.4%
Fines and Forfeitures	966,496	1,111,550	1,393,350	1,272,900	14.5%
Unallocated General Revenues	2,576,304	2,412,807	2,302,469	2,308,516	-4.3%
Transfers from Other Funds	640,550	414,198	411,237	570,492	37.7%
Appropriated Use of Fund Balance	-	2,379,000	-	937,330	-60.6%
Total Current Revenues	**$ 46,587,721**	**$ 49,832,060**	**$ 47,742,500**	**$ 48,568,855**	**-2.5%**
EXPENDITURES BY DEPARTMENT					
0101001-Council	$ 137,771	$ 153,602	$ 152,224	$ 131,983	-14.1%
0101002-Mayor	62,088	66,984	68,510	83,796	25.1%
0103001-City Administrator	208,312	226,579	222,981	229,149	1.1%
0103002-City Clerk	163,963	166,437	157,152	170,591	2.5%
0103004-Legal Counsel	163,066	268,000	152,000	246,000	-8.2%
0103005-Public Functions	270,465	410,900	286,445	336,734	-18.0%
0103006-Communications	245,076	273,897	246,272	269,556	-1.6%
0107001-Finance & Accounting	750,926	1,164,898	1,247,445	1,249,195	7.2%
0107200-Information Technology	974,179	984,893	1,002,925	1,102,149	11.9%
0107206/201-Support Services	512,055	20	2,092	35,000	174900.0%
0109001-Planning	436,383	447,216	448,095	482,361	7.9%
0109002-Annexation	6,468	8,800	6,000	10,800	22.7%
0109003-City Hall	286,397	278,472	276,048	282,473	1.4%
0109004-Engineering & Construction	1,047,097	1,047,745	1,030,588	983,985	-6.1%
0109005-Human Resources	611,255	676,092	576,440	600,666	-11.2%
Total General Government	5,875,501	6,174,535	5,875,217	6,214,438	0.6%
0110XXX-Police Department	13,550,181	14,901,400	14,363,836	14,701,004	-1.3%
0112001-Fire Department	8,262,421	8,728,697	8,742,552	8,766,553	0.4%
0114001-Code Administration	1,433,743	1,685,316	1,612,119	1,738,189	3.1%
0116XXX-Signal Department	528,572	618,319	470,584	518,978	-16.1%
Total Public Safety	23,774,917	25,933,732	25,189,091	25,724,724	-0.8%
0121001-Snow Removal	110,812	339,600	368,062	378,213	11.4%
0123XXX-Gas Station & Maint Garage	492,683	527,113	524,905	542,054	2.8%
0124001-PW & Street Operations	1,328,540	1,463,300	1,462,447	1,481,634	1.3%
0124008-Central Equipment Building	96,986	102,550	101,973	102,389	-0.2%
0124009-Stormwater Management	615,209	-	5,901	-	0.0%
Total Highways & Streets	2,644,230	2,432,563	2,463,288	2,504,290	2.9%
0130001-Waste Collection & Disposal	2,622,380	2,688,865	2,804,827	2,985,060	11.0%
0140001-Department of Recreation	564,254	567,589	479,442	570,783	0.6%
0140202-Swimming Pools	176,049	171,214	156,308	168,445	-1.6%
0140204-Farmers Market	72,679	78,858	55,776	51,125	-35.2%
0140401-Municipal Stadium	43,109	23,902	52,201	52,236	118.5%
0140402-Hager House	45,700	39,561	34,407	38,522	-2.6%
0140403-Train Museum	50,823	28,272	24,770	35,938	27.1%
0145XXX-City Parks	1,774,345	2,015,533	1,847,658	1,983,376	-1.6%
Total Culture & Recreation	2,726,959	2,924,929	2,650,562	2,900,425	-0.8%

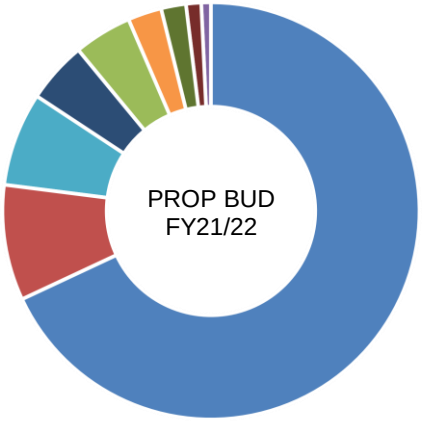
STATEMENT OF REVENUE,EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
0150001-Community & Economic Development	$ 602,568	$ 591,691	$ 575,058	$ 647,804	9.5%
0160001-Retiree Benefits	1,467,795	1,468,700	1,502,000	1,502,000	2.3%
0166001-Contributions-Other Agencies	238,600	112,500	112,500	272,100	141.9%
0162001-Inventory Adjustments	6,425	10,000	10,000	10,000	0.0%
0168001-Contingency	-	657,742	657,742	241,800	-63.2%
Total Unallocated General Expenses	1,712,820	2,248,942	2,282,242	2,025,900	-9.9%
0190001-Debt Service-Prin	2,243,851	1,674,052	1,641,119	1,707,202	2.0%
0191001-Debt Service- Interest & Issuance Costs	705,902	762,260	564,213	565,857	-25.8%
Total Debt Service	2,949,753	2,436,312	2,205,332	2,273,059	-6.7%
0195001-Operating Transfers to Other Funds	1,259,350	1,325,877	1,325,877	1,237,133	-6.7%
0195002-Capital Transfers to CIP & Other Funds	997,562	611,757	658,686	1,116,240	82.5%
0195002-Fund Balance Transfer for CIP Projects	1,311,227	2,379,000	659,493	937,330	-60.6%
Total Transfers to All Other Funds	3,568,139	4,316,634	2,644,056	3,290,703	-23.8%
Total Expenditures & Transfers	**$ 46,477,267**	**$ 49,748,203**	**$ 46,689,673**	**$ 48,566,403**	**-2.4%**
Excess (Deficiency) of Revenues over Expenditures	**$ 110,454**	**$ 83,857**	**$ 1,052,827**	**$ 2,452**	
Beginning Fund Balance	**$ 13,373,607**	**$ 13,484,061**	**$ 13,484,061**	**$ 14,536,888**	
Less Budgeted Use of Fund Balance	-	(2,379,000)	-	(937,330)	
Ending Fund Balance	**$ 13,484,061**	**$ 11,188,918**	**$ 14,536,888**	**$ 13,602,010**	
Detail of Ending Fund Balance					
Nonspendable	$ 198,133	$ 350,000	$ 350,000	$ 350,000	
Committed	251,426	250,000	250,000	250,000	
Assigned	471,031	1,000,000	1,000,000	1,000,000	
Unassigned	12,563,471	9,588,918	12,936,888	12,002,010	
Ending Fund Balance	$ 13,484,061	$ 11,188,918	$ 14,536,888	$ 13,602,010	
Unassigned Fund Balances as: % of Operating Budget Less Transfers to All Other Funds	29.3%	21.1%	29.4%	26.5%	
Number of Months Expenditures	3.5	2.5	3.5	3.2	

COMPARISON OF REVENUES AND EXPENDITURES - PROPOSED BUDGET FY22 VS EST ACTUAL FY21
FISCAL YEAR 2021/2022

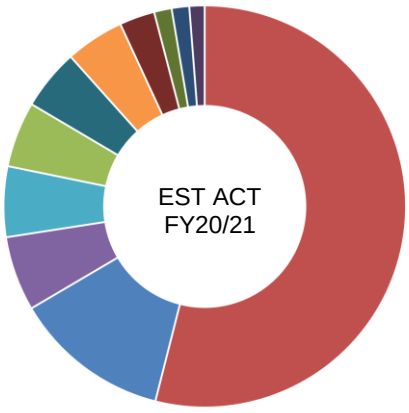
GENERAL FUND REVENUES

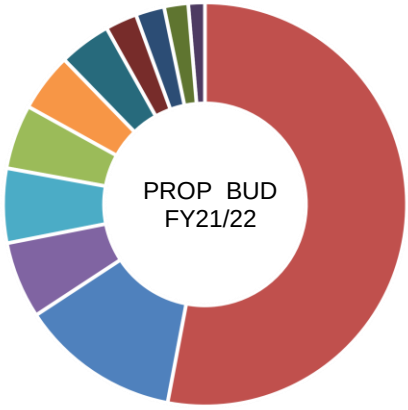




	Est Act FY20/21	Prop Bud FY21/22
Property Taxes	$32,247,483	$33,046,417
Income and Other Taxes	3,714,264	4,354,855
Charges for Current Services	3,281,953	3,529,051
Licenses and Permits	2,573,950	2,186,750
Unallocated General Revenues	2,302,469	2,308,516
Intergovernmental Receivables	1,817,794	362,544
Fines and Forfeitures	1,393,350	1,272,900
Transfers from Other Funds	411,237	570,492
Appropriated Use of Fund Balance	0	937,330

GENERAL FUND EXPENDITURES





	Est Act FY20/21	Prop Bud FY21/22
Public Safety	$25,189,091	$25,724,724
Highways & Streets	2,463,288	2,504,290
General Government	5,875,217	6,214,438
Waste Collection	2,804,827	2,985,060
Parks and Recreation	2,650,562	2,900,425
Unallocated Expenses	2,282,242	2,025,900
Debt Service	2,205,332	2,273,059
Operating Transfers	1,325,877	1,237,133
Fund Balance Transfers	659,493	937,330
Capital Transfers	658,686	1,116,240
Comm & Econ Development	575,058	647,804

CATEGORY OF EXPENDITURES
Fiscal Year 2021/2022

Where Does Your Money Go?



General Government*
$6,214,438

Unallocated/Debt Service Expenses
$4,298,959

Waste Collection
$2,985,060

Highways & Streets
$2,504,290

Transfer to Other Funds
$3,290,703

Community & Economic Development
$647,804

Parks & Recreation
$2,900,425

Public Safety
$25,724,724

Total Proposed FY22 Budget Expenditures $48,566,403

*Includes: Mayor & Council, City Admin, City Clerk, City Hall, Communications, Engineering, Finance, Human Resourcs, IT, Legal, Planning, Public Functions, and Suport Services

REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
CURRENT REVENUES					
Property Taxes	$ 32,399,365	$ 31,824,994	$ 32,247,483	$ 33,046,417	3.8%
Income and Other Taxes	4,268,856	3,707,814	3,714,264	4,354,855	17.5%
Licenses and Permits	2,144,423	2,671,414	2,573,950	2,186,750	-18.1%
Intergovernmental Revenues	419,557	1,830,918	1,817,794	362,544	-80.2%
Charges for Current Services	3,172,170	3,479,365	3,281,953	3,529,051	1.4%
Fines and Forfeitures	966,496	1,111,550	1,393,350	1,272,900	14.5%
Unallocated General Revenues	2,576,304	2,412,807	2,302,469	2,308,516	-4.3%
Total Current Revenues	**$ 45,947,171**	**$ 47,038,862**	**$ 47,331,263**	**$ 47,061,033**	**0.0%**
OTHER FINANCING SOURCES					
Transfers from Other Funds	$ 640,550	$ 414,198	$ 411,237	$ 570,492	37.7%
Appropriated Fund Balance to CIP Fund:Capital Expenditures	-	2,379,000	-	937,330	-60.6%
Total Other Financing Sources	**$ 640,550**	**$ 2,793,198**	**$ 411,237**	**$ 1,507,822**	**-46.0%**
Total Ending Revenues and Other Financing Sources	**$ 46,587,721**	**$ 49,832,060**	**$ 47,742,500**	**$ 48,568,855**	**-2.5%**

CITY ASSESSABLE TAX BASE AND PROPERTY TAX REVENUE TRENDS AFTER ADJUSTING FOR CURRENT YEAR TAX CREDITS, ABATEMENTS, AND REFUNDS (FIFTEEN YEAR HISTORY PLUS BUDGET PROJECTIONS)

	Total Assessable Base* (in millions)	Assessable Base - % Chg from Prior Yr	City Portion Only Real Estate Tax Rate	Real Estate & Prop Tax Revenues (in thousands)	Property Taxes - % Chg from Prior Yr	Direct and Overlapping Tax Rates			
						City	County	State	Combined
Actual 2005/2006	1,843	12.4%	0.798	16,123	10.5%	0.798	0.948	0.112	1.858
Actual 2006/2007	2,103	14.1%	0.798	18,200	12.9%	0.798	0.948	0.112	1.858
Actual 2007/2008	2,297	9.2%	0.798	19,742	8.5%	0.798	0.948	0.112	1.858
Actual 2008/2009	2,552	11.1%	0.788	21,676	9.8%	0.788	0.948	0.112	1.848
Actual 2009/2010	2,830	10.9%	0.788	23,959	10.5%	0.788	0.948	0.112	1.848
Actual 2010/2011	2,881	1.8%	0.788	24,132	0.7%	0.788	0.823	0.112	1.723
Actual 2011/2012	2,559	-11.2%	0.788	21,386	-11.4%	0.788	0.823	0.112	1.723
Actual 2012/2013	2,634	2.9%	0.788	22,216	3.9%	0.788	0.823	0.112	1.723
Actual 2013/2014	2,665	1.2%	0.788	22,398	0.8%	0.788	0.823	0.112	1.723
Actual 2014/2015	2,542	-4.6%	0.898	24,325	8.6%	0.898	0.823	0.112	1.833
Actual 2015/2016	2,618	3.0%	0.913	25,586	5.2%	0.913	0.823	0.112	1.848
Actual 2016/2017	2,660	1.6%	0.913	25,991	1.6%	0.913	0.823	0.112	1.848
Actual 2017/2018	2,660	0.0%	0.941	26,857	3.3%	0.941	0.823	0.112	1.876
Actual 2018/2019: All	2,714	2.0%	1.002	29,197	8.7%	1.002	0.823	0.112	1.937
Actual 2018/2019: Apts	*237*	*N/A* ***	*1.032*	*2,451*	*N/A*	*1.032*	*0.823*	*0.112*	*1.967*
Actual 2019/2020: All	2,754	1.5%	1.002	29,525	1.1%	1.002	*0.823*	*0.112*	*1.937*
Actual 2019/2020: Apts	*184*	*-22.6%*	*1.032*	*1,897*	*-22.6%*	*1.032*	*0.823*	*0.112*	*1.967*
Estimated 2020/2021: All	*2,762*	0.3%	*1.002*	*29,505*	**-0.1%**	*1.002*	*0.823*	*0.112*	*1.937*
Estimated 2020/2021: Apts	*238*	*29.7%* ***	*1.032*	*2,460*	*29.7%*	*1.032*	*0.823*	*0.112*	*1.967*
Proposed 2021/2022: All	*2,827*	2.3% **	*1.002*	*30,253* **	*2.5%*	*1.002*	*0.823*	*0.112*	*1.937*
Estimated 2021/2022: Apts	*246*	3.0% ***	*1.032*	*2,535*	*3.0%*	*1.032*	*0.823*	*0.112*	*1.967*

*The City chart above includes a calculated assessable base value for both real property and personal property and these values are reflected separately on the following page. The State Department of Assessment and Taxation provides annual Constant Yield notice information that inlcudes real property assessed value expected on July 1 only.

***In addition, the city implemented a different tier tax rate for all Apartment classifications in FY19. The numbers and data for "All" include the Apartment classifications and are representative of total dollars and value to the city.

Each penny on the real estate tax rate generates additional revenue of	**$ 273,000**
Each penny on the personal property tax rate generates additional revenue of	**$ 13,000**

PROPERTY TAXES - PROPOSED REVENUES
FISCAL YEAR 2021/2022

DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Current Year Levy	$29,525,075	$29,036,754	$29,504,392	$ 30,253,017	4.2%
Interest on Delinquent Taxes	148,161	175,000	175,000	175,000	0.0%
Prior Years' Levy-Net	(41,604)	(127,000)	(180,000)	(130,000)	2.4%
Payment in Lieu of Taxes	2,801,825	2,775,600	2,783,876	2,783,600	0.3%
Tax Discounts & Credits Allowed	(34,092)	(35,360)	(35,785)	(35,200)	-0.5%
Total Property Taxes	**$32,399,365**	**$31,824,994**	**$32,247,483**	**$ 33,046,417**	**3.8%**

Revenues from property taxes are based on assessments established by the State Department of Assessment and Taxation. The real estate tax rate for FY21 was $1.002 per $100 of assessed value on all but apartments; and $1.032 per $100 for apartments. The business personal property rate was $2.505 per $100 of assessed value in FY21.

FY22 is the second year of the City's trienniel reassessment period. The February 2021 Constant Yield Tax Rate Certification memo reflects a combined increase in real estate assessed values of 2.71% which repesents a $742.0K increase in real estate revenue for FY22 if no changes are made to the tax rate. The real estate property constant yield rate certified by the State for FY22, that would generate the same dollar amount of gross real tax revenues (before local property tax credits), is $1.0017 per $100 of assessed value for apartments and $0.975 per $100 assessed value for all excluding apartments which is less than the City's current FY21 tax rates. The proposed budget for FY22 includes the following: an estimated overall growth of 4.0% increase in the assessable base from historical trends and no increase in tax rate.

A fifteen year history of the change in the City's assessable tax base and property tax revenues is available on Page 6. Several years ago, the Mayor and City Council took action with Washington County to limit the maximum annual growth in assessments on owner occupied residential real estate to 5.0%. The cap had been 10.0%, which is still the maximum cap for State tax purposes.

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

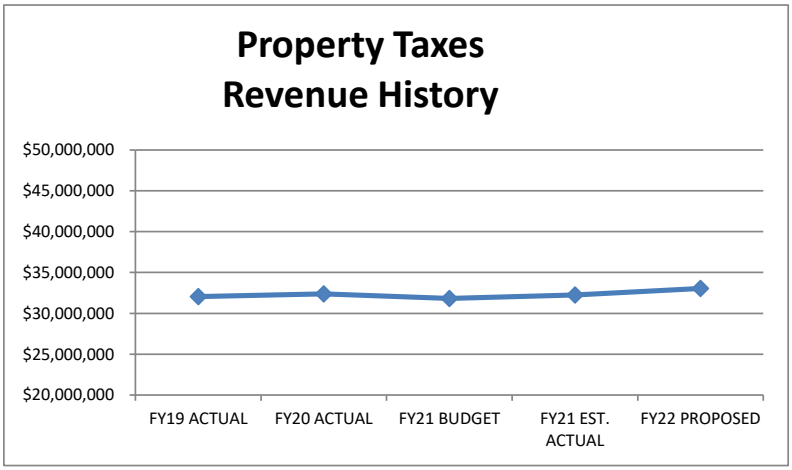
Adopted FY21 to Estimated Actual FY21

The estimated actual property tax revenues for FY21 when compared with the FY21 budget is expected be about 1.3% or $422.5K higher than originally budgeted. This increase is mostly the result of the current year levy taxes being 1.6% or 467.6K higher than projected and payment in lieu of taxes being 0.3% or $8.3K higher than projected. It is important to note that the impact of appeals remains hard to determine. During the COVID-19 pandemic, the State and PTAAB Board did not continuously hold these meetings. Additionally, the delay in filing of business corporate personal property tax returns impacted both FY20 and FY21.

Adopted FY21 to Proposed FY22

Overall, the proposed property tax revenue for FY22 is expected to increase by 4.0% or $1.3M when compared to the FY21 budget. The FY22 proposed budget does include all the following: estimated growth of 2.3% in overall assessable base values based on historical trends and continuation of real estate tiered tax rate for Apartments. Total property tax revenue continues to be the primary source of current year revenue in the General Fund or approximately 68.0% in FY22 proposed budget.

This primary revenue sources helps to fund various expenditures including: existing services provided to the community, economic incentives to businesses, annual debt service requirements, and employees' salaries and benefits. This funding source is vital to the City's future sustainability and growth. FY22 is the second year of City's trienniel reassessment cycle.



INCOME AND OTHER TAXES - PROPOSED REVENUES
FISCAL YEAR 2021/2022

DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Income Tax	$ 2,838,385	$ 2,487,000	$ 2,487,000	$ 2,800,000	12.6%
Admissions & Amusement Tax	182,599	150,000	100,000	125,000	-16.7%
Financial Corporations	34,214	34,214	34,214	34,214	0.0%
Enterprise Zone Tax Credits	10,066	11,600	81,438	360,641	3009.0%
Room Tax - Tourism Promotions	157,258	165,000	165,000	165,000	0.0%
Police Protection	693,469	710,000	688,747	700,000	-1.4%
State Aid For Fire Service	77,865	70,000	77,865	70,000	0.0%
Highway User Revenues	275,000	80,000	80,000	100,000	25.0%
Total Income and Other Taxes	**$ 4,268,856**	**$ 3,707,814**	**$ 3,714,264**	**$ 4,354,855**	**17.5%**

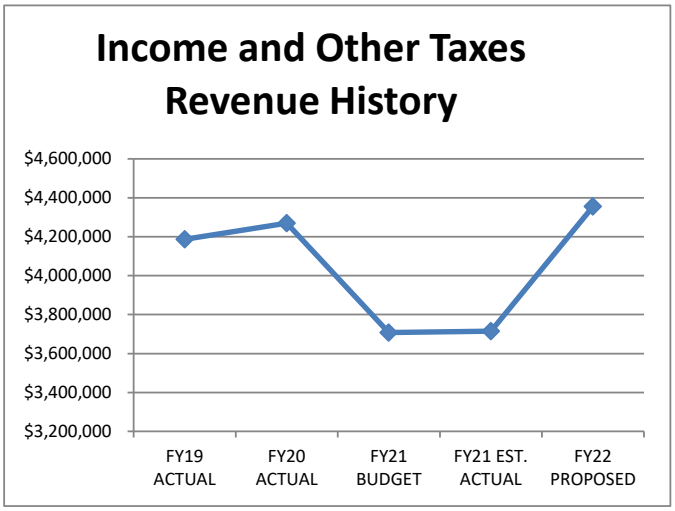
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

When compared to the FY21 adopted budget, FY21 estimated actual is anticipated to be 0.2% or $6.5K higher. Increases in Enterprise Zone tax credits and state aid for fire service are offset by decreases in admissions & amusement tax and police protection. Income taxes are established by the County government. The FY21 adopted budget reflects a reduction of $543.0K in these income sources as a result of the COVID-19 pandemic impact.

Adopted FY21 to Proposed FY22

Overall, the proposed budget for FY22 income & other taxes revenue is expected to increase by 17.5% or $647.0K over the FY21 budget. Primarily, this increase is driven by an increase of $313K in income taxes and $349K in Enterprise Zone tax credits with offsetting decreases of $25K in admissions & amusement tax and $10K in State aid for police protection. The growth in income taxes is estimated to return near to levels prior to the COVID-19 pandemic impact. Enterprise Zone tax reflects two new major construction initiatives. Despite the amount of highway user revenue reflected in the General Fund, the total highway user revenue to the City is $1.6M. The City will be utilizing the majority of Highway User Revenue in new capital projects.



As the current graph indicates, revenues are expected to increase from FY21 estimated actuals to FY22 proposed budget once restrictions are lifted associated with the COVID-19 pandemic.

LICENSES & PERMITS - PROPOSED REVENUES
FISCAL YEAR 2021/2022

DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Traders Licenses	$ 85,859	$ 85,000	$ 85,000	$ 85,000	0.0%
Vendor Permits from City Clerk	2,606	3,000	2,500	2,500	-16.7%
Cable TV Franchise Fee	331,977	334,000	312,000	312,000	-6.6%
General Construction Permits	24,559	25,000	15,000	25,000	0.0%
Street Digging Permits	80,506	30,000	20,000	25,000	-16.7%
Curbs, Sidewalks, & Driveways	2,015	500	100	1,000	100.0%
Stormwater Management Permits	37,536	80,000	50,000	5,000	-93.8%
Grading Permits	169,971	70,000	65,000	20,000	-71.4%
Right of Way Permits	3,402	4,000	3,500	3,500	-12.5%
Building Permits (Fire)	89,829	112,000	112,000	112,000	0.0%
Fireworks Permits	1,500	1,750	1,000	1,000	-42.9%
Blasting Permits	350	250	150	250	0.0%
Plumbing Dept-Licenses	5,010	12,000	12,000	6,000	-50.0%
Contractor's Licenses	14,280	5,000	4,500	15,000	200.0%
Electrical Licenses	4,730	28,000	25,000	6,000	-78.6%
Residential Rental Licenses	597,682	680,000	685,000	685,000	0.7%
Building Permits	318,240	585,414	600,000	275,000	-53.0%
Plumbing Permits	61,536	75,000	72,000	75,000	0.0%
Electrical Permits	114,199	120,000	115,000	115,000	-4.2%
Mechanical Permits	54,138	52,000	52,000	54,000	3.8%
Re-Inspection Fee	750	1,000	1,200	1,000	0.0%
Property Abatement Billings -Engineering	-	5,000	-	-	-100.0%
Property Abatement Billings -Code	70,356	215,000	210,000	215,000	0.0%
Use & Occupancy Inspections	-	500	500	500	0.0%
Vacant Residential Structure Fee	35,100	95,000	85,000	95,000	0.0%
Vacant Commercial Structure Fee	2,000	10,000	5,000	10,000	0.0%
Admin Fee for Excise Tax	5,286	3,000	4,000	3,000	0.0%
Secure Vacant Structure Fee	(74)	3,000	3,500	3,000	0.0%
Technology Fee	30,080	35,000	32,000	35,000	0.0%
Unattended Donation Bin Fee	1,000	1,000	1,000	1,000	0.0%
Total Licenses and Permits	**$ 2,144,423**	**$ 2,671,414**	**$ 2,573,950**	**$ 2,186,750**	**-18.1%**

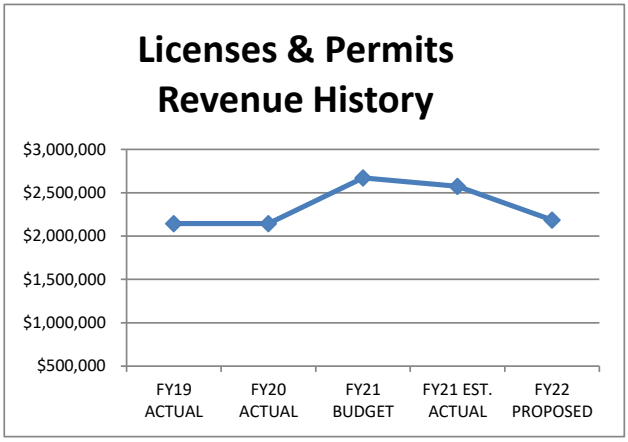
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

FY21 licenses and permit revenues are projected to be under budget by 3.6% or $97.5K. This is mostly due to decreases in cable tv franchise fees, general construction permits, street digging permits, stormwater management permits, and use & occupancy inspections. The FY21 estimated actuals reflect the trends experiencing related to the COVID-19 pandemic.

Adopted FY21 to Proposed FY22

Overall, the proposed FY22 budget is expected to be 18.1% or $484.7K under FY21 budget. This is primarily due to decreases in stormwater management permits, grading permits, electrical licenses, and building permit as a result of timing of development. Additionally, contractor and electrical licenses are both renewed every other year and the changes in these fees reflect that.



INTERGOVERNMENTAL REVENUES - PROPOSED REVENUES
FISCAL YEAR 2021/2022

DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
County Grant: School Resource Officers	$ 338,544	$ 338,544	$ 338,544	$ 338,544	0.0%
State Grant: Imagine Hagerstown	5,000	8,000	20,814	6,000	-25.0%
State Grant: A&E District Events	4,229	-	1,800	-	0.0%
DEA/NTF Reimbursed OT Grants	51,334	47,738	20,000	18,000	-62.3%
Federal Grants: Various COPS Hiring Grants	20,450	-	-	-	-62.3%
Intergovernmental Revenue - CARES Act	-	1,436,636	1,436,636	-	-100.0%
Total Intergovernmental	**$ 419,557**	**$ 1,830,918**	**$ 1,817,794**	**$ 362,544**	**-80.2%**

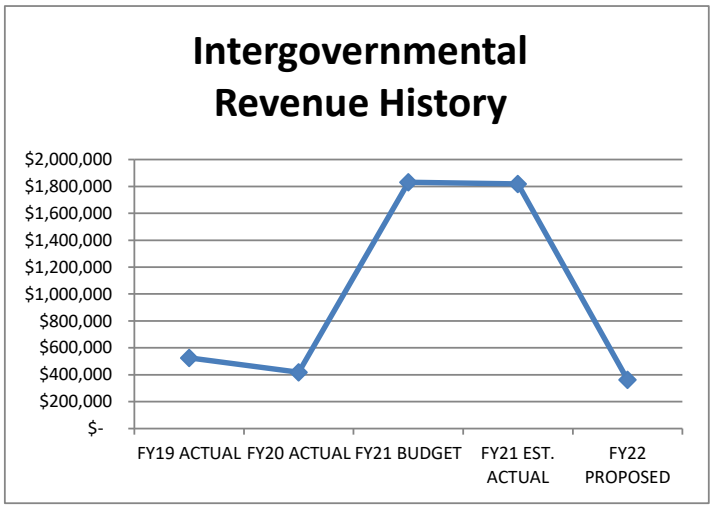
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

The estimated actual for FY21 is expected to be 0.7% or $13.1K lower than originally budgeted in FY21 as a result of a decrease in the amount of federal grant funding for the DEA/NTF OT Grants offset by an increase in the amount of state funding for Imagine Hagerstown and A&E District Events. It is important to note that the $1.4M CARES Act Grant was not included or known at the time of the original FY21 budget but was subsequently modified.

Adopted FY21 to Proposed FY22

Overall, the proposed budget for FY22 is expected to be 80.2% or $1.5M less than FY21 budget. This decrease in funding is primarily due to the CARES Act Grant that provided aid, relief, and economic security during the COVID-19 pandemic in FY21 only.



The substantial increase and then decrease in revenues is a reflection of the funding from the CARES Act Grant which resulted from the COVID-19 pandemic and is a one time event and grant.

CHARGES FOR CURRENT SERVICES - PROPOSED REVENUES
FISCAL YEAR 2021/2022

DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Refuse Collection Fees	$ 2,800,885	$ 2,787,500	$ 2,811,900	$ 2,947,900	5.8%
Potterfield Swimming Pool	51,734	72,200	56,150	67,900	-6.0%
Public Function Event Revenues	3,390	5,475	2,925	3,425	-37.4%
Other Service Charges	316,161	614,190	410,978	509,826	-17.0%
Total Charges for Current Services	**$ 3,172,170**	**$ 3,479,365**	**$ 3,281,953**	**$ 3,529,051**	**1.4%**

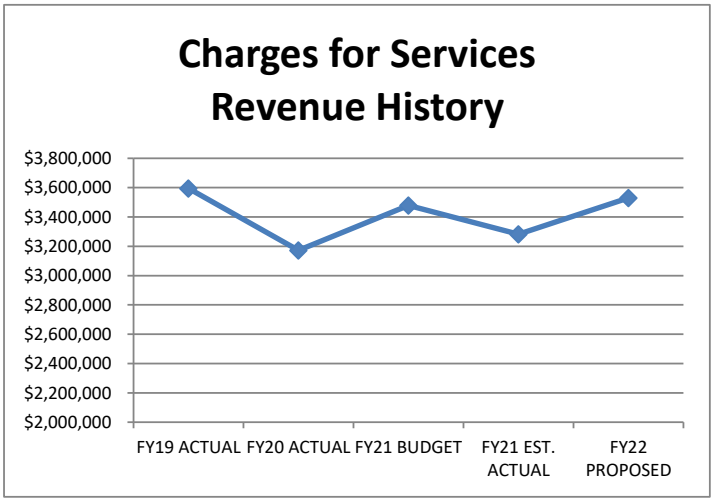
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Overall, estimated actual revenue for FY21 is anticipated to be under budget by 5.7% or $197.4K when compared with the FY21 budget. FY21 estimated projections for other service charges is anticipated to be 33.1% or $203.2K lower than FY21 budget. Some of the decreases in other service charges can be attributed to the COVID-19 pandemic. For example, pay by phone transaction fees are projected to be 98.9% or $44.5K lower than budget due to the pay by phone transaction being waived when the City Hall lobby was closed to the public preventing in person bill pay. Another example is the 97.5% or $19.5K decrease in code admin late fees when late fees on customer bills were being waived as a result of the COVID-19 pandemic. Other significant decreases in the other service charges are a result of reimbursements for the use of the Western Maryland Regional Crime Laboratory from the Washington County Government and police security reimbursements from the Washington County Board of Education being significantly lower than anticipated.

Adopted FY21 to Proposed FY22

In total, charges for current services in the FY22 budget are expected to be 1.4% or $49.7K higher than FY21 budget. This is due to an increase in refuse collection fees of 5.8% or $160.4K that is offset by decreases in the Potterfield Swimming Pool of 6% or $4.3K, public function event revenues of 37.4% or $2.1K, and other service charges of 17.0% or $104.4K. The primary reason for the increase in refuse collection fees is the inclusion of a potential new program offering titled "At Your Door". This new program would enable removal of certain types of hazardous materials not currently available through the City.



FINES & FORFEITURES - PROPOSED REVENUES
FISCAL YEAR 2021/2022

DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Abatement Administrative Fees - Code Admin	$ 37,870	$ 50,000	$ 50,000	$ 50,000	0.0%
Confiscated Revenue	24,665	15,000	1,000	4,000	-73.3%
Excessive Use Fees	126	13,500	1,000	8,500	-37.0%
Fire Code Violations	2,000	2,000	2,500	2,000	0.0%
Municipal Infractions - Code Admin	26,235	80,000	5,000	80,000	0.0%
Municipal Infractions - Planning	-	250	-	-	-100.0%
Parking Tickets, Late Fees, & Uncollectible	280	5,600	2,700	3,300	-41.1%
Red Light Violation Fine & Uncollectible	132,223	150,000	145,000	150,000	0.0%
Safe Speed for Students Program & Uncollectible	742,947	795,000	1,186,000	975,000	22.6%
Tech Appeals Board Filing Fees	150	200	150	100	-50.0%
Total Fines and Forfeitures	**$ 966,496**	**$ 1,111,550**	**$ 1,393,350**	**$ 1,272,900**	**14.5%**

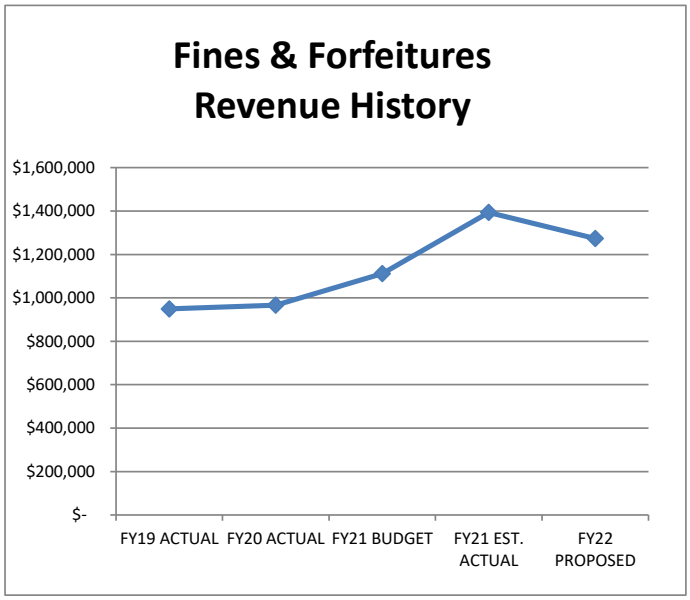
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Estimated actual revenue for FY21 is expected to be over budget by 25.4% or $281.8K. The Safe Speed for Students Program revenue is the primary reason for this increase and is expected to be 49.2% or $391.0K higher than budgeted due to a change in driver habits. Confiscated revenue, excessive use fees, municipal infractions, and parking tickets revenue are projected to be lower than FY21 budget and reflect COVID-19 pandemic restriction impacts.

Adopted FY21 to Proposed FY22

The FY22 budget for total fines and forfeitures revenue sources are 14.5% or $161.4K more than FY21 budget. The anticipated increase in the Safe Speed for Students Program of 22.6% or $180.0K is a primary reason. FY22 proposed confiscated revenue, excessive use fees, and parking tickets revenue is expected to decrease in comparison to FY21 budget.



DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Administrative Allocation Revenues	$ 1,997,500	$ 1,997,500	$ 1,997,500	$ 1,997,500	0.0%
Interest on Investments	271,164	120,000	34,500	40,000	-66.7%
Rental Income	160,481	180,867	161,321	172,916	-4.4%
Sale of Land & Other Assets	31,654	4,500	15,952	8,000	77.8%
Contributions & Donations	28,713	49,750	18,814	36,700	-26.2%
Other General Revenue	86,792	60,190	74,382	53,400	-11.3%
Total Unallocated General Revenues	**$ 2,576,304**	**$ 2,412,807**	**$ 2,302,469**	**$ 2,308,516**	**-4.3%**

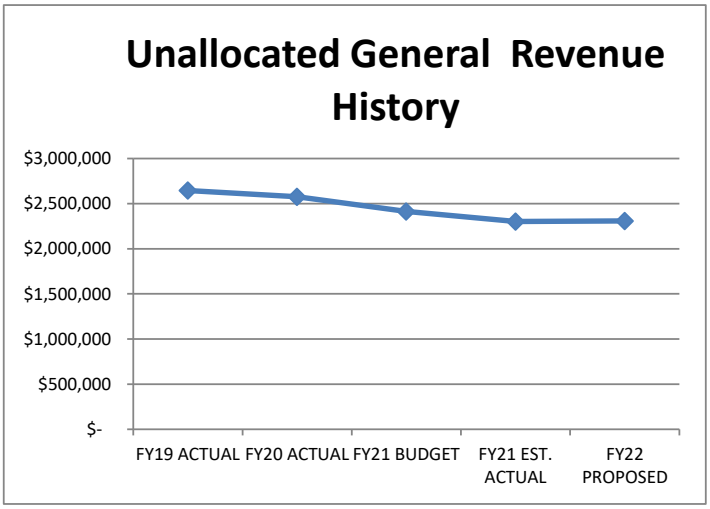
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

In total, the FY21 estimated actual revenue amounts are projected to be 4.6% or $110.3K lower than FY21 budget. Some of this decrease can be attributed to the COVID-19 pandemic. For example, contributions & donations are down 62.2% or $30.9K mostly due to sponserships for public events being canceled. The COVID-19 pandemic also impacted interest earned from investments with a decline of 71.3% or $85.5K due to interest rates. Other general revenues are projected to be 23.6% or $14.2K higher than budget mostly due to insurance reimbursements.

Adopted FY21 to Proposed FY22

The proposed FY22 budget is anticipated to decrease by 4.3% or $104.3K in total in comparison to FY21 budget. A significant portion of this decrease is attributed to the continued effects of the COVID-19 pandemic on the interest earned from investments. Rental income, contributions & donations, and other general revenues are anticipated to decrease while sale of land & other assets are expected to be higher than FY21 budget.



TRANSFERS FROM OTHER FUNDS & OTHER FINANCING SOURCES - PROPOSED REVENUES
FISCAL YEAR 2021/2022

DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Transfer from Health Insurance Fund	$ 580,000	$ 380,039	$ 380,039	$ 541,968	42.6%
Transfer from CIP Fund	32,100	4,159	4,178	-	-100.0%
Transfer from CDBG Fund	28,450	30,000	27,020	28,524	-4.9%
Total Transfers from Other Funds & Other Financing Sources	**$ 640,550**	**$ 414,198**	**$ 411,237**	**$ 570,492**	**37.7%**

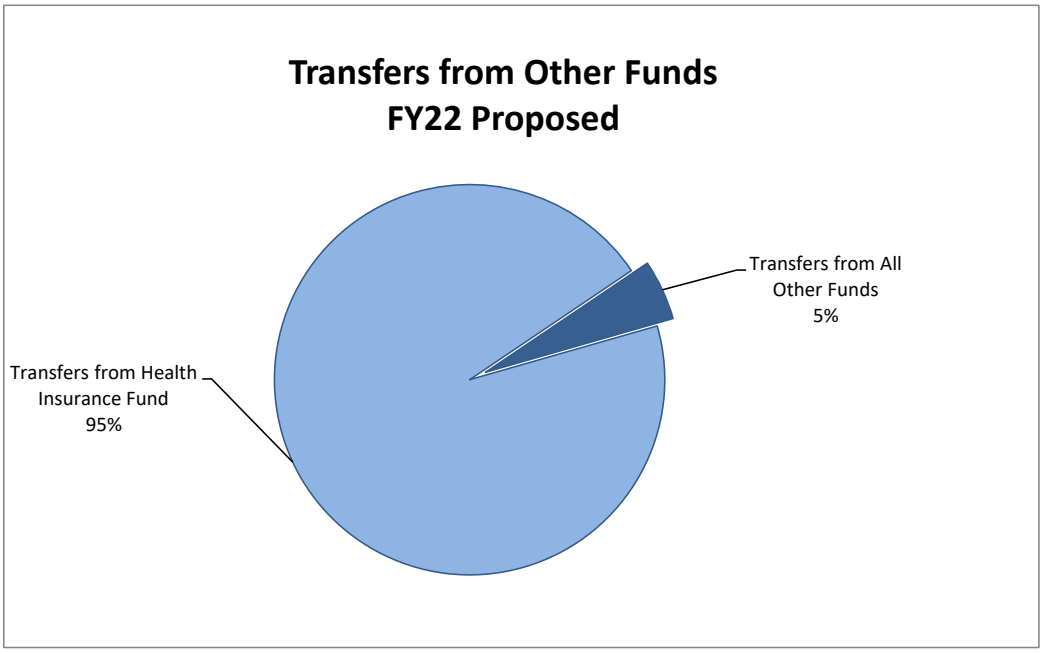
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Overall, estimated actual revenue for FY21 is expected to be slightly lower than FY21 budget. The FY21 estimated actuals include updated trends of annual spending for a part-time CDBG funded inspector.

Adopted FY21 to Proposed FY22

FY22 proposed budget is estimated to increase 37.7% or $156.3K from FY21 budget due to an increase in non-recurring transfers from the Health Insurance Fund. The Health Insurance Fund is a separate City Fund that accumulates and pays for all costs associated with active and retiree health insurance. Throughout the year, all other City Funds provide funding to the Health Insurance Fund based on an equivalent insurance premium determined annually by CBIZ. The Health Insurance Fund had lower costs than anticipated in FY20 due to utilization decrease associated with the COVID-19 pandemic. As a result of the FY20 surplus in the Healthcare Fund, there will be a reallocation back to other funds in FY22 as follows: General Fund ($542.0K); Electric Fund ($53.3K); Water Fund ($83.3K); and Wastewater Fund (71.4K). Further, it is important to note that staff would not recommend this transfer if all conditions of Fund Balance policy were not met. After this transfer, the Health Insurance Fund Balance Reserve will still be in compliance with the City's revised Fund Balance/Retained Earnings Policy included in Section 9 of the budget book.



DEPARTMENT / PROGRAM OVERVIEW

The Mayor is elected for a four year term to represent the City in all official capacities and provide leadership to the City Council and community at large. The Municipal Charter of Hagerstown states the Mayor shall be the chief elected executive officer of the City and shall see that the Ordinances of the City, provisions of the Charter, and City Council policies and resolutions are faithfully executed, preside over the Legislative branch, and report to the City Council on the condition of City affairs. The annual salary for the Mayor is established by Ordinance at $28,000.

DEPARTMENT / PROGRAM OBJECTIVES

• Establish City priorities, goals, objectives and work plans for the next fiscal year with the City Council and City Administrator.

• Provide leadership and participate with the Maryland Municipal League, Tri-County Council, and other County, State, and Federal officials to develop and implement goals.

• Serve as spokesperson for City programs, services, and new initiatives.

• Represent the City at public events and functions.

• The Mayor and City Council typically hold 38 Work Session meetings along with 12 Regular Session meetings a year.

• A State of the City Address is delivered annually in March by the Mayor.

• The Mayor and City Council attend a number of meetings with civic associations. Some examples include the Hagerstown-Washington County Economic Development Commission, Chamber of Commerce, Greater Hagerstown Committee, and Hagerstown/Eastern Panhandle Metropolitan Planning Organization (HEPMPO).

• The Mayor and City Council hold public hearings throughout the year to provide the public with appropriate information as well as to receive the community's feedback and input.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of Mayor and Council meetings	**50**	**50**	**50**
Average number of meetings representing City (e.g. board/commission)	**30**	**50**	**50**
Average number of community functions	**20**	**30**	**50**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 48,540	$ 48,201	$ 48,169	$ 48,169	-0.1%
Benefits	12,142	13,041	15,868	29,292	124.6%
Personnel Subtotal	**60,682**	**61,242**	**64,037**	**77,461**	**26.5%**
Operating Expenditures	1,406	5,742	4,473	6,335	10.3%
Operating Subtotal	**1,406**	**5,742**	**4,473**	**6,335**	**10.3%**
Total Expenditures	**$ 62,088**	**$ 66,984**	**$ 68,510**	**$ 83,796**	**25.1%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 62,088**	**$ 66,984**	**$ 68,510**	**$ 83,796**	**25.1%**

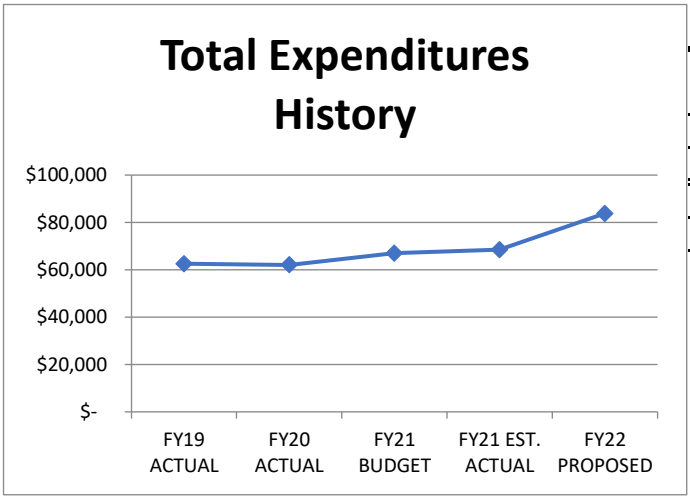
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

FY21 estimated actuals are expected to be 2.3% or $1.5K above FY21 budget due to an increase in benefits.

Adopted FY21 to Proposed FY22

There is an increase of 25.1% or $16.8K from FY21 budget to proposed FY22 budget due to an increase in benefits and operating expenditures.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	0.33	0.33	0.33	0.33
Staffing Total	0.33	0.33	0.33	0.33
Unfunded positions	0.00	0.00	0.00	0.00

The Mayor's position is a part-time position. A full-time Executive Assistant position is shared among three departments including the Mayor, Administration, and the City Clerk.

DEPARTMENT / PROGRAM OVERVIEW

The Mayor and Council serve as the legislative and policy making body of the Municipal Government, having responsibilities for enacting city ordinances, appropriating funds to conduct city business, and providing policy direction to the administrative staff.

The City Charter of Hagerstown states that the legislative powers of the City shall be vested in a Council consisting of five members elected for a four-year term. The annual salary for each Councilmember is established by ordinance at $8,000.

DEPARTMENT / PROGRAM OBJECTIVES

• Establish City priorities, goals, objectives and work plans for the next fiscal year with the City Council and City Administrator.

• Provide leadership and participate with the Maryland Municipal League, Tri-County Council, and other County, State, and Federal officials to develop and implement goals.

• Serve as spokesperson for City programs, services, and new initiatives.

• Represent the City at public events and functions.

• The Mayor and City Council typically hold 38 Work Session meetings along with 12 Regular Session meetings a year.

• A State of the City Address is delivered annually in March by the Mayor.

• The Mayor and City Council attend a number of meetings with civic associations. Some examples include the Hagerstown-Washington County Economic Development Commission, Chamber of Commerce, Greater Hagerstown Committee, and Hagerstown/Eastern Panhandle Metropolitan Planning Organization (HEPMPO).

• The Mayor and City Council hold public hearings throughout the year to provide the public with appropriate information as well as to receive the community's feedback and input.

• For the purpose of carrying out the powers granted in the City Charter, the council may pass all necessary ordinances. All the powers of the City shall be exercised in the manner prescribed by the Charter, or if the manner is not prescribed, then in such manner as may be prescribed by ordinance or in accordance with the manner that may be prescribed under the public general laws of Maryland, if applicable.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of Mayor and Council meetings	**50**	**50**	**50**
Average number of meetings representing City (e.g. board/commission)	**30**	**30**	**30**
Average number of community functions attended representing the City	**25**	**25**	**25**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 40,309	$ 40,000	$ 40,000	$ 40,000	0.0%
Benefits	61,907	63,702	61,076	42,479	-33.3%
Personnel Subtotal	**102,216**	**103,702**	**101,076**	**82,479**	**-20.5%**
Operating Expenditures	35,420	49,500	49,498	49,504	0.0%
Capital Outlay	135	400	1,650	-	-100.0%
Operating Subtotal	**35,555**	**49,900**	**51,148**	**49,504**	**-0.8%**
Total Expenditures	**$ 137,771**	**$ 153,602**	**$ 152,224**	**$ 131,983**	**-14.1%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 137,771**	**$ 153,602**	**$ 152,224**	**$ 131,983**	**-14.1%**

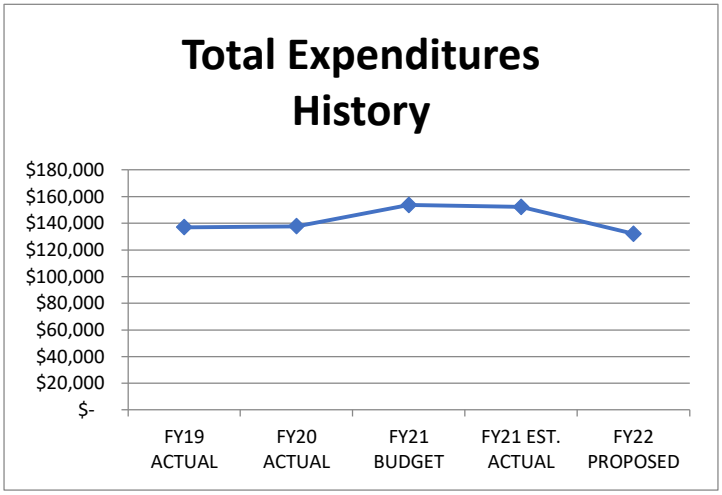
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

FY21 estimated actuals are anticipated to be 0.9% or $1.4K lower than FY21 budget due to a decrease in benefits.

Adopted FY21 to Proposed FY22

The proposed FY22 budget is anticipated to decrease by 14.1% or $21.6K in comparison to FY21 budget levels due to decreases in benefits and capital outlay.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	5.00	5.00	5.00	5.00
Staffing Total	5.00	5.00	5.00	5.00
Unfunded positions	0.00	0.00	0.00	0.00

Elected officials are counted separate from staffing levels for city departments and operations. There are a total of five (5) Councilmembers.

DEPARTMENT / PROGRAM OVERVIEW

The City Charter requires a primary and general election every four years for the Mayor and five City Councilmembers. The election schedule coincides with the Presidential Election. The Washington County Board of Elections conduct the election, in accordance with provisions of the State of Maryland. To slow the spread of COVID-19, the presidential primary election, originally scheduled for April 28, 2020, was moved to June 2, 2020. This election was conducted primarily by mail. The General Election was held on November 3, 2020. A vote center method of voting was used for Early Voting and Election Day. The newly elected Mayor and Councilmembers took office on November 23, 2020.

Hagerstown voter turnout in the General Election was 59%. Voter turnout in the previous General Election (2016) was 64%. In 2009, before the election schedule was changed, voter turnout was at 15%.

The next General Election will be held on November 5, 2024. Newly elected Mayor and Council members will take office on November 25, 2024.

PERFORMANCE INDICATORS

	2012	2016	2020
Number of Candidates Filing	**15**	**15**	**16**
Number of Registered Voters at General Election	**20,898**	**23,251**	**25,249**
Number of Registered Voters at Primary Election	**15,504**	**22,560**	**25,249**
Number Voting in General Election	**14,095**	**14,797**	**14,780**
Number Voting in Primary Election	**4,062**	**7,404**	**7,442**

DEPARTMENT / PROGRAM OVERVIEW

The City Administrator serves as appointed Chief Administrative Officer for the City of Hagerstown. The City Administrator guides the Department Heads with the preparation of staff information, recommendations, and presentations to the Mayor and Council and ensures that acts of City Council are faithfully executed. Primary responsibilities include the submission of the City's annual operational and capital proposed budget, day-to-day management of City operations, and providing leadership and support for City departments to achieve goals consistent with the Mayor and Council's priorities while meeting the requirements of the City Code and Charter. The City Administrator in coordination with senior leadership and staff formulates programs and recommendations designed to address community needs and interacts with citizens, community organizations, and other governmental representatives on issues of interest to the community. The City Administrator reports to the Mayor and Council providing assistance and support. The City Administrator is responsible for promoting excellence and effectiveness in City operations, progressive programs and actions, and strong professionalism and ethical behavior within the organization.

DEPARTMENT / PROGRAM OBJECTIVES

• To guide and encourage Department Heads in support of the completion of the vision, goals, and priorities adopted by the Mayor and City Council.

• To develop recommendations that enable the Mayor and Council to make informed legislative decisions related to the Community and City government.

• To create financial strategies and plans along with adjustments to operations in response to economic fluctuations as they relate to City finances.

• To develop programs and recommendations that address community needs related to public safety, neighborhood vitality, public infrastructure, downtown revitalization, and economic development.

• To provide staff support in accordance with the Mayor & City Council's goals that incorporate new technologies and service delivery approaches into City operations.

• To promote professional and ethical operations combined with a strong organizational commitment to providing excellent community based services.

• To build strong community partnerships with unified strategies for the betterment of the City/Community based on citizen involvement, interaction with local institutions, business leaders, and other levels of government.

PERFORMANCE INDICATORS

The City Administrator prepares and presents:

- Annual reports to Mayor and Council on prior calendar year accomplishments and current year departmental goals by April 1st.
- The proposed budget by March 31st.
- Approximately 50 agenda and information packets for Mayor and City Council meetings throughout the year.
- A Weekly Status and Information Report on City operations to Mayor and City Council.

The City Administrator also supports:

- The completion of goals and objectives identified as Mayor and Council priorities.
- The reporting of the condition of City finances to the Mayor and City Council.

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 157,337	$ 165,474	$ 165,442	$ 165,442	0.0%
Benefits	45,116	50,058	46,794	50,888	1.7%
Overtime	(140)	50	-	-	-100.0%
Personnel Subtotal	**202,313**	**215,582**	**212,236**	**216,330**	**0.3%**
Operating Expenditures	5,738	10,997	10,446	12,489	13.6%
Capital Outlay	261	-	299	330	100.0%
Operating Subtotal	**5,999**	**10,997**	**10,745**	**12,819**	**16.6%**
Total Expenditures	**$ 208,312**	**$ 226,579**	**$ 222,981**	**$ 229,149**	**1.1%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 208,312**	**$ 226,579**	**$ 222,981**	**$ 229,149**	**1.1%**

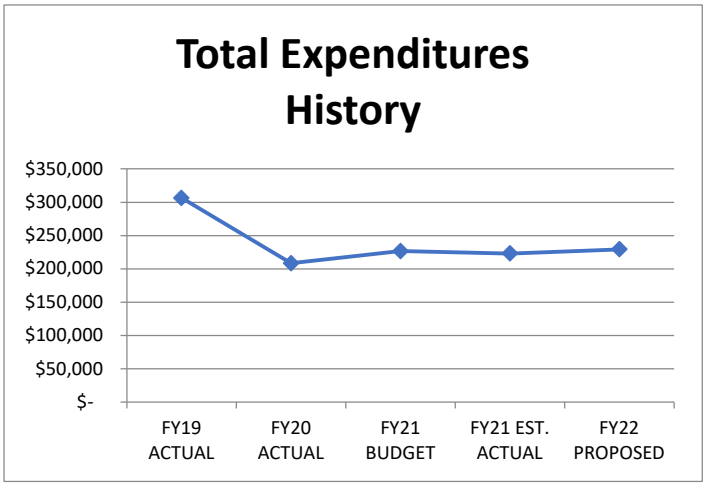
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

FY21 estimated actuals are expected to be to be 1.6% or $3.6K lower than the adopted budget due to decreases in benefits and overtime.

Adopted FY21 to Proposed FY22

The proposed FY22 budget is expected to increase 1.1% or $2.6K over the FY21 adopted budget due to increases in benefits, operating expenditures, and capital outlay.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	1.33	1.33	1.33	1.33
Staffing Total	1.33	1.33	1.33	1.33
Unfunded positions	0.00	0.00	0.00	0.00

The City Administrator position is a full-time position. A full-time Executive Assistant position is shared among three departments including the Mayor, Administration, and the City Clerk.

DEPARTMENT / PROGRAM OVERVIEW

The City Clerk's office is the central location/repository for official City of Hagerstown government documents. The City Clerk serves both as a resource and support for members of the Mayor and Council. The office is a frequent first contact for citizens and provides a strong support role for City staff and operations.

The City Clerk is the organizer of Mayor and Council meetings, which includes preparing minutes, creating weekly agendas, and weekly agenda packets.

The City Clerk's office issues a variety of permits, including Auctioneer Licenses, Peddler's Permits, Bottle Club Licenses and Parade Permits.

The City Clerk works closely with every department and is responsible for ensuring the City Code is up to date with current legislation.

DEPARTMENT / PROGRAM OBJECTIVES

• To continue to increase public access to the weekly Mayor and Council meetings by maintaining an online meeting management system which provides media, staff members, and Mayor and Council the ability to view, download and/or print the agenda and all supporting documents.

• The City Clerk is the staff liaison for the City Ethics Commission. The Commission is responsible for ensuring the appropriate officials are following the guidelines of the City's Ethics Code. The Commission met once in 2019 and provided the required certification to the State Ethics Commission by the October deadline.

• Begin the process of reviewing the City Code to identify outdated and irrelevant language within the Code, specific to the City Clerk, and to recommend amendments to reflect current practices.

• Develop a viable plan for updating the City's Record Retention Schedule for submittal to the Maryland State Archives.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of Ordinances Processed	**33**	**25**	**25**
Number of Resolutions Processed	**57**	**65**	**60**
Number of Licenses and Permits Issued	**89**	**10**	**50**
Number of Mayor and Council meetings processed	**50**	**50**	**50**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 110,240	$ 110,679	$ 102,528	$ 110,514	-0.1%
Benefits	32,777	34,479	33,094	38,466	11.6%
Personnel Subtotal	**143,017**	**145,158**	**135,622**	**148,980**	**2.6%**
Contractual Services	6,050	3,450	4,800	4,800	39.1%
Operating Expenditures	14,016	16,829	16,730	16,811	-0.1%
Capital Outlay	880	1,000	-	-	-100.0%
Operating Subtotal	**20,946**	**21,279**	**21,530**	**21,611**	**1.6%**
Total Expenditures	**$ 163,963**	**$ 166,437**	**$ 157,152**	**$ 170,591**	**2.5%**
REVENUES BY TYPE					
Departmental Revenue	$ 88,626	$ 88,000	$ 87,610	$ 87,500	-0.6%
Total Revenues	**$ 88,626**	**$ 88,000**	**$ 87,610**	**$ 87,500**	**-0.6%**
Expenditures, net of Revenues	**$ 75,337**	**$ 78,437**	**$ 69,542**	**$ 83,091**	**5.9%**

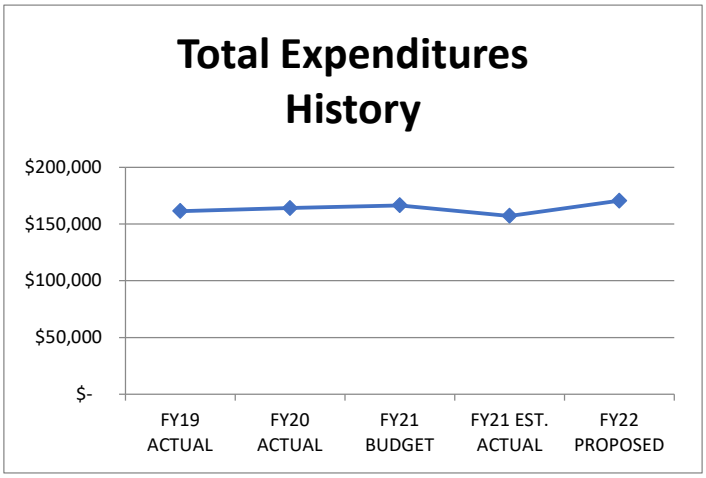
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

FY21 estimated actual expenditures are expected to be 5.6% lower or $9.3K below FY21 budget due to a decrease in salary and wages, benefits, and capital outlay. FY21 estimated actual revenues are expected to be 0.4% or $390 lower than FY21 budget.

Adopted FY21 to Proposed FY22

FY22 proposed expenses are estimated to be 2.5% or $4.2K higher than FY21 budget levels due to increases in benefits and salaries and wages.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	1.34	1.34	1.34	1.34
Part time	0.50	0.50	0.50	0.50
Staffing Total	1.84	1.84	1.84	1.84
Unfunded positions	0.00	0.00	0.00	0.00

A FT Executive Assistant position is shared among three departments including the Mayor, Administration, and the City Clerk. The City Clerk also shares a PT Communications Staff Assistant

DEPARTMENT / PROGRAM OVERVIEW

The City attorney assists Mayor and Council with the interpretation of City, State, and Federal laws as they pertain to Hagerstown's services, draft contracts, deeds, leases, ordinances and resolutions. Additionally, the attorney is responsible for defending the City in litigation matters.

DEPARTMENT / PROGRAM OBJECTIVES

- Prepare legislation in the form of ordinances and resolutions for Mayor and Council's consideration and adoption.

- Provide advice on law enforcement issues to the Police Department, and provide representation at internal hearings and other litigation.

- Support the City's Ethics Commission in ensuring compliance with the City's Ethics Code.

- Assist in the development, review, and implementation of contracts, leases and other legal documents related to City Operations.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of Ordinances Processed	**33**	**25**	**25**
Number of Resolutions Processed	**57**	**65**	**60**
Number of Approved Contracts and Agreements	**70**	**50**	**70**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ -	$ -	$ -	$ -	0.0%
Personnel Subtotal	**-**	**-**	**-**	**-**	**0.0%**
Contractual Services	141,089	259,000	140,000	234,000	-9.7%
Operating Expenditures	21,977	9,000	12,000	12,000	33.3%
Operating Subtotal	**163,066**	**268,000**	**152,000**	**246,000**	**-8.2%**
Total Expenditures	**$ 163,066**	**$ 268,000**	**$ 152,000**	**$ 246,000**	**-8.2%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 163,066**	**$ 268,000**	**$ 152,000**	**$ 246,000**	**-8.2%**

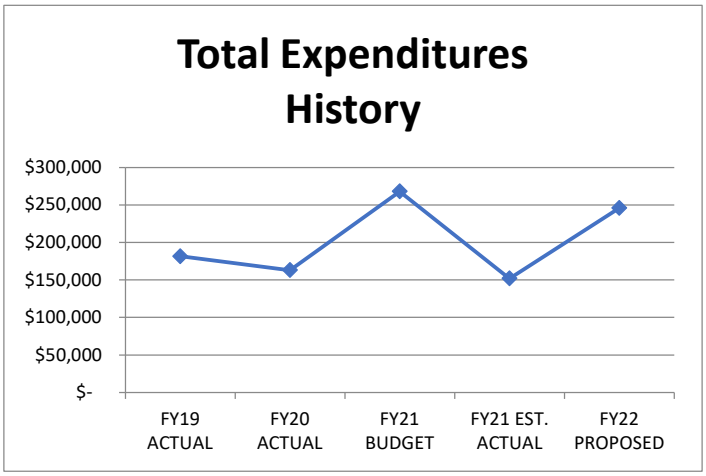
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

FY21 estimated actuals are expected to be 43.3% or $116K lower than budget.

Adopted FY21 to Proposed FY22

Proposed FY22 budget is expected to be 8.2% or $22k lower than FY21 budget.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	0.00	0.00	0.00	0.00
Staffing Total	0.00	0.00	0.00	0.00
Unfunded positions	0.00	0.00	0.00	0.00

The City does not maintain any full time staff in the Legal Department. Legal services are contracted out to various law firms who are able to offer the City specialized services in relation to specific department needs.

DEPARTMENT / PROGRAM OVERVIEW

Through the disbursement of funds, financial reporting, and asset and debt management, the Finance Department provides professional customer service for citizens, investors, Mayor & Council, City departments, employees and vendors by maintaining a high standard of integrity and dedication.

Accounting Function

The accounting function maintains the Finance Department's high standard of integrity by ensuring that accounts payable, accounts receivable, payroll, procurement and asset management are processed timely and accurately for Hagerstown's citizens, other City departments, employees and vendors.

Budget Function

The budget function maintains the Finance Department's high standard of excellence by working closely with the City Administrator, the Mayor and Council and other City departments to prepare the annual operating and capital budgets, internal control and oversight by monitoring and evaluating the condition of City budgets for Hagerstown's citizens, the Mayor and Council, other City departments, and employees.

DEPARTMENT / PROGRAM OBJECTIVES

• **Financial Reporting**: Finance will continue quarterly review meetings with department managers to ensure adequate monitoring of the City's finances. Finance will meet the October 31 deadline for completion of the audit and Comprehensive Annual Financial Report. Finance will also produce a Popular Annual Financial Report to present financial data in an easy-to-use format by December 31.

• **Customer Service**: The Finance department will continue to provide enhanced customer service to both our internal and external customers through the promotion of awareness and understanding of the City's finances through accessible and easy to use data presentations. The procurement process and policy will be reviewed for efficiency. The Finance Department will analyze and organize the contracts the City currently has with vendors.

• **Policy Updates**: Staff will continue to review and recommend updates for fiscal policies to present to Mayor and Council for approval.

• **Bonds & Other Debt**: Finance will continue to monitor the capital projects in the CIP fund. Also, Finance will continue to work with our financial advisor and bond counsel to issue general obligation bonds as needed and as approved for public improvement projects. Last, Finance will continue to monitor unspent bond projects and funding to ensure timely compliance with bond covenants.

• **Software Enhancements**: Finance, in conjunction with IT, will work to test enhancements to MUNIS, such as more user-friendly reporting tools, so that departments may access useful information.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/2022
Performance Measures			
Maintain the City's bond rating:			
Standard and Poor's AA-	AA	AA	AA
Moody's Investors Service A2 or higher	Aa3	Aa3	Aa3
Receive GFOA distinguished Budget Presentation award	Yes/ 15 yrs	Yes/ 16 yrs	Yes/ 17 yrs
Receive GFOA Comprehensive Annual Financial Reporting award	Yes/ 25 yrs	Yes/ 26 yrs	Yes/ 27 yrs
Workload Measures			
Bond sales executed	1	0	1
Number of individual employee payrolls processed	26,484	25,300	25,875
Number of vendor invoices processed	10,918	10,600	10,600
Number of Pcard transactions processed	6,872	5,400	7,600
Number of Purchase Orders issued	1,122	1,200	1,400

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 519,832	$ 574,698	$ 555,261	$ 562,694	-2.1%
Benefits	154,486	173,659	174,643	170,839	-1.6%
Overtime	53	100	100	100	0.0%
Personnel Subtotal	**674,371**	**748,457**	**730,004**	**733,633**	**-2.0%**
Contractual Services	26,820	358,877	453,698	456,468	27.2%
Operating Expenditures	46,850	54,564	59,748	56,094	2.8%
Capital Outlay	2,885	3,000	3,995	3,000	0.0%
Operating Subtotal	**76,555**	**416,441**	**517,441**	**515,562**	**23.8%**
Total Expenditures	**$ 750,926**	**$ 1,164,898**	**$ 1,247,445**	**$ 1,249,195**	**7.2%**
REVENUES BY TYPE					
Departmental Revenue	$ 38,117,213	$ 40,844,394	$ 38,730,933	$ 39,393,661	-3.6%
Total Revenues	**$ 38,117,213**	**$ 40,844,394**	**$ 38,730,933**	**$ 39,393,661**	**-3.6%**
Expenditures, net of Revenues	**$ (37,366,287)**	**$ (39,679,496)**	**$ (37,483,488)**	**$ (38,144,466)**	**-3.9%**

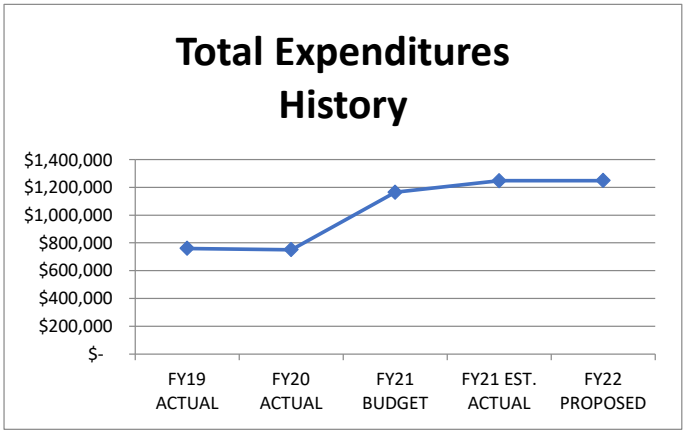
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total expenditures for the department are projected to be 7.1% or $82.5K higher than FY21 budget. Total personnel costs are expected to be 2.5% or $18.5K under budget because of a decrease in salaries and wages. Contractual services are over budget by 26.4% or $94.8K as a result of an increase in credit card processing fees. This increase can be attributed to the COVID-19 pandemic which caused City Hall to close to the public. Customer payment options were limited and caused more customers to have to pay via credit card instead of cash in person. This also resulted in higher dollar amount transactions being processed via credit cards which in return created higher fees from our merchant. Additionally, departmental revenue is anticipated to be 5.2% or $2.1M under budget. This decline is a result of anticipated increases in property taxes, offset by a decrease in State & County shared taxes, franchise fees, interest revenue, and $2.4M in fund balance reserves only reflected as a budget revenue source.

Adopted FY21 to Proposed FY22

From the FY21 budget to the FY22 proposed budget, overall total personnel expenditures are anticipated to decrease by 2.0% or $14.8K and operating expenditures to increase by 23.8% or $99.1K. Contractual services are estimated to be 27.2% or $97.6K higher in proposed FY22 budget compared to FY21 budget levels. This increase is due to an increase in credit card processing fees as the continued effect of the COVID-19 pandemic impact. Operating expenditures reflect a 2.8% or $1.5K increase mainy due to advertising and printing and cell phone calls. Lastly, departmental revenue is anticipated to be 3.6% or $1.5M lower than FY21 budget primarily due to one-time funding from the CARES Act Grant in FY21.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	8.40	8.40	8.40	8.00
Staffing Total	8.40	8.40	8.40	8.00
Unfunded positions	0.00	0.00	0.00	0.00

The decrease in the Full Time staffing number in FY22 is the result of the elimination of the Storeroom Keeper/Mail Room position.

DEPARTMENT / PROGRAM OVERVIEW

In support of the City's Strategic mission, Support Services strives to consistently provide high quality services in support of the City's cash collection, real estate and property tax process, and customer service program. We are committed to continuous, long-term improvement to meet needs in an exceptional way. Our primary measure of success is customer satisfaction. Our intent is to earn and maintain the respect of our customers, promote trust in the Support Services organization, and establish collaborative working relationships with our internal and external customers.

DEPARTMENT / PROGRAM OBJECTIVES

• **Integration of New Customer Credit Reporting System with MUNIS:** The implementation of utilizing Online Information Exchange to pre-screen electric customers at the time of service has been successful in the application of more accurate security deposits and identifying potential issue accounts. Staff will now work with IT to integrate this third-party service directly with MUNIS Utility Billing to perform all functions on the account application process within the MUNIS UB module.

• **Customer Needs Automated Communication Project:** Staff will begin planning for implementation of an Interactive Voice Response system that will integrate directly with the MUNIS Cashiering system to allow for direct entry of utility payment into the system. This will provide citizens with another option to pay their utility bill, as well as address some of the volume of representative assisted phone and lobby interactions.

• **City Hall Customer Service Lobby Reconfiguration:** As the Support Services department has changed business practices to allow for all representatives to handle all customer needs in the lobby, discussions will begin to look at moving the counters on the old Utility Customer Service side of the lobby back to match the former Cashiering side of the lobby. This would allow for better queuing of customers and recognition by staff members.

• **Welcome Packet For New Accounts:** Staff will create and distribute a welcome packet to all new utility account owners to provide information on the City services available to them.

• **Support Services Strategic Plan:** The changes in our capabilities to provide effective customer service and cash processing require a revisiting of how the department does business both with internal City departments as well as our external customers. Reviews of our utility collection process, cash management operation, tax collection, and reporting processes will all be documented and reviewed by staff, with recommendations on implementation. We will be implementing a new and more robust website to assist customers with paying their utility and tax bills. The website will offer a more user friendly approach, a broad range of payment options, the availability to receive text and email reminders and better overall communication with our customers. Support Services has and will continue to navigate the challenges that COVID-19 has brought to both the customers and the City. We have developed a plan for customer's to move and transfer utility service using our new email address and this has been effective. We have also made substantial customer reach out and communication to our customers throughout this unprecendented time. Staff has and will continue to work with outside agencies to assist customers with bill pay assistance.

• **Utility Billing Strategic Plan**: Utility Billing continues to work to ensure our customers receive accurate bills. The staff will be working on the implementation of a new utility billing system in FY22.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of calls offered into Support Services queue	**57,000**	**67,600**	**67,600**
Number of calls serviced in Support Services	**48,400**	**54,300**	**54,300**
Average hold time (in Seconds)	**250**	**310**	**310**
Number of counter transactions handled in City Hall	**83,000**	**42,000**	**83,000**
Total customers served	**131,000**	**96,300**	**131,000**
Dollar amount of transactions processed in City Hall	**$ 55,000,000**	**$ 61,200,000**	**$ 62,424,000**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 473,779	$ 603,684	$ 592,030	$ 617,877	2.4%
Benefits	152,232	213,005	196,474	203,835	-4.3%
Overtime	4,385	3,300	2,600	3,000	-9.1%
Personnel Subtotal	**630,396**	**819,989**	**791,104**	**824,712**	**0.6%**
Contractual Services	340,749	10,650	32,801	55,112	417.5%
Operating Expenditures	(462,225)	(838,819)	(829,363)	(852,374)	1.6%
Capital Outlay	3,135	8,200	7,550	7,550	-7.9%
Operating Subtotal	**(118,341)**	**(819,969)**	**(789,012)**	**(789,712)**	**-3.7%**
Total Expenditures	**$ 512,055**	**$ 20**	**$ 2,092**	**$ 35,000**	**174900.0%**
REVENUES BY TYPE					
Departmental Revenue	$ 27,759	$ 45,000	$ 500	$ 35,000	-22.2%
Total Revenues	**$ 27,759**	**$ 45,000**	**$ 500**	**$ 35,000**	**-22.2%**
Expenditures, net of Revenues	**$ 484,296**	**$ (44,980)**	**$ 1,592**	**$ -**	**-100.0%**

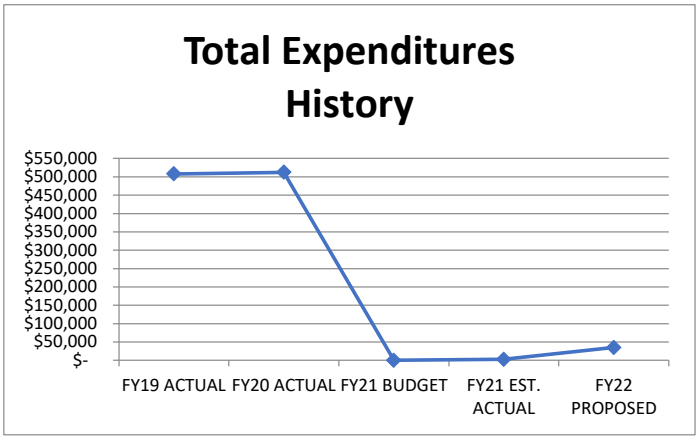
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total FY21 estimated actual expenditures are projected to be higher than FY21 budget by $2.1K. Personnel expenses are estimated to decline by 3.5% or $28.9K. Departmental revenue is expected to decrease 98.9% or $44.5K due to a decrease in the pay by phone transaction fee revenue. Pay by phone transaction fees were waived during the COVID-19 pandemic.

Adopted FY21 to Proposed FY22

The proposed FY22 budget for personnel expenditures is expected to be 0.6% or $4.7K higher due to an increase in salary and wages. Department revenue is expected to decrease by 22.2% or $10K due to the pay by phone transaction fees being waived during the COVID-19 pandemic.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	5.66	9.00	9.00	9.00
Part time	3.00	3.00	3.00	3.00
Staffing Total	8.66	12.00	12.00	12.00
Unfunded positions	0.00	0.00	0.00	0.00

In FY20, 1 Utility Billing position moved to Support Services from the Water Department and 1 Utility Billing position was created. Also in FY20, 1 new Support Services position was created. Support Services and Cashiering utilize 3 part-time positions.

DEPARTMENT / PROGRAM OVERVIEW

Technology has become the backbone of operations for all municipalities throughout the county, and the City of Hagerstown's IT department provides our community with information services to achieve our shared goals and objectives. We support all levels of technology, including internal networks, internet services, landline and cell phone services, application support, programming, and operational services. The department also provides training for software systems, as well as the analysis of business processes to provide opportunities for increased efficiency by utilizing technology.

DEPARTMENT / PROGRAM OBJECTIVES:

- **Network Infrastructure Analysis/Upgrade:** Staff will undergo a thorough review and analysis of our current network infrastructure, providing recommendations for upgrading of equipment to newer/current hardware technologies as well as undertaking a project to increase the operating standard of City network capacity throughput from 1G to 10G.
- **Virtualize Hardware Infrastructure:** Staff will continue to move our hardware infrastructure from individualized servers to a virtualized environment, allowing for greater flexibility and performance of our existing systems while simplifying overall support of the hardware landscape.
- **Increased Integration into Cloud Services:** Staff will continue to evaluate and recommend data storage solutions that are cloud based (instead of on-premises). This enhances data security and backup capability for sensitive information that is integral to our overall IT operations.
- **Security Awareness Education:** As businesses and municipalities continue to come under increased threats of hackers utilizing more sophisticated phishing and virus-laden emails, IT continues to partner with HR to provide training and awareness to our City staff concerning safe and secure technology usage.
- **Standardization of Technology Across City Departments:** Staff will continue to work with the various departments in order to standardize and upgrade all hardware and software so that all users are on common/supportable levels.
- **Upgrade City Financial System:** Staff will work with our software vendor to upgrade the City's financial system (MUNIS) to the latest version, allowing for additional functionality and to increase operational efficiency of services.
- **Implement New Utility Billing Software:** Staff will work with Utilities and Customer Service to implement a new Utility Billing Software package, which will also include a new online payment system and Interactive Voice Responce (IVR) system. This will enhance and simplify both the Utility Billing process for staff and introduce many new user-friendly enhancements to our citizens for utility billing payment options.
- **Increased Community Network/Wifi Access:** Staff will work to upgrade, improve, and expand opportunities for citizen network/wifi access throughout the city, with increased connection opportunities in the downtown corridor, City Park, and Fairground Park.
- **Video Surveillance Wireless Network Expansion:** Continue to add equipment to allow for enhanced video coverage for wireless camera connections throughout the City.
- **Overall Business Process/Technology Updates:** Staff will meet with various departments to better understand their business processes and make recommendations for either utilizing technology (to replace manual processes) or streamlining operations, where applicable.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of City-wide personal computers	**276**	**300**	**315**
Number of PC Software programs supported	**30**	**35**	**37**
Number of Help Desk tickets	**2,500**	**2,551**	**2,708**
# of SPAM e-mails blocked daily	**40,000**	**42,507**	**45,171**
Phone calls managed through our central switch	**395,250**	**398,017**	**400,803**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 379,306	$ 390,390	$ 394,000	$ 400,553	2.6%
Benefits	127,134	135,771	151,076	158,577	16.8%
Overtime	-	-	-	-	0.0%
Personnel Subtotal	**506,440**	**526,161**	**545,076**	**559,130**	**6.3%**
Contractual Services	79	2,531	-	1,000	-60.5%
Operating Expenditures	461,030	452,951	454,699	538,869	19.0%
Capital Outlay	6,630	3,250	3,150	3,150	-3.1%
Operating Subtotal	**467,739**	**458,732**	**457,849**	**543,019**	**18.4%**
Total Expenditures	**$ 974,179**	**$ 984,893**	**$ 1,002,925**	**$ 1,102,149**	**11.9%**
REVENUES BY TYPE					
Departmental Revenue	$ 11,507	$ 10,380	$ 10,382	$ 10,382	0.0%
Total Revenues	**$ 11,507**	**$ 10,380**	**$ 10,382**	**$ 10,382**	**0.0%**
Expenditures, net of Revenues	**$ 962,672**	**$ 974,513**	**$ 992,543**	**$ 1,091,767**	**12.0%**

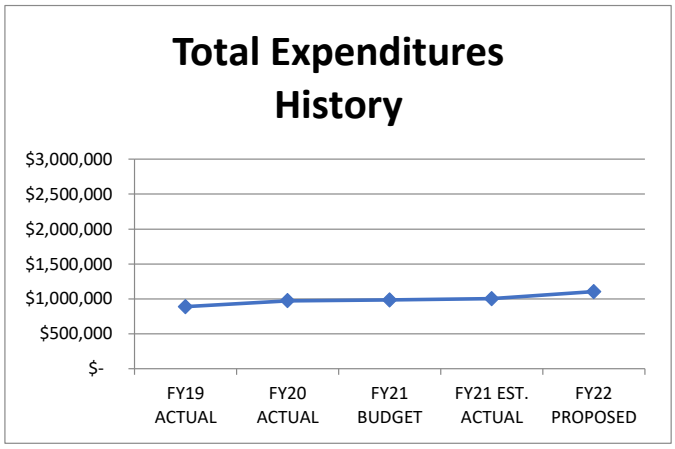
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

In total, FY21 actual expenditures are projected to be over FY21 budget by 1.8% or $18K. This is mainly due to a 3.6% or $18.9K increase in personnel expenditures. Contractual services are projected to decline 100% or $2.5K and operating expenditures are expected to increase 0.4% or $1.7K. Other expenditures and revenues are forecasted to remain level to actual.

Adopted FY21 to Proposed FY22

Increases in FY22 budget are predominantly due to a 19.0% or $85.9K increase in operating expenditures mainly due to PC software support & maintenance. There is also an increase of 6.3% or $32.9K from FY21 budget to proposed FY22 due to an increase in benefits.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	6.00	6.00	6.00	6.00
Part time	0.00	0.00	0.00	0.00
Staffing Total	6.00	6.00	6.00	6.00
Unfunded positions	0.00	0.00	0.00	0.00

The IT Department is fully staffed as of FY20. There are no anticipated changes to staffing through FY22.

DEPARTMENT / PROGRAM OVERVIEW

The Human Resources Department serves the City organization, City employees, retirees, and the citizens of the community by providing a full range of Human Resources services. We are a strategic partner to City departments to support and promote efficient operations. The Human Resources Department oversees the selection, placement, and development of qualified people in positions with the City. We are also responsible for employee and retiree benefits and compensation, employee policies, labor management, FMLA administration, employment law compliance, safety and liability programs, training and career development, risk management, and more. We value the contributions of every employee to the overall well-being and efficient operations of the City of Hagerstown.

DEPARTMENT / PROGRAM OBJECTIVES

• Manage and implement changes to healthcare programs to comply with healthcare reform and keep costs within the City's health care budget.

• Offer comprehensive and targeted training programs to increase skill levels for broader responsibilities and increased employee engagement.

• Create and enhance employee recognition programs that highlight employee creativity, innovation, and commitment to the organization.

• Develop increasingly comprehensive wellness and safety programs in order to enhance employee health and productivity while reducing healthcare and workers' compensation claims expenses.

• Maintain position control systems.

• Administration of the four union contracts and personnel policies.

• Administer self-insured Workers' compensation Program and Liability Insurance Services.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Bargaining Unit Contracts	**4**	**4**	**4**
Per Employee Health Plan Costs	**$ 10,362**	**$ 12,378**	**$ 13,193**
Per Retiree Health Plan Costs	**$ 7,885**	**$ 8,538**	**$ 9,191**
Number of Employment Applications Received	**643**	**1,000**	**1,000**
Number of Regular FT employees hired	**34**	**40**	**40**
Number of non-regular employees hired	**44**	**45**	**45**
Retirements	**14**	**15**	**15**
Voluntary Separations	**57**	**65**	**65**
Involuntary Separations	**2**	**2**	**2**
Number of Injury Reports	**91**	**105**	**100**
Number of Property Claims	**34**	**28**	**32**
Number of General Liability Claims	**10**	**11**	**8**
Number of Police Liability Claims	**5**	**4**	**5**
Number of Auto Claims	**24**	**28**	**32**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 396,584	$ 412,651	$ 388,692	$ 374,389	-9.3%
Benefits	129,415	140,414	132,647	118,246	-15.8%
Overtime	313	400	100	400	0.0%
Personnel Subtotal	**526,312**	**553,465**	**521,439**	**493,035**	**-10.9%**
Contractual Services	50,070	69,590	35,376	61,342	-11.9%
Operating Expenditures	29,369	50,737	17,850	42,289	-16.7%
Capital Outlay	5,504	2,300	1,775	4,000	73.9%
Operating Subtotal	**84,943**	**122,627**	**55,001**	**107,631**	**-12.2%**
Total Expenditures	**$ 611,255**	**$ 676,092**	**$ 576,440**	**$ 600,666**	**-11.2%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 611,255**	**$ 676,092**	**$ 576,440**	**$ 600,666**	**-11.2%**

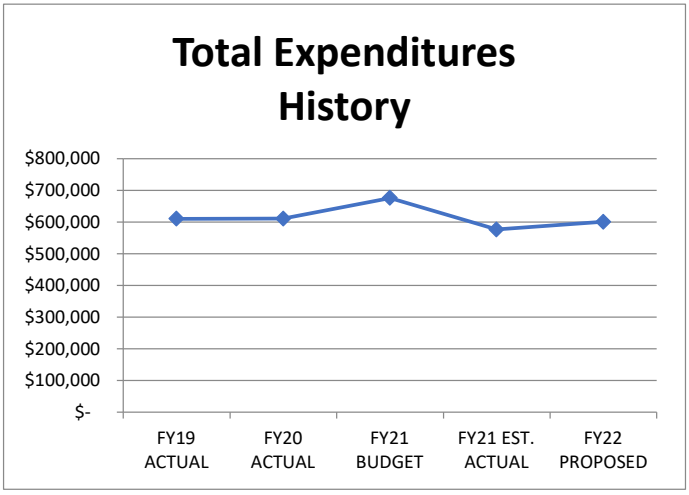
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

In total, FY21 estimated actual expenditures are expected to be 14.7% or $99.7K under FY21 budget primarily due to decreases in salary and wages, benefits, contractual services, and operating expenditures.

Adopted FY21 to Proposed FY22

In total, FY22 expenditures are estimated to be 11.2% or $75.4K lower than FY21 budget levels. This is due to the unfunding of one full-time position and decreases in contractual services and operating expenditures.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	5.00	5.00	5.00	4.00
Part time	4.00	4.00	4.00	4.00
Seasonal	1.00	1.00	1.00	1.00
Staffing Total	10.00	10.00	10.00	9.00
Unfunded positions	0.00	0.00	0.00	1.00

The Human Resources Department staffs the information/security desk at City Hall with part-time positions and has a part-time HR Representative. One seasonal employee is staffed to fill in for clerical/administrative positions throughout the City on an as-needed basis. 1 FT position in HR will remain unfunded through FY22

DEPARTMENT / PROGRAM OVERVIEW

The Communications Department manages all communications generated by City departments and acts as the point of contact for all news/press related activities. The group maintains and provides custom programming for our Public/Educational/Government (PEG) Channel 25, as well as produces the City Mayor and Council broadcasts both on cable and streaming Internet video for our citizens. Communications staff manages, oversees, and maintains our City website, Facebook channel, YouTube channel, and all other social media platforms.

DEPARTMENT / PROGRAM OBJECTIVES

• **City Imaging / Branding Campaign:** Place branding directly contributes to increased effectiveness and efficiency in how cities compete and present themselves to their citizens and the outside world. It enables the City to focus on their differentiating strengths and leverage the combined power of stakeholder resources to establish its competitive identity. Staff will work, in partnership with a qualified third-party marketing / public relations group, to develop a consistent and powerful place branding strategy that fulfills these goals in accordance with the input of the current administration.

• **Consolidated Communications Plan:** Staff will work across departments to coordinate marketing and promotions in an effort to leverage resources and more effectively promote all aspects of city government. This process will facilitate a more efficient workflow by having a determined communications plan each month. Promotions will be delivered across multiple platforms, including print, digital, social media and video advertising in local and regional markets.

• **Enhancing the City Website:** Staff will work with our site vendor, CivicPlus, as well as department representatives, to identify ways of utilizing the website to enhance customer service and information-delivering methods. This includes exploring various modules and revising page layouts to more effectively present information. The "Spotlight" section of the website will continue to be updated regularly with a "snapshot" of the information of most immediate importance to citizens.

• **Additional Video Programming for Social / Cable media channels:** Staff will be developing and running new Hub City NOW! content for both Cable Channel 25 and social media outlets. These include post-Council meeting commentaries on hot topics ("Council WRap"), department features, City business / resident highlights, and other public information shows.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
YouTube lifetime video views	**200,000**	**211,098**	**224,110**
YouTube subscribers	**800**	**839**	**1,177**
Website visits	**500,000**	**486,244**	**491,782**
Facebook likes	**14,000**	**13,926**	**15,449**
Twitter followers	**2,500**	**2,164**	**2,236**
Instagram followers	**0**	**1,639**	**2,051**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 151,850	$ 158,083	$ 141,808	$ 160,499	1.5%
Benefits	44,098	44,172	44,791	48,815	10.5%
Personnel Subtotal	**195,948**	**202,255**	**186,599**	**209,314**	**3.5%**
Contractual Services	-	5,000	5,000	5,000	0.0%
Operating Expenditures	49,128	66,642	54,673	53,742	-19.4%
Capital Outlay	-	-	-	1,500	100.0%
Operating Subtotal	**49,128**	**71,642**	**59,673**	**60,242**	**-15.9%**
Total Expenditures	**$ 245,076**	**$ 273,897**	**$ 246,272**	**$ 269,556**	**-1.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 1,344	$ -	$ 415	$ -	0.0%
Total Revenues	**$ 1,344**	**$ -**	**$ 415**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 243,732**	**$ 273,897**	**$ 245,857**	**$ 269,556**	**-1.6%**

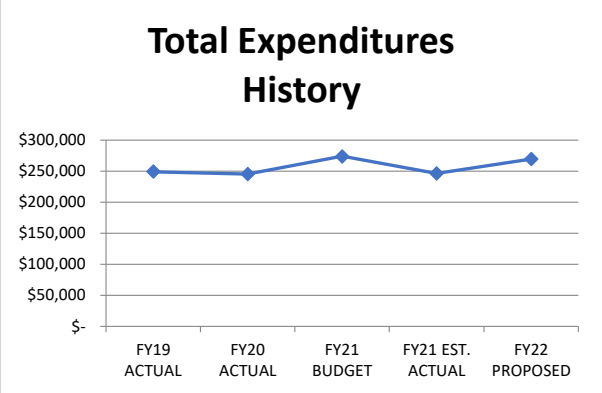
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

FY21 estimated expenditures are expected to be under FY21 budget levels by a total of 10.1% or $27.6K. The Communications department includes a part-time position shared with the City Clerk as well as videographers.

Adopted FY21 to Proposed FY22

FY22 budget expenditures are 1.6% or $4.3K lower compared to FY21 budget amounts primarily due to a decrease in advertising and printing.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	2.10	2.00	2.00	2.00
Part time	2.50	2.50	2.50	2.50
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	4.60	4.50	4.50	4.50
Unfunded positions	0.00	0.00	0.00	0.00

In FY21, the Communications Department will no longer share a position with Community and Economic Development.

DEPARTMENT / PROGRAM OVERVIEW

The Planning and Code Administration (PCAD) works in collaboration with all City Departments, our residents, businesses, investors (current and prospective), and visitors to ensure Hagerstown is a diverse, business-friendly, and sustainable community with clean, safe, and strong neighborhoods. PCAD provides the development and land use-related services of planning, zoning, historic preservation, permitting, and licensing for construction and consumer protection; and, the proactive application of property maintenance-related ordinances and licensing programs that are designed to protect residents, neighborhoods, and property values. PCAD also provides the comprehensive planning and annexation services for the City. The administration of these development services and protection of neighborhoods encourages investment and a proud and prosperous community.

DEPARTMENT / PROGRAM OBJECTIVES

Recognizing that time is money for the development community, PCAD constantly assesses our processes to ensure we are providing exceptional service in a timely fashion while planning for the future of the City through visionary yet realistic plans, flexible regulations, progressive programs, and customer-friendly processes. We remain focused on development and administration of progressive protective legislation for smart development and redevelopment. Our development review, permitting, and inspections staff strive to ensure speed and accuracy in permit issuance and careful assessment of code compliance in inspections to protect our citizens and properties. We undertake code abatements to protect property values. Customer service and permitting enhancements are ongoing to make Hagerstown a location of choice for investors. In FY22 PCAD will continue to protect the quality of life in our community, enhance property values, and grow the tax base through a strategic demolition plan for nuisance properties, a strategic annexation plan for opportunities to grow the City's tax base, and property abatements and neighborhood improvement plans to remove blight and foster improvements. In addition, PCAD will work with other City departments and stakeholders to implement the recommendations in the Community's City Center Plan and the City's comprehensive plan, *visionHagerstown 2035*. PCAD will continue work on our social media platforms on postive messaging to thank our investors and educate the public on who we are and what we do to protect the public and enhance the City's reputation as an effective and efficient partner to our neighborhoods and the development community.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Value of Commercial Investment (in thousands)	$ 32,252	$ 75,000	$ 30,000
Value of Residential Investment (in thousands)	$ 22,352	$ 22,000	$ 20,000
Assessed Value of Newly Annexed Land (in thousands)	$ -	$ 42,878	$ 38,547
Number of New Home Starts	122	190	237
Percent of HDC applicant affirmed cases	100%	99%	99%
Number of Site Plans Reviewed	18	20	20
Volume of Inspections Performed	18,636	26,000	26,000
Number of Inspections Appealed	4	3	2
Number of Zoning Certificates issued for new businesses*	27	25	30
Number of Rental Units Licensed	9,722	9,750	9,850
Number of Vacant Residential Properties Licensed	304	500	550
Number of Vacant Non-Residential Properties Licensed	30	30	35
Value of Abatements performed by the City (in thousands)	$ 133	$ 200	$ 225

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,222,547	$ 1,294,201	$ 1,271,934	$ 1,358,911	5.0%
Benefits	466,939	503,531	510,688	527,660	4.8%
Overtime	3,132	2,800	2,500	2,500	-10.7%
Personnel Subtotal	**1,692,618**	**1,800,532**	**1,785,122**	**1,889,071**	**4.9%**
Contractual Services	968	7,066	3,031	7,362	4.2%
Operating Expenditures	182,156	326,434	271,149	329,571	1.0%
Capital Outlay	852	7,300	6,912	5,346	-26.8%
Operating Subtotal	**183,976**	**340,800**	**281,092**	**342,279**	**0.4%**
Total Expenditures	**$ 1,876,594**	**$ 2,141,332**	**$ 2,066,214**	**$ 2,231,350**	**4.2%**
REVENUES BY TYPE					
Departmental Revenue	$ 1,496,808	$ 2,154,104	$ 2,025,258	$ 1,804,110	-16.2%
Total Revenues	**$ 1,496,808**	**$ 2,154,104**	**$ 2,025,258**	**$ 1,804,110**	**-16.2%**
Expenditures, net of Revenues	**$ 379,786**	**$ (12,772)**	**$ 40,956**	**$ 427,240**	**-3445.1%**

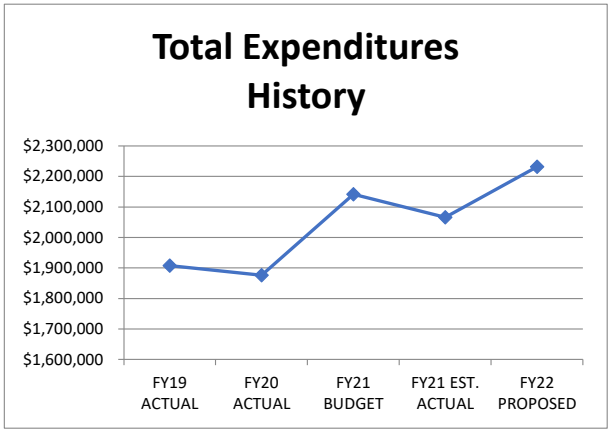
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Overall, personnel costs are expected to be 0.9% or $15.4K less than budgeted in FY21 due to lack of part-time as needed staff to assist permit inspections. Total operating expenditures are expected to be 3.5% or $75.1K lower than budgeted due to the impact of the COVID-19 pandemic. Funds budgeted for abatement of nuisance properties will be utilitized to eradicate larger blight issues in our neighborhoods, however efforts are impacted by the unavailability of the court system due to the COVID-19 pandemic. Overall revenues are expected to be down 6% or $128.8K mainly due to the pandemic.

Adopted FY21 to Proposed FY22

Overall, personnel costs are anticipated to increase by 4.9% or $88.5K from FY21 budget to FY22 budget due to professional development and the proposal to replace a part-time nuisance inspector position with a full-time neighborhood services position to focus on the vacant structures program and to provide coverage for residential permit inspections. This will help meet Mayor and Council goals on blight eradication and compensate for lack of part-time, as needed building and trades inspectors to back-up full-time inspections staff. Total operating expenditures are anticipated to remain relatively the same as FY21 budget amounts. The budget for contractual services will increase slightly to assist with structural assessments. Revenues are anticipated to decrease back to typical levels as the FY21 permit levels were inflated by the Northpoint development. Explorations continue on potential to transfer perpetual tax lien properties to new owners, which would reduce abatement costs and increase property tax revenues. Proactive abatement and demolition strategies will help reduce on-going abatement costs and increase property values in surrounding properties. Proactive annexation strategies will continue as another means of increasing property tax revenues. PCAD will contunue our social media campaign and efforts to elevate our image in the community and educate our customers on code issues.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	20.00	20.00	20.00	20.00
Part time	1.00	2.00	2.00	1.00
Seasonal	3.00	3.00	3.00	3.00
Staffing Total	24.00	25.00	25.00	24.00
Unfunded positions	0.00	0.00	0.00	0.00

There are no material changes in staffing included in the FY22 proposed budget. The Department Leader is researching ways to convert it's 1 part time position into another full time position and remain budget neutral. The fulltime position is currently 100% funded with CDBG monies.

PLANNING AND CODE ADMINISTRATION - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2021/2022

EXPENDITURES BY PROGRAM

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES					
Planning	$ 436,383	$ 447,216	$ 448,095	$ 482,361	7.9%
Annexation	6,468	8,800	6,000	10,800	22.7%
Code Administration	1,433,743	1,685,316	1,612,119	1,738,189	3.1%
Total Expenditures	**$ 1,876,594**	**$ 2,141,332**	**$ 2,066,214**	**$ 2,231,350**	**4.2%**
REVENUES					
Departmental Revenue	$ 1,496,808	$ 2,154,104	$ 2,025,258	$ 1,804,110	-16.2%
Total Revenues	**$ 1,496,808**	**$ 2,154,104**	**$ 2,025,258**	**$ 1,804,110**	**-16.2%**
Expenditures, net of Revenues	**$ 379,786**	**$ (12,772)**	**$ 40,956**	**$ 427,240**	**-3445.1%**

DEPARTMENT / PROGRAM OVERVIEW

The Department of Community and Economic Development (DCED) works in collaboration with all City Departments, our residents, businesses, current and prospective investors, and visitors to advance the economy, image, and quality of life in Hagerstown. DCED works to drive new development and investment in the City and Downtown, resulting in the stabilization and growth of the City's assessable base and the creation of new jobs. The Department also works to strengthen City neighborhoods and homeownership through community engagement and addressing blighted/abandoned properties and housing stock issues. DCED promotes and advances the image and quality of life of the City for the economic benefit of existing businesses and for new residential and commercial investment.

The Department has three primary function areas: **Community Development** to grow strong neighborhoods; **Economic Development** to support business growth; and **Special Events and Festivals** to celebrate community pride.

DEPARTMENT / PROGRAM OBJECTIVES

- **Community's City Center Plan**: Implement catalyst projects identified in the 10-year Community's City Center Plan.
  Catalyst Project #1: Office Development and Recruitment
  Catalyst Project #2: Maryland Theatre Expansion of Programming and Facilities
  Catalyst Project #3: USMH Expansion Support
  Catalyst Project #5: Linking City Park/WCMFA and the A&E District with Trail & New Housing
  Catalyst Project #6: Expanded Downtown Arts/Events Programming
  Catalyst Project #8: Expanded and Targeted Home Ownership Support

Monitor opportunities related to select catalyst projects.
  Catalyst Project #4: Hotel/Conference Center and Heritage Center/Commemorative Park
  Catalyst Project #7: Expanded Operations of the City Farmer's Market

- **Urban Improvement Project:** The Urban Improvement Project includes the expansion of the Maryland Theatre, Barbara Ingram School for the Arts (BISFA), and the University System of Maryland at Hagerstown (USMH) as well as the creation of a plaza. Support the Mayor and City Council's work to expand cultural and academic opportunities in City Center.

- **Grants Management:** Administer multiple grants through the State of Maryland Community Legacy Program, Strategic Demolition Fund, and other grant sources to support redevelopment projects and incentive programs.

COMMUNITY DEVELOPMENT

- **Community Development Block Grant & Supported Programs:** Manage the Community Development Block Grant (CDBG) Program, which provides funding to Public Service Programs, Homeowner Rehabilitation Programs, Capital Improvement Projects, and additional programs. (see also Section 4 Special Revenue Funds - Community Development Block Grant)

- **Neighborhoods 1st Program:** Manage the Neighborhoods 1st program creating a venue for neighborhood-based citizen groups to engage and collaborate with local government in community building and placemaking through events and projects.

- **Community Engagement and Growing Volunteerism:** Lead engagement efforts, dialogue and external relations. Explore action items that enhance our efforts to become a more sustainable and viable City. Continue to grow volunteerism to foster civic engagement and understanding of local government operations.

- **Youth Engagement:** Support and grow the initiatives and activities of the Hagerstown Youth Advisory Council. The effort will provide a voice for youth in City government and will foster civic engagement.

- **Strategic Demolition and Repurposing of Abandoned Property:** Work cross department to launch a program to repurpose problem, abandoned properties that fail to transfer ownership through the traditional tax sale process. This includes demolition of dilapidated, abandoned property (when necessary) and transfer of ownership to a qualifying entity or homeowner.

- **Public Art:** Work cross department to identify additional locations for public art in neighborhoods throughout the City.

ECONOMIC DEVELOPMENT

- **Business Retention, Expansion and Attraction:** Work with existing and prospective business owners and investors to retain, expand, and attract investment in Hagerstown. These efforts include the administration of a range of incentives and programs (Partners in Economic Progress (PEP), Invest Hagerstown Grant Programs, and others) as well as services such as grand opening and anniversary events. (see also Section 4 Special Revenue Funds - Economic Redevelopment Fund)

• **Sports Tourism:** Research and monitor economic development opportunities related to sports and sports-tourism industries.

• **Hagerstown Revolving Loan Fund:** Manage a business revolving loan program designed to provide financing for new and expanding businesses for working capital, equipment, property acquisition, and property rehabilitation. (see also Section 4 Special Revenue Funds - Business Revolving Loan Fund).

• **Entrepreneurship and Business Resource Center:** Explore options to evolve the BuroBox program, an entrepreneurship and business resource center at 60 West Washington Street, with the goal of supporting the needs of a broader market of entrepreneurs, small businesses, and telecommuters.

• **Arts & Entertainment District:** Maintain the City's designation as an Arts and Entertainment District and manage supporting programs.

• **Main Street Hagerstown:** Maintain the City's designation as a Main Street Community and manage volunteer engagement and programs using the 5-point Main Street Maryland model: 1. Promotions 2. Design 3. Business Relations 4. Clean, Safe and Green and 5. Organization. Manage key programs such as the "Adopt-A-Block" program, CleanUp & Beautification Days, and annual events. Explore the continued growth, evolution, and partnership options for this program.

• **Property Management:** Lease available space in City-owned properties including attracting tenants and manage lease renewals. (see also Section 3 Enterprise Funds - Property Management Fund)

• **Commercial Development and Competitive Negotiated Sale (CNS):** Catalyze commercial development by enhancing City-owned properties and marketing these properties to private investors through the Competitive Negotiated Sale process (CNS) with the goal of returning properties to the private sector for active, contributing uses.

• **Annexation Opportunities:** Explore opportunities to facilitate annexation as a means of enhancing the tax base of the City and facilitating provision of services.

• **Advisory and Ambassador Support:** Explore creation of an advisory and/or ambassadors group for City economic development efforts.

SPECIAL EVENTS AND FESTIVALS

• **City Organized, Partnered and Supported Events:** Plan and implement a range of special events and festivals delivered by the City of Hagerstown and/or in partnership. Provide support through sponsorship of additional events. Events include, but are not limited to: Imagine Hagerstown, AugustoberFest, Thunder in the Square, the Mummer's Parade, the Tour of Washington County Downtown Criterium, the Tree Lighting event, HollyFest, the Donut Drop, and more.

• **Support for Downtown Events:** Encourage and provide support to organizations that select Downtown Hagerstown as the venue for their events. Provide guidance to outside event planners with the goal of increasing the number of events held annually downtown.

• **City Farmers' Market:** Operate and manage the City Farmers' Market and explore related opportunities.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of event attendees*	**155,000**	**7,500**	**95,000**
Number of volunteer hours	**3,500**	**600**	**800**
Number of business grand openings/anniversary celebrations	**30**	**16**	**25**
Number of new/retained jobs tied to incentive agreements	**125**	**1,000+**	**1500+**
New investment tied to incentives**	**$ 6,000,000**	**$100 mil +**	**$150 mil+**

*Impacts of the COVID-19 pandemic affected event attendance, volunteer hours, and number of grand opening/anniversary celebrations
**2020/21 and 2021/22 includes a number of large-scale projects

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 424,820	$ 445,260	$ 440,940	$ 459,454	3.2%
Benefits	136,859	162,573	154,650	148,908	-8.4%
Overtime	74	-	100	-	0.0%
Personnel Subtotal	**561,753**	**607,833**	**595,690**	**608,362**	**0.1%**
Contractual Services	15,186	69,920	46,008	56,010	-19.9%
Operating Expenditures	365,846	395,946	267,831	365,041	-7.8%
Capital Outlay	2,927	7,750	7,750	6,250	-19.4%
Operating Subtotal	**383,959**	**473,616**	**321,589**	**427,301**	**-9.8%**
Total Expenditures	**$ 945,712**	**$ 1,081,449**	**$ 917,279**	**$ 1,035,663**	**-4.2%**
REVENUES BY TYPE					
Departmental Revenue	$ 188,927	$ 217,311	$ 283,111	$ 549,725	153.0%
Total Revenues	**$ 188,927**	**$ 217,311**	**$ 283,111**	**$ 549,725**	**153.0%**
Expenditures, net of Revenues	**$ 756,785**	**$ 864,138**	**$ 634,168**	**$ 485,938**	**-43.8%**

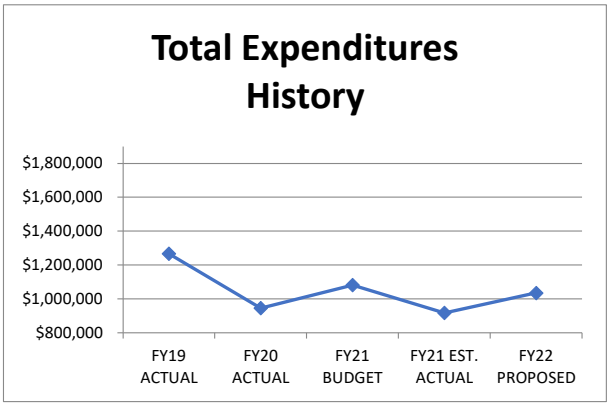
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total personnel costs are anticipated to be lower than FY21 budget by 2.0% or $12.1K. Additionally, total operating expenditures are 15.2% or $164.1K lower than budget. Departmental revenue amounts are expected to be higher than budget by 30.3% or $65.8K primarily due to an increase in Enterprise Zone tax credits and state grants.

Adopted FY21 to Proposed FY22

In total, operating expenditures are projected to be 9.8% or $45.8K lower in proposed FY22 budget than FY21 budget. Personnel expenditures in total are expected to remain level with FY21 budget. Revenues are expected to increase 153% or $332.4K in proposed FY22 budget due to Enterprise Zone tax credits.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	6.75	6.85	6.85	6.15
Part time	1.30	1.28	1.28	2.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	8.05	8.13	8.13	8.15
Unfunded positions	0.00	0.00	0.00	0.00

There are slight allocation changes budgeted for DCED in FY22.

EXPENDITURES BY PROGRAM

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES					
Public Functions	$ 270,465	$ 410,900	$ 286,445	$ 336,734	-18.0%
Farmers Market	72,679	78,858	55,776	51,125	-35.2%
Community & Economic Dev	602,568	591,691	575,058	647,804	9.5%
Total Expenditures	**$ 945,712**	**$ 1,081,449**	**$ 917,279**	**$ 1,035,663**	**-4.2%**
REVENUES					
Departmental Revenue	$ 188,927	$ 217,311	$ 283,111	$ 549,725	153.0%
Total Revenues	**$ 188,927**	**$ 217,311**	**$ 283,111**	**$ 549,725**	**153.0%**
Expenditures, net of Revenues	**$ 756,785**	**$ 864,138**	**$ 634,168**	**$ 485,938**	**-43.8%**

DEPARTMENT / PROGRAM OVERVIEW

The Department of Parks and Engineering has the unique opportunity to improve the livability and recreation opportunities for the citizens of Hagerstown. Through the construction of Capital Improvement Projects, providing excellent parks and recreational activities, the implementation of recycling and trash collection programs, and our various "sustainability" programs, *this Department affects every resident of Hagerstown on a daily basis*. The department takes this responsibility very seriously and uses it as an opportunity to improve life for those who choose to live and do business in the City of Hagerstown.

Engineering Division

The Engineering Division is primarily focused on street improvements and traffic flow. Engineering is also responsible for preparing construction documents for various capital improvement projects identified in Section 7 of the City budget document. This includes the annual pavement preservation program, construction of parking facilities, and repairs to other public facilities like bridges. Engineering Division staff prepare contract documents, bid projects, administer contracts, and inspect the construction performed. Engineering Division staff are also involved in land development reviews, maintenance and creation of numerous databases, and development of the City's Geographical Information System (GIS) database.

Parks and Recreation Division

The Parks and Recreation Division understands that quality of life is important to the residents of Hagerstown. The numerous parks, facilities, and recreation programs provided contribute directly to the health and well being of the entire Hagerstown community. The primary goal is to provide all Hagerstown citizens high quality recreational and leisure opportunities in safe, modern, and well maintained parks and facilities. Staff are constantly responding to change, developing new programs, adding and upgrading facilities, so that residents, businesses and visitors can have an exceptional leisure experience.

Solid Waste Collection and Disposal

The residential recycling and trash collection program is provided by a private contractor, administrated by the Engineering Division. In addition to collecting residential trash at curbside each week, the City's contractor also collects yard waste and recycling, and collection of trash and recycling at small commercial establishments.

Sustainability Initiatives

Our department takes the lead on these issues including multi-modal transportation, energy efficiency upgrades, community gardening, and public art installations.

DEPARTMENT / PROGRAM OBJECTIVES

In FY21/22, Parks & Engineering staff will complete the following:

Engineering Division

• Complete the construction of phase 2 of the Cultural Trail (and Urban Improvement Project plaza).
• Construct Skatepark in Fairgrounds Park.
• Transportation initiatives in FY21/22 include pavement preservation, railroad crossing improvements at Park Circle, replacement of curbs and sidewalks city-wide, construction of Professional Boulevard bridge, traffic signal installation at Frederick Street and Eastern Boulevard, and alley reconstruction.
• See Stormwater protection program for other projects.

Parks and Recreation Division

• Construct new creek access at Mt Aetna Road for watercraft access to Antietam Creek.
• Publish biannual Recreation Program Guide. Continue innovative and creative approach to recreation by adapting recreation programs for the post-COVID world. Celebrate the 100th anniversary of City Park with programs and a special celebration with fireworks on the lake in August.
• Other goals for FY21/22 include: installing additional play equipment, repairs to the Hager House, stabilizing the Fairgrounds Entrance Building, new restrooms and 202 locomotive restoration at the Train Hub, completion of bathroom upgrades at the FIT Room, upgrading our holiday lights in City Park, and developing a re-use of Municipal Stadium.

Solid Waste/Sustainability

Continue to monitor the volatile recycling market and make adjustments as needed. Continue electronics recycling/paper shredding event and seek additional public art installations.

PERFORMANCE INDICATORS - ENGINEERING

	2019/20	2020/21	2021/22
Number of Contracts and RFP's	**32**	**30**	**30**
Curb and Sidewalk Permits Issued	**100**	**25**	**25**
Traffic Complaints Resolved	**160**	**96**	**75**
Work Orders issued to Public Works	**128**	**71**	**50**

PERFORMANCE INDICATORS - PARKS

	2019/20	2020/21	2021/22
Number of Public Parks	**22**	**24**	**24**
Acres of Park Land	**304**	**306**	**307**
Number of Pavilion Reservations	**291**	**163**	**200**
City Park Bandshell Reservations	**44**	**14**	**25**
Municipal Stadium: Number of Suns Spectators (in 000s)	**59**	**2**	**100**
Miles of Bike Lanes and Paths	**57**	**59**	**60**
Hager House Visitors	**6,000**	**647**	**2,000**
Hager House Promotions/Events	**13**	**12**	**13**
Hagerstown 202 Railroad Museum Promotions/Events	**8**	**2**	**6**
202 Railroad Visitors	**5,000**	**192**	**1,000**

PERFORMANCE INDICATORS - GENERAL RECREATION

	2019/20	2020/21	2021/22
Number of Events	**23**	**23**	**24**
Number of Recreation Programs	**80**	**65**	**70**

PERFORMANCE INDICATORS - POTTERFIELD POOL

	2019/20	2020/21	2021/22
Number of Days in Full Operation	**83**	**77**	**80**
Number of Private Rentals	**37**	**13**	**25**
Number of Season Passes (all types)	**36**	**13**	**30**
Daily Paid Attendance (non camp)	**18,803**	**8,703**	**12,000**
Total Attendance	**23,185**	**8,923**	**15,000**

PERFORMANCE INDICATORS - WASTE COLLECTION

	2019/20	2020/21	2021/22
Tons of Garbage Collected Curbside	**11,558**	**12,838**	**12,900**
Tons of Yard Waste Collected	**965**	**1,017**	**1,100**
Tons of Recyclables Collected	**1,934**	**2,092**	**2,100**
Residential Units Served	**14,666**	**14,742**	**14,800**
Commercial Units served	**98**	**103**	**105**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,770,544	$ 1,872,697	$ 1,720,213	$ 1,808,076	-3.5%
Benefits	698,477	774,378	692,098	702,672	-9.3%
Overtime	6,539	17,850	17,705	17,700	-0.8%
Personnel Subtotal	**2,475,560**	**2,664,925**	**2,430,016**	**2,528,448**	**-5.1%**
Contractual Services	3,010,993	3,063,106	3,075,097	3,213,400	4.9%
Operating Expenditures	827,874	850,350	919,638	1,072,247	26.1%
Capital Outlay	9,330	4,300	5,450	4,250	-1.2%
Operating Subtotal	**3,848,197**	**3,917,756**	**4,000,185**	**4,289,897**	**9.5%**
Total Expenditures	**$ 6,323,757**	**$ 6,582,681**	**$ 6,430,201**	**$ 6,818,345**	**3.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 3,470,199	$ 3,375,101	$ 3,242,549	$ 3,356,825	-0.5%
Total Revenues	**$ 3,470,199**	**$ 3,375,101**	**$ 3,242,549**	**$ 3,356,825**	**-0.5%**
Expenditures, net of Revenues	**$ 2,853,558**	**$ 3,207,580**	**$ 3,187,652**	**$ 3,461,520**	**7.9%**

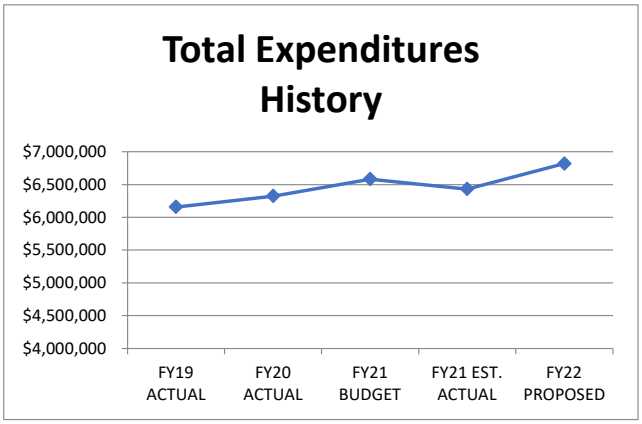
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total personnel costs are expected to be 8.8% or $234.9K lower than FY21 budget. Offsetting these decreases, total operating expenses are projected to be over budget by 2.1% or $82.4K primarily due to an increase in electricity, water & sewer, and natural gas expenses. Last, total departmental revenue is expected to be 3.9% or $132.6K under the FY21 budget amounts due to an increase in stormwater management permits, grading permits, and general construction permits.

Adopted FY21 to Proposed FY22

In total, personnel costs are projected to be 5.1% or $136.5K lower in proposed FY22 budget compared to FY21 budget amounts. Total operating expenditures are anticipated to be 3.6% or $235.7K higher in FY22 and includes increases for contractual services related to trash/recycling and grounds services. Finally, departmental revenue amounts are projected to be 0.5% or $18.3K lower in FY22 budget associated with a decrease in stormwater management permits, grading permits, and rental income.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	26.41	26.27	26.27	24.75
Part time	7.00	7.28	7.28	7.28
Seasonal	23.00	23.00	23.00	23.00
Staffing Total	56.41	56.55	56.55	55.03
Unfunded positions	4.00	4.00	4.00	4.00

Four vacant positions will remain unfunded in FY22. The Department has 23 part-time seasonal employees for grounds maintenance, park attendants, Potterfield Pool cashiers, Hager House guides, the train museum attendants, and sanitation/recycling inspector. The decrease in Full Time staff is a result of Stormwater becoming it's own Enterprise fund. Stormwater will still utilize manpower from Engineering.

EXPENDITURES BY PROGRAM

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES					
Engineering	$ 1,047,097	$ 1,047,745	$ 1,030,588	$ 983,985	-6.1%
Waste Collection and Disposal	2,622,380	2,688,865	2,804,827	2,985,060	11.0%
Recreation	564,254	567,589	479,442	570,783	0.6%
Swimming Pool	176,049	171,214	156,308	168,445	-1.6%
Municipal Stadium	43,109	23,902	52,201	52,236	118.5%
Hager House	45,700	39,561	34,407	38,522	-2.6%
Train Museum	50,823	28,272	24,770	35,938	27.1%
Parks Division	1,774,345	2,015,533	1,847,658	1,983,376	-1.6%
Total Expenditures	**$ 6,323,757**	**$ 6,582,681**	**$ 6,430,201**	**$ 6,818,345**	**3.6%**
REVENUES					
Departmental Revenue	$ 3,470,199	$ 3,375,101	$ 3,242,549	$ 3,356,825	-0.5%
Total Revenues	**$ 3,470,199**	**$ 3,375,101**	**$ 3,242,549**	**$ 3,356,825**	**-0.5%**
Expenditures, net of Revenues	**$ 2,853,558**	**$ 3,207,580**	**$ 3,187,652**	**$ 3,461,520**	**7.9%**

DEPARTMENT / PROGRAM OVERVIEW

As a nationally accredited law enforcement agency since 1984, the Hagerstown Police Department prides itself on providing full-service public safety services to our community in the following areas: emergency response to crimes in progress, disorder and service requests, crime prevention, post-crime incident investigations, criminal apprehension, crime-lab services, and courtroom testimony.

In 2022, the Hagerstown Police Department will continue to focus resources in the areas of Intelligence-Led Policing and Community Oriented Policing. Through the use of analytical software, the department will continue to refine the use of its Predictive Policing program. A more traditional style of evidence-based policing, known as Problem-Solving Policing, will also continue through the city-wide Neighborhood Policing program. These two initiatives of Intelligence-Led Policing and Community Oriented Policing will serve as the basis for the department's goals and objectives for 2021-2022.

DEPARTMENT / PROGRAM OBJECTIVES

ADMINISTRATION: Directs and manages the overall operation of the department.

PATROL: Maintains pro-active patrol to detect criminal activity and reduce the opportunities for offenders to commit crimes; has primary responsibility for initial response to calls for service; initial investigations; order maintenance; protection of life and property; and traffic enforcement and problem solving. The Safe Speed for Students [Speed Cameras] system, Parking Enforcement, Police Auxiliaries, and the School Resource Officer program are also managed through the patrol division.

CRIMINAL INVESTIGATIONS: Primary responsibilities are to conduct follow-up investigations originating in the Patrol Division, provide the initial response to more complex investigations, and assist the State Attorney's Office with the prosecution of violators. A civilian coordinator along with two detectives are also assigned to oversee the department's Maryland Criminal Intelligence Network initiative which conducts investigations on known repeat criminal offenders. One detective is also dedicated to work on child abuse and domestic violence cases.

PROFESSIONAL STANDARDS: Conducts internal affairs investigation.

VEHICLE MAINTENANCE: Maintains all vehicles and facilities for departmental use, oversees the purchase of and upfitting of new cruisers.

AUXILIARY POLICE: Provides volunteer traffic support during special events and fire incidents; enforces parking violations for handicap spaces, fire zones, and fire hydrants; assists with special patrol checks. They also conduct foot patrols in the Downtown for increased public safety presence.

NARCOTICS TASK FORCE: A joint task force with HPD, Washington County Sheriff's Office, Washington County State's Attorney, and the Drug Enforcement Administration; conducts regional mid-level and in-depth investigations of drug offenses.

WESTERN MARYLAND REGIONAL CRIME LABORATORY: Analyzes and processes crime scene evidence according to international accreditation standards; provides expert testimony in prosecution of cases.

RECORDS: Serves as the department's centralized records repository; provides police records maintenance, control, and retrieval; operates the City's switchboard during business hours; coordinates and manages the department's use of criminal justice information systems.

TRAINING: One supervisor assigned to the training division coordinates in-service training for the department and is a certified police instructor who teaches various courses. This position also carries the responsibility of the department's safety coordinator. A second supervisor assigned to the training division serves as the department's liaison to the Washington County Police Academy and is a certified police instructor who teaches various courses.

ACCREDTIATION AND RECRUITMENT: Conducts on-going recruiting, testing, selection processes for all new police officers for the department. Coordinates the background-check procedures with the assistance of a civilian background investigator along with the polygraph and other medical clearances. Manages the department's participation in and compliance with the national accreditation process.

EVIDENCE CUSTODY AND CONTROL: Responsible for the operation of the department's evidence room, management of the evidence custody and control function, and management of all other property coming into the custody of the Police Department.

SPEED CAMERAS: The department operates 12 speed cameras within school zones throughout the city. The program, entitled Safe Speeds for Students, is managed by a full time administrator and is intended to reduce speeding at or near schools.

WARRANT TASK FORCE: The department contributes two full-time police officers and one part-time clerical position to the Washington County Warrant Task Force. They are responsible for serving criminal summons, warrants and protective orders along with timely entries into the National Databases.

RED LIGHT CAMERAS: The department completed the preliminary steps required for implementation. In 2018, two (2) two red light cameras were installed at intersections where red light violations are prevalent. Red light cameras will continue to be utilized, monitored, and expanded. The department will continue to work with the State on the original intersections on state roads in city limits for installation in 2022.

DEPARTMENT / PROGRAM OBJECTIVES (continued)

PREDICTIVE-POLICING: The Department will continue to refine its use of the latest analytical software programs designed to predict locations where crime is likely to occur. Predictive policing models use crime data to produce real time prediction zones for officers' use during their patrol shifts. These prediction areas are then patrolled by officers during specific times of the day in an effort to stop crime before it occurs. This system will be utilized in future event planning as an additional assessment tool.

NEIGHBOORHOOD POLICING: In 2018 the Department implemented a city-wide community engagement program designed to identify and solve problems that contribute to crime and the fear of crime in our neighborhoods. The Neighborhood Guardianship Program, funded through a grant from the Office of Community Oriented Policing, will have four officers assigned to specific neighborhoods to address systemic issues. These officers will be working in concert with the current neighborhood officers in using the Problem-Solving approach to policing. These officers will then coordinate activities using various police and other city services to improve the quality of life in each neighborhood.

CRISIS INTERVENTION TRAINING: Mental health related calls for service require officers to effectively interact with persons in crisis and often involve life-threatening situations which need to be safely resolved. In response to this issue, the department has implemented a CIT program involving specially trained CIT officers along with department-wide mental health first aid training with the goal of safely resolving mental health related situations. Through partnerships, the department has implemented a Mobile Crisis team approach in collaboration with the Mental Health Authority and Turning Point to reduce the number of repeated calls for service on individuals. This program is designed to not only alleviate calls for service but more effectively administer mental health services to the individuals in need.

JUVENILE OFFICER/COORDINATOR: The Department has established a dedicated police officer position to manage juvenile related offenses. The Juvenile coordinator conducts follow up visits on repeat juvenile offenders and works closely with school resource officers, patrol, investigations, parole and probation, the courts, the department of juvenile services and the police department's Maryland Criminal Intelligence Network coordinator to reduce the overall number of juvenile related crime incidents in the city. This position will be working closely with the department of Juvenile Justice to coordinate our efforts with their new re-entry program.

MANPOWER: The Department will work to fill vacant police officer positions through a combination of entry-level recruits and certified lateral transfers from other agencies. Emphasis will be placed on achieving the department's overall goal of a diverse workforce as detailed in the recruitment plan. The department is working on a comprehensive plan to address shortcomings in our diversity recruiting. Incorporating community input and advice to reach needed goals.

DOWNTOWN PRESENCE: Maintaining a strong police presence in our downtown will continue to be a primary objective. In FY17 the department revised its staffing strategy and began assigning officers from each patrol squad to maintain a proactive downtown police presence. This will continue into 2022, with the goal of maintaining 24/7 coverage.

DIRECTED PATROL UNIT: The department has placed an emphasis on the investigation of Gangs and Guns violence through the creation of this a specialized uniformed patrol unit. The Direct Patrol Unit (DPU) will continue to work to reduce gun violence in the city through the use of proactive patrols and data driven policing. It will also expand its operations to include street level drug interdiction. The DPU also serves as the lead role in the Maryland Criminal Intelligence Network Initiative relating to Repeat Criminal Offenders.

MARYLAND CRIMINAL INTELLIGENCE NETWORK (MCIN): Utilizing grant funding from the Governor's Office of Crime Control and Prevention, the Department will continue our efforts to reduce violent crimes caused by repeat offenders. The MCIN Coordinator and Juvenile Officer/Coordinator will continue to work together to identify and prevent criminal activity among our juvenile population. Both positions will work closely with allied agencies, the courts, the Board of Education, probation and Juvenile Services to achieve this goal.

DIFFERENTIAL POLICING: The department recognizes the need to use alternative reporting methods to improve service to the community and efficiency within the agency. Efforts will continue this year to utilize Auxiliary Police for minor crime reporting and prevention initiatives, along with on-line reporting and telephone reporting as an added convenience to the community. These different response types and options increase the availability of our police officers for regular duties.

INCIDENT COMMAND SYSTEM TRAINING (ICS): Using the National Model of Incident Command, the department will continue to expand its readiness capabilities by incorporating additional training for police officers and supervisors in ICS advanced courses. The department also will seek opportunities for interagency mock drills and assessments to further integrate the ICS model in our daily operations. Standardized search management for missing persons using these models will also be implemented.

BODY WORN CAMERAS: In 2017 the Department completed its trial program, policy was finalized, and body worn cameras were procured for all patrol officers. In 2018, the full usage of body worn cameras was deployed. The budget includes annual license and data storage fees.

CRIME CAMERAS: The Department manages and utilizes City's crime cameras which are located thoughout the City. These have been effective, and in many cases critical, in solving crimes. Upgrades to the system that began in 2015 and will continue in order to replace aging equipment and to keep pace with advances in technology.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Total calls for service	**50,115**	**51,026**	**52,000**
Criminal arrests	**2,030**	**1,514**	**2,000**
Juvenile arrests	**289**	**106**	**150**
CDS arrests	**186**	**204**	**200**
Domestic Violence Calls for Service	**1,143**	**1,208**	**1,200**
Mental Health Related Emergency Petitions	**354**	**320**	**340**
Accidents with injuries	**256**	**122**	**200**
Total Crime Rate*	**0.060**	**0.057**	**0.058**
Violent Crime Rate*	**0.013**	**0.011**	**0.012**
Property Crime Rate*	**0.047**	**0.046**	**0.047**
Volunteer response hours	**2,645**	**1,800**	**2,400**
Automated Speed Enforcement Citations	**24,188**	**31,600**	**27,500**
Funded Full-time Sworn Personnel	**112**	**112 to 104**	**104**
Funded Full-time Civilian Personnel	**16**	**16**	**16**

*= number of crimes per resident

EXPENDITURE AND REVENUE SUMMARY

	2019/20	2020/21		2021/22	2021/22
	ACTUAL	**BUDGET**	**EST. ACTUAL**	**PROPOSED**	**% CHANGE**
EXPENDITURES BY TYPE					
Salary and Wages	$ 6,765,451	$ 7,449,161	$ 7,356,614	$ 7,431,545	-0.2%
Benefits	3,229,373	3,716,225	3,544,105	3,603,954	-3.0%
Overtime	736,580	684,737	577,800	523,000	-23.6%
Personnel Subtotal	**10,731,404**	**11,850,123**	**11,478,519**	**11,558,499**	**-2.5%**
Contractual Services	1,053,635	1,128,831	1,074,331	1,084,831	-3.9%
Operating Expenditures	1,671,601	1,797,946	1,691,486	1,936,933	7.7%
Capital Outlay	93,541	124,500	119,500	120,741	-3.0%
Operating Subtotal	**2,818,777**	**3,051,277**	**2,885,317**	**3,142,505**	**3.0%**
Total Expenditures	**$ 13,550,181**	**$ 14,901,400**	**$ 14,363,836**	**$ 14,701,004**	**-1.3%**
REVENUES BY TYPE					
Departmental Revenue	$ 2,215,535	$ 2,361,722	$ 2,597,525	$ 2,455,094	4.0%
Total Revenues	**$ 2,215,535**	**$ 2,361,722**	**$ 2,597,525**	**$ 2,455,094**	**4.0%**
Expenditures, net of Revenues	**$ 11,334,646**	**$ 12,539,678**	**$ 11,766,311**	**$ 12,245,910**	**-2.3%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

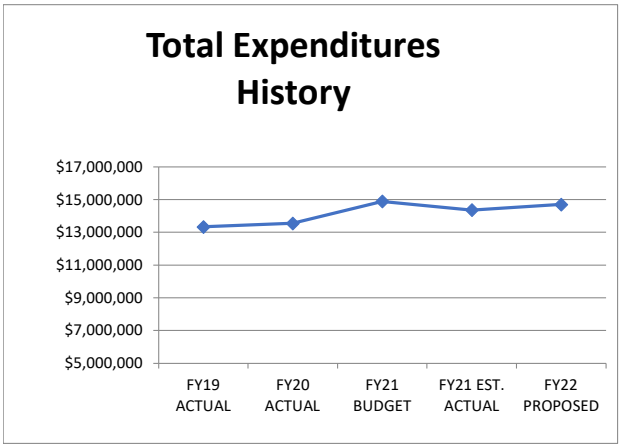
Overall personnel costs are anticipated to be 3.1% or $371.6K lower than budget. Overtime totals are expected to be 15.6% or $106.9K under FY21 budget. This is a result of internal efficiencies and a decrease in activities as a result of COVID-19. Total operating expenditures reflect a total decrease of 3.6% or $537.6K compared to FY21 budget levels. Overall, departmental revenue is estimated to be 10% or $235.8K higher than budget primarily as a result of an increase in speed camera violation fines. The revenue increase was offset because of a decrease in reimbursement from the Washington County Sheriff's Office for Operational cost of the Western Maryland Regional Crime Lab.

Adopted FY21 to Proposed FY22

In total, personnel costs are projected to be 2.5% or $291.6K lower for proposed FY22 budget compared to FY21 budget levels. The decrease can be contributed to the eliminiation of eight (8) full time police officer positions and one (1) part time crime lab scientist position. The overall budget for FY22 is projected at $14.7M. This is a decrease of 1.3% or $200.4K from the FY21 budget. Departmental revenue is expected to increase by 4% or $93.4K for FY22. Revenue for the twelve (12) Safe Speed cameras is projected to be $1.0M in FY22. This is an increase from the FY21 budget projection of $825.0K.

EXPENDITURES BY PROGRAM

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES					
Police Administration	$ 905,407	$ 944,861	$ 958,059	$ 957,488	1.3%
HPD Information Technology	256,962	309,406	307,544	401,659	29.8%
Community Programs	16,250	40,321	40,321	40,321	0.0%
Police Records	234,066	265,873	260,067	274,876	3.4%
Communication / Dispatch	457,310	466,149	465,249	466,425	0.1%
Professional Services	488,700	611,048	509,952	549,286	-10.1%
HPD Building	181,066	184,755	184,715	185,879	0.6%
Western Maryland Laboratory	386,334	400,096	349,885	362,420	-9.4%
Police K-9	20,597	10,300	9,600	10,200	-1.0%
Evidence & Property	115,891	106,583	106,677	104,033	-2.4%
Patrol	7,307,395	8,060,843	8,020,329	8,064,512	0.0%
Criminal Investigation Division	1,214,427	1,333,011	1,295,733	1,298,806	-2.6%
Patrol Vehicles	332,435	405,170	250,156	344,619	-14.9%
Narcotics Task Force	909,699	967,648	833,467	870,573	-10.0%
Police Auxiliary	11,707	13,200	13,109	13,300	0.8%
Speed Camera Enforcement	561,991	615,136	591,973	589,607	-4.2%
Red Light Camera Program	149,944	167,000	167,000	167,000	0.0%
Total Expenditures	**$ 13,550,181**	**$ 14,901,400**	**$ 14,363,836**	**$ 14,701,004**	**-1.3%**
REVENUES					
Departmental Revenue	$ 2,215,535	$ 2,361,722	$ 2,597,525	$ 2,455,094	4.0%
Total Revenues	**$ 2,215,535**	**$ 2,361,722**	**$ 2,597,525**	**$ 2,455,094**	**4.0%**
Expenditures, net of Revenues	**$ 11,334,646**	**$ 12,539,678**	**$ 11,766,311**	**$ 12,245,910**	**-2.3%**



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	127.00	128.00	128.00	120.00
Part time	13.00	13.00	13.00	12.00
Seasonal	2.00	0.00	0.00	0.00
Staffing Total	142.00	141.00	141.00	132.00
Unfunded positions	0.00	0.00	0.00	8.00

As in prior years, HPD carries additional "Police Officer Trainee" positions, temporarily filled by trainees attending a state approved police academy. Those positions are closed after the trainees complete the academy and move into vacant police officer positions. In FY22, eight (8) full time police officer positions and one (1) part time crime lab scientist position are being eliminated.

DEPARTMENT / PROGRAM OVERVIEW

Improve the quality of life for all citizens and visitors by preventing or minimizing 9-1-1 emergencies through a variety of community risk reduction programs including fire prevention, life safety education, fire suppression, neighborhood canvassing campaigns, rescue, and other special services to help protect the people that live, visit, work, and invest in the City of Hagerstown. When we can't prevent the 9-1-1 call, the HFD stives to promptly deliver the right people and resources to resolve our citizen's emergencies.

DEPARTMENT / PROGRAM OBJECTIVES

• All-hazard emergency incident mitigation and fire suppression: Control and bring to a rapid and safe termination all emergency incidents with teams of well trained and equipped personnel by assembling 18 or more on-duty personnel to structure fires. Maintain the apparatus, facilities, equipment, and personnel necessary to provide fire suppression, technical rescue, and emergency medical services to the City and surrounding automatic aide partners. Focus on continuous improvements to achieve an ISO Class-2 PPC rating that will return value to our citizens in the form of reduced insurance premiums.

• Fire Marshall: Provide education, engineering, and enforcement programs necessary to ensure the public welfare. Manage residential fire safety surveys and respond to citizen requests for smoke detector installations the same day. Investigate and determine the origin and cause of all fires in the City. Prosecute arson cases to the fullest extent of the law. Review building plans, conduct inspections, enforce codes, and investigate and resolve reports of fire code violations. Using our explosives K-9, properly investigate and render safe incidents involving explosives and other hazards.

• Training: Operate and maintain the FD Training Center on Bowman Ave. This includes a burn building, training tower, classroom, and pump test pit. Maintain certification levels for all personnel that meet or exceed minimum standards and industry best practices. Ensure that training classes are available for volunteer personnel during non-traditional business hours including nights and weekends. A multi-year CIP plan for improvements that include a 4-story burn building, flashover simulator, and SCBA maze at the training center is planned. Finally, additional restroom facilities, a 2nd fire hydrant, exterior and interior showers for post burn decon of personnel, and running gear are required.

• Goals: Work with Washington County Volunteer Fire & Rescue Association (WCVFRA), Washington County Department of Emergency Services (WCDES), automatic aide partners, and political leaders to change the governance model of the local fire service, establish a sustainable revenue source for fire-rescue services, and fairly fund the HFD by modifying the tax offset formula with the WCBOCC. Begin to implement the recommendations of the HFD 5-year Strategic Plan to guide the future path of the department. Strengthen the Emergency Preparedness Program, participate in the WC Emergency Management EOC, and further collaborate with all partners to increase the efficiency and effectiveness of public safety in and around Hagerstown. Consider the deployment impacts of pre-annexation agreements.

PERFORMANCE INDICATORS

	Calendar Year		
	2018	**2019**	**2020**
Number of emergency incidents within City limits	**12,723**	**13,095**	*
Number of EMS incidents within City limits	**11,055**	**11,505**	*
Total Unit Responses-HFD	**6,339**	**5,099**	**6,375**
Number of Incidents- HFD Total	**3,734**	**3,910**	**3,333**
Number of HFD EMS Incidents	**1,998**	**2,076**	**1,908**
Number of HFD Fire Incidents	**1,736**	**1,834**	**1,425**
Civilian Fire Injuries	**15**	**19**	**32**
Civilian Fire Deaths	**1**	**0**	**1**
# of Incidents with Recorded Fire Loss	**110**	**97**	**112**
Annual $ Fire Loss		**$769,306**	**$889,441**
90% fractile turnout time (alerting to enroute) mins	**1.56**	**1.56**	*
90% fractile response time (on scene) mins	**6.34**	**7.33**	*
90% travel time (Response minus turnout) mins	**4.78**	**5.77**	*
Number of Plans Reviewed	**523**	**694**	**708**
Number of Investigations	**339**	**337**	**327**
Number of Arrests	**8**	**13**	**15**
Fire Marshal's Office FH Events	**3,450**	**4,144**	**4,893**
Number of free smoke detectors installed	**742**	**264**	**113**
Number of educational programs presented	**689**	**453**	**191**
Number of people attending educational programs	**6,848**	**9,920**	**5,391**
Average number of firefighters responding per incident	**5**	**5**	**5**
# of active volunteer firefighters/officers	**23**	**24**	**26**
# of volunteers firefighters that received LOSAP benefits	**N/A**	**N/A**	**N/A**

*Source: WC-9-1-1 CAD database & HFD Firehouse database: CAD data not available for CY20 from DES

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 4,938,573	$ 5,227,712	$ 4,921,340	$ 5,224,196	-0.1%
Benefits	2,277,925	2,427,926	2,400,250	2,416,594	-0.5%
Overtime	442,855	350,000	735,000	400,000	14.3%
Personnel Subtotal	**7,659,353**	**8,005,638**	**8,056,590**	**8,040,790**	**0.4%**
Contractual Services	67,441	64,740	59,802	67,240	3.9%
Operating Expenditures	521,100	646,319	614,160	646,523	0.0%
Capital Outlay	14,527	12,000	12,000	12,000	0.0%
Operating Subtotal	**603,068**	**723,059**	**685,962**	**725,763**	**0.4%**
Total Expenditures	**$ 8,262,421**	**$ 8,728,697**	**$ 8,742,552**	**$ 8,766,553**	**0.4%**
REVENUES BY TYPE					
Departmental Revenue	$ 172,134	$ 195,600	$ 222,433	$ 191,800	-1.9%
Total Revenues	**$ 172,134**	**$ 195,600**	**$ 222,433**	**$ 191,800**	**-1.9%**
Expenditures, Net of Revenues	**$ 8,090,287**	**$ 8,533,097**	**$ 8,520,119**	**$ 8,574,753**	**0.5%**

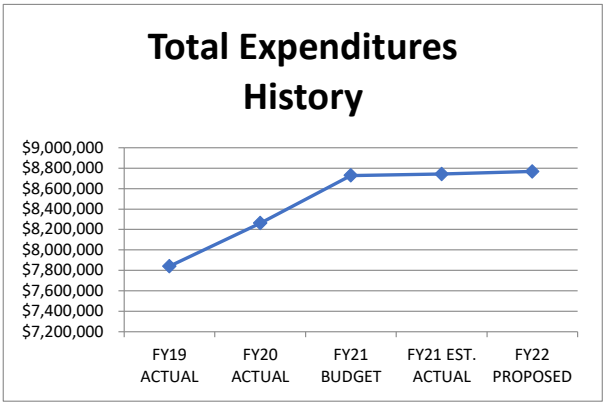
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total personnel costs for estimated actual FY21 are expected to be over budget by 0.6% or $51.0K. The current overtime burn rate exceeds the budgeted amount and is expected to exceed the total OTP budget for FY21. This is primarily due to several employees being on medically influenced duty status (MIDs) for extended periods and the implementation of the new sick/safe leave policy.

Adopted FY21 to Proposed FY22

In total, personnel costs are projected to be 0.4% or $35.2K over FY21 budget amounts. This increase reflects potential salary enhancement for all HFD personnel, overtime increases, and termination payouts that occur when staff retire, as there are 6 employees eligible for retirement. Contractual services are projected to be 3.9% or $2.5K higher than FY21 due to cardiac stress tests based upon age, the addition of calcium heart scans required by contract, and other diagnostic tests including Hep-C blood work. Revenues are expected to be 1.9% or $3.8K lower than FY21 budget mostly due to decreases in firework permit costs, fire false alarm charges, fire suppression billings, and Fire/EMS auto response fees.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	78.00	78.00	78.00	78.00
Staffing Total	78.00	78.00	78.00	78.00
Unfunded positions	6.00	6.00	6.00	6.00

The Fire Department has six (6) vacant full time positions, which will remain unfunded during FY22.

DEPARTMENT / PROGRAM OVERVIEW

The Public Works Department provides for the maintenance of streets, traffic control devices, building facilities, and the City's fleet of vehicles and equipment. Street maintenance includes repairs (potholes, storm drains), street cleaning, and snow operations of approximately 155 miles of streets and alleys within the City. Traffic control works closely with the Engineering Department to maintain and coordinate the 136 signaled intersections. Thousands of traffic signs also fall under this division. Facilities maintenance includes multiple buildings including City Hall, Elizabeth Hager Center, 60 W. Washington St., the Central Equipment Building, 36 - 40 North Potomac St., Market House, and the parking decks. Fleet maintenance involves the repairs of vehicles and equipment for every City department including all utilities, parks, public works, fire, and police.

DEPARTMENT / PROGRAM OBJECTIVES

• Remodel the Customer Service areas of City Hall. The department has reorganized under the Finance Department and the customer lobby requires some reconfiguration. The lobby was last remodeled in calendar year 2000. The intent is to provide better customer flow and work efficiencies with staff.
• Work will continue on the removal of asbestos (floor tile and/or pipe insulation) from City Hall that began in fiscal year 2020. This is a multi-year project to eventually have all the asbestos removed from this 80 year old building.
• Improvements to the Central Equipment Building will include an automated gate to the storage yard. This is part of a continuing effort to secure City facilities for the safety of the staff. Another project will be the replacement of the roof of a multi-space garage that houses Water Dept. trucks and equipment. The shingled roof has come to the end of its useful life.
• A traffic study will be conducted to determine if the traffic signal at N. Locust St. and Fairgrounds Ave. is needed. Initial data indicates the 50 year old signal can be removed which will actually improve traffic flow given the current street conditions.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of lane miles swept	**11,110**	**11,000**	**11,000**
Snow storm costs	**$ 110,812**	**$ 339,600**	**$ 378,213**
Tons of Salt Used	**750**	**2,000**	**2,000**
Bulk Trash Collections	**334**	**425**	**400**
Traffic Islands Maintained	**163**	**163**	**163**
Public Trash Cans Maintained	**172**	**173**	**173**
Signaled Intersections	**136**	**136**	**136**
Sign Work Orders	**84**	**90**	**90**
Vehicles & Equipment Maintained	**378**	**385**	**385**
Property Abatements	**416**	**410**	**410**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,532,001	$ 1,399,889	$ 1,269,101	$ 1,407,882	0.6%
Benefits	665,100	644,004	577,984	605,110	-6.0%
Overtime	17,498	60,000	51,518	49,088	-18.2%
Personnel Subtotal	**2,214,599**	**2,103,893**	**1,898,603**	**2,062,080**	**-2.0%**
Contractual Services	316,866	168,048	192,710	164,845	-1.9%
Operating Expenditures	912,148	1,040,671	1,102,365	1,061,995	2.0%
Capital Outlay	15,586	16,742	16,242	16,821	0.5%
Operating Subtotal	**1,244,600**	**1,225,461**	**1,311,317**	**1,243,661**	**1.5%**
Total Expenditures	**$ 3,459,199**	**$ 3,329,354**	**$ 3,209,920**	**$ 3,305,741**	**-0.7%**
REVENUES BY TYPE					
Departmental Revenue	$ 157,120	$ 126,250	$ 130,547	$ 114,265	-9.5%
Total Revenues	**$ 157,120**	**$ 126,250**	**$ 130,547**	**$ 114,265**	**-9.5%**
Expenditures, net of Revenues	**$ 3,302,079**	**$ 3,203,104**	**$ 3,079,373**	**$ 3,191,476**	**-0.4%**

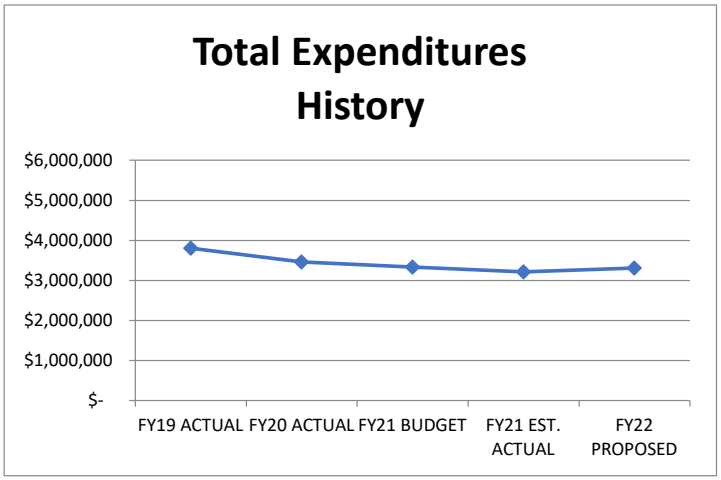
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total personnel expenditures from the FY21 budget compared to the FY21 estimated actual reflect a decrease of 9.8% or $205.3K. In total, operating expenses are anticipated to be 7.0% or $85.9K over budget primarily due to an increase in contracted services for snow plowing and stormwater fees as well as a decrease in the anticipated hourly wage & overhead allocation credit. Departmental revenue is expected to be 3.4% or $4.3K higher than budget mainly due to insurance reimbursements.

Adopted FY21 to Proposed FY22

In total, personnel expenditures are projected to be 2.0% or $41.8K lower in proposed FY22 budget compared to FY21 due to decreases in overtime and benefits. Overall, operating expenses are projected to increase by 1.5% or $18.2K mainly due to chemicals and stormwater fees. Departmental revenue is expected to decrease by 9.5% or $12.0K due to decreases in gasoline billings to outsiders.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	29.41	24.95	24.95	24.95
Seasonal	8.00	5.00	5.00	5.00
Staffing Total	37.41	29.95	29.95	29.95
Unfunded positions	4.00	4.00	4.00	4.00

In response to revenue reductions in FY09, the Public Works Department staff was reduced and positions were unfunded. The FY22 budget reflects maintaining the current four (4) full-time position as unfunded. The decrease in staffing in FY22 was due to Stormwater becoming its own Enterprise Fund.

EXPENDITURES BY PROGRAM

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES					
City Hall	$ 286,397	$ 278,472	$ 276,048	$ 282,473	1.4%
Signal Department	528,572	618,319	470,584	518,978	-16.1%
Snow Removal	110,812	339,600	368,062	378,213	11.4%
Gas Station & Maintenance Garage	492,683	527,113	524,905	542,054	2.8%
Public Works & Streets Operations	1,328,540	1,463,300	1,462,447	1,481,634	1.3%
Central Equipment Building	96,986	102,550	101,973	102,389	-0.2%
Stormwater Management	615,209	-	5,901	-	0.0%
Total Expenditures	**$ 3,459,199**	**$ 3,329,354**	**$ 3,209,920**	**$ 3,305,741**	**-0.7%**
REVENUES					
Departmental Revenue	$ 157,120	$ 126,250	$ 130,547	$ 114,265	-9.5%
Total Revenues	**$ 157,120**	**$ 126,250**	**$ 130,547**	**$ 114,265**	**-9.5%**
Expenditures, net of Revenues	**$ 3,302,079**	**$ 3,203,104**	**$ 3,079,373**	**$ 3,191,476**	**-0.4%**

The department consolidated department accounts in FY19 for efficiency and to create a designated Stormwater Management account. The figures in "Public Works & Street Operations" now include Street Lighting. The figures in "Stormwater Management" now include Street Cleaning. In FY22, Stormwater will operate as it's own separate entity fund but will still utilize manpower from the Public Works department.

DEBT SERVICE - PRINCIPAL AND INTEREST
Debt Service is used to account for the principal and interest payment expense on the City's loans, bonds and lease financings. Remaining outstanding loans for FY22 proposed budget include the following current issues: 2006, 2009B, 2014, 2015A, 2015B, 2017A, 2017B, 2018A, and 2019A public improvement bond issues. In addition, the following anticipated bond issue is included: 2021B future public improvement bond issue. Finally, the annual debt service requirements for capital improvement program items (listed in detail in Section 7 of the budget book) funded with bond financing are included in this section. Currently, the City has no lease financing.

RETIREE HEALTH COSTS
This budget includes health and dental insurance benefit costs for General Fund qualified retirees and dependents. The cost of providing hospitalization and dental insurance to the City's retirees is financed on a pay-as-you-go basis. The health insurance is a contributory plan, with retirees sharing the cost of dependence coverage and the City paying 80% of the retirees' cost in full. The dental insurance is also a contributory plan with retirees paying the full cost of dependency coverage and the City paying the retiree's cost in full. The City pays 80% of the costs of providing these health and dental insurance benefits to its retirees and their dependents.

In Fiscal Year 2009/10, the City began to record the annual required contributions to record the cost of these benefits as they are earned over the course of their career with the City. The change in accounting procedure increases the cost of retiree benefits over the out-of-pocket method that was utilized previously. This increase in cost for "Other Post Employment Benefits" is reflected in the Health Care Fund, an Internal Service Fund.

INVENTORY ADJUSTMENTS
This budget includes an amount to cover write-off of obsolete inventory carried by the General Fund.

CAPITAL IMPROVEMENTS PROGRAM AND FUND BALANCE APPROPRIATIONS
The current year portion of the general governmental capital improvements from the five-year CIP Program are accounted for in a separate Capital Improvements Program (CIP) Fund. The Capital Improvements Program transfer represents the General Fund's current funding requirements for capital projects anticipated to begin during each year.

OPERATING TRANSFERS TO OTHER FUNDS
Transfers to the Golf Course Fund represent the amount necessary from the General Fund to cover this fund's annual operating and capital expenditure needs in excess of revenues generated by the fund itself. The FY22 budget includes $200,466 in Golf Course Fund transfers. The FY22 budget includes a $1,030,000 operating transfer to the Economic Redevelopment Fund which would be utilized for community-based initiatives that support the vision of the City as well as funding for the Invest Hagerstown incentive program. Transfers to the Special Revenue Grant Fund represent local matches required by various federal, state, and local agencies in accordance with awarded grant terms and conditions. The FY22 budget includes $6,667 in Special Revenue Grant Fund transfers.

CONTINGENCY RESERVES
This account group includes funds that are expected to be required during the coming year for a number of General Fund activities. The funds will not be transferred into the appropriate accounts until they are required. In FY22, there is a reserve of $100,000 for savings associated with the management of future vacancies in various departments, $341,800 in general contingency for miscellaneous items such as salary pay-outs upon employee terminations and other emergencies that may arise.

CONTRIBUTIONS TO OTHER AGENCIES POLICY
Contributions to Other Agencies accounts for the contributions the City makes to several organizations. A formal policy was originally adopted on November 25, 2014, with a revision on October 18, 2019, to better define the criteria and the overall funding limits. Several organizations were identified as core agencies and the complete process and details are located in Section 9 Fiscal Policies & Glossary on pages 6-7.

UNALLOCATED EXPENSES - PROPOSED EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
DEBT SERVICE-PRINCIPAL AND INTEREST					
2004 General Obligation Bonds	$ 122,580	$ -	$ -	$ -	0.0%
2005 Public Facilities Bonds	328,684	-	-	-	0.0%
2006 Public Facilities Bonds	649,897	647,221	647,221	650,632	0.5%
2009-A Public Facilities Bonds	418,574	-	-	-	0.0%
2009-B Public Facilities Bonds (Build America Bond)	233,184	691,801	605,892	611,819	-11.6%
2012 Tote Loan	193,283	-	-	-	0.0%
2014 Public Improvements Bond	36,118	36,125	36,125	36,124	0.0%
2015-A Public Facilities Bond	218,658	221,351	221,351	226,086	2.1%
2015-B Public Facilities Bond	46,080	45,553	45,553	46,651	2.4%
2017-A Public Facilities Bond	273,328	278,601	278,601	279,655	0.4%
2017-B Public Facilities Bond	34,339	35,327	35,326	34,725	-1.7%
2018-A Public Facilities Bond	116,175	116,175	59,249	59,249	-49.0%
2019-A Public Facilities Bond	278,853	276,014	276,014	273,198	-1.0%
2020-A Public Facilities Bond	-	88,144	-	-	-100.0%
2021-B Future Public Facilities Bond	-	-	-	54,920	0%
Total Expenses	$ 2,949,753	$ 2,436,312	$ 2,205,332	$ 2,273,059	-6.7%
RETIREE HEALTH COSTS					
Health Insurance	$ 1,419,177	$ 1,420,000	$ 1,452,000	$ 1,452,000	2.3%
Dental Insurance	48,618	48,700	50,000	50,000	2.7%
Total Expenses	$ 1,467,795	$ 1,468,700	$ 1,502,000	$ 1,502,000	2.3%
INVENTORY ADJUSTMENTS					
Physical Inventory Adjustments	$ 5,908	$ 5,000	$ 5,000	$ 5,000	0.0%
E&O Inventory Write-offs	517	5,000	5,000	5,000	0.0%
Total Expenses	$ 6,425	$ 10,000	$ 10,000	$ 10,000	0.0%
CIP, FUND BALANCE APPROPRIATIONS, AND OTHER TRANSFERS					
Capital Transfers to - CIP Fund	$ 997,562	$ 611,757	$ 658,686	$ 1,116,240	82.5%
GF Fund Balance to - CIP Fund	1,311,227	2,379,000	659,493	937,330	-60.6%
Total Expenses	$ 2,308,789	$ 2,990,757	$ 1,318,179	$ 2,053,570	-31.3%
OPERATING TRANSFERS TO OTHER FUNDS					
Golf Course Fund	$ 272,555	$ 271,657	$ 271,657	$ 200,466	-26.2%
Economic Redevelopment Fund	975,500	1,030,000	1,030,000	1,030,000	0.0%
Grant Fund	11,295	24,220	24,220	6,667	-72.5%
Total Expenses	$ 1,259,350	$ 1,325,877	$ 1,325,877	$ 1,237,133	-6.7%
CONTINGENCY RESERVES					
Vacancy Savings	$ -	$ -	$ -	$ (100,000)	0.0%
Potential Employee Stipends	-	657,742	657,742	-	-100.0%
General Contingency	-	-	-	341,800	0.0%
Total Expenses	$ -	$ 657,742	$ 657,742	$ 241,800	-63.2%
CONTRIBUTIONS TO OTHER AGENCIES					
Art Museum	$ 50,500	$ 10,000	$ 10,000	$ 40,500	305.0%
Community Rescue Service	25,100	-	-	25,100	100.0%
Discovery Station	2,500	2,500	2,500	-	-100.0%
Hagerstown Municipal Band	18,000	-	-	18,000	100.0%
Hagerstown Neighborhood Develop Partnership	32,450	-	-	28,450	100.0%
Maryland Symphony Orchestra	16,550	-	-	16,550	100.0%
Maryland Theatre	59,000	100,000	100,000	109,000	9.0%
Washington County Free Library	30,500	-	-	30,500	100.0%
Washington County Historical Society	4,000	-	-	4,000	100.0%
Total Contributions to Other Agencies	$ 238,600	$ 112,500	$ 112,500	$ 272,100	141.9%

SCHEDULE OF PUBLIC FUNCTIONS
FISCAL YEAR 2021/2022

FUNCTION DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Augustoberfest (City Services)	$ 13,960	$ 20,000	$ -	$ 17,000	-15.0%
A&E District Event	4,229	-	1,800	-	100.0%
Christmas Decorating	18,335	18,000	18,000	18,000	0.0%
Ghost Tours	490	750	-	750	0.0%
Hagerstown Official Commemorations	-	5,000	-	5,000	0.0%
Hollyfest/Tree Lighting	3,290	3,500	975	3,500	0.0%
Imagine Hagerstown (City Services)	-	9,000	3,147	7,500	-16.7%
Imagine Hagerstown	6,124	78,500	44,801	58,000	-26.1%
Miscellaneous Downtown Events	26,300	40,000	15,000	41,500	3.8%
Miss Maryland Pageant	4,000	9,000	9,000	9,500	5.6%
Mummers Parade	19,439	22,000	-	22,000	0.0%
Taste of the Arts	-	2,500	-	2,500	0.0%
Thunder in the Square	1,480	1,500	-	-	0.0%
University Plaza Events	150	500	500	500	0.0%
Subtotal Public Function Events	**$ 97,796**	**$ 210,250**	**$ 93,223**	**$ 185,750**	**-11.7%**
Christmas In The Park	29,933	15,000	6,000	13,000	-13.3%
City Park Festival	8,391	7,000	3,100	15,000	114.3%
Fairgrounds Harvest Hoedown	10,416	10,000	2,400	8,000	-20.0%
Fairgrounds July 4th Fireworks	31,654	40,000	35,000	40,000	0.0%
Fishing Tournament-Pangborn	-	1,000	-	-	0.0%
Music by the Lake	5,950	7,500	7,500	7,500	0.0%
Subtotal Recreation Events	**86,344**	**80,500**	**54,000**	**83,500**	**3.7%**
Total Recreation Events	**$ 184,140**	**$ 290,750**	**$ 147,223**	**$ 269,250**	**-7.4%**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
MAYOR			
0101002-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	250
0101002-5865 Computer Equipment	Replace Computer	Replace As Needed	1,500
TOTAL MAYOR			**1,750**
CITY ADMINISTRATOR			
0103001-5865 Computer Equipment	Replace Computer	Replace As Needed	330
COMMUNICATIONS			
0103006-5865 Computer Equipment	Replace Computer	Replace As Needed	1,500
FINANCE & ACCOUNTING			
0107001-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	500
0107001-5865 Computer Equipment	Upgrade Hardware And Software	Improve Quality Of Service	2,500
TOTAL FINANCE & ACCOUNTING			**3,000**
INFORMATION TECHNOLOGY			
0107200-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	750
0107200-5865 Computer Equipment	Replace Computers	Replace As Needed	2,400
TOTAL INFORMATION TECHNOLOGY			**3,150**
SUPPORT SERVICES			
0107201-5860 Office Furniture, Fixtures, & Equipment	Replace Furniture, Fixtures, & Equipment	Replace As Needed	350
0107201-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	2,000
0107201-5865 Computer Equipment	Replace Computers	Replace As Needed	3,000
0107201-5867 Communication Equipment	Phone Parts Not Under Maintenance	Replace As Needed	200
TOTAL SUPPORT SERVICES			**5,550**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
BILLING			
0107203-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	500
0107203- 5865 Computer Equipment	Replace Computer	Improve Quality Of Service	1,500
TOTAL BILLING			**2,000**
PLANNING			
0109001-5865 Computer Equipment	Replace Computer	Replace As Needed	2,546
CITY HALL BUILDING			
0109003-5821 Office Buildings	Replace A/C Units	Replace As Needed	2,197
0109003-5839 Portable Tools/Equipment	Replace Tools	Replace As Needed	646
0109003-5863 Decorative & Lighting	Replace Carpets, Furniture, And Remodel City Administrator's Office	Replace As Needed	5,000
TOTAL CITY HALL BUILDING			**7,843**
CITY ENGINEER			
0109004-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	150
0109004-5865 Computer Equipment	Replace Computers	Replace As Needed	2,000
TOTAL CITY ENGINEER			**2,150**
HUMAN RESOURCES			
0109005-5862 Cabinets	Replace Cabinets	Replace As Needed	1,000
0109005-5865 Computer Equipment	Replace Computer	Replace As Needed	3,000
TOTAL HUMAN RESOURCES			**4,000**
POLICE ADMINISTRATION			
0110001-5855 Portable Equipment	ID Printer And Accessories	Replace As Needed	300
0110001-5861 Desks, Chairs & Tables	Conference Table and Chairs	Replace As Needed	300
TOTAL POLICE ADMINISTRATION			**600**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
POLICE INFORMATION TECHNOLOGY			
0110003-5865 Computer Equipment	Replace Notebooks, Desktops, Monitors, Servers, Tablets	Replace As Needed	62,741
PROFESSIONAL STANDARDS DIV			
0110203-5834 Firearms, Body Armor	Replace Fire Arms, Body Armor	Replace as Needed	26,000
POLICE BUILDING			
0110204-5830 Non-Portable Equipment	Replace Equipment	Replace As Needed	2,000
0110204-5839 Portable Tools/Equipment	Replace Tools & Equipment	Replace As Needed	300
TOTAL POLICE BUILDING			**2,300**
WESTERN MARYLAND LAB			
0110205-5832 Photography Equipment	Maintenance and Purchase Photographic Equipment	Required For Forensic Documentation	1,000
0110205-5833 Laboratory Equipment	Purchase Lab Equipment	Replace Aging And Outdated	1,500
TOTAL WESTERN MARYLAND LAB			**2,500**
POLICE K9 PROGRAM			
0110206-5839 Portable Tools/Equipment	Purchase Of K-9 Equip (Sleeves, Leashes, Etc.)	Replace Worn Equipment	600
POLICE PATROL			
0110401-5834 Firearms, Body Armor	Police Officer Use / Safety Equipment - Ballistic Vests	Replacement Of Expired Vests & Purchase Of New Vests	10,000
0110401-5839 Portable Tools & Other Equipment -	Purchase Moving Radar Units - LIDAR Speed Measuring Device	New Equipment Needed	10,000
0110401-5848 Bicycles-Repair (& In-Line Skates)	Police Officer Use	Repair And Maintenance	1,000
0110401-5867 Communication Equipment	Portable Radios	Replace As Needed	5,000
TOTAL POLICE PATROL			**26,000**
FIRE DEPARTMENT			
0112001-5861 Desks, Chairs & Tables	Purchase Office Furniture	Replace As Needed	5,000
0112001-5865 Computer Equipment	Purchase Computers	Replace As Needed	7,000
TOTAL FIRE DEPARTMENT			**12,000**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CODE ADMINISTRATION			
0114001- 5861 Desks, Chairs & Tables	Filing Cabinets, Desks, Chairs	Replace As Needed	1,000
0114001-5865 Computer Equipment	Purchase Computers	Replace As Needed	1,800
TOTAL CODE ADMINISTRATION			**2,800**
TRAFFIC CONTROL			
0116003-5839 Portable Tools & Other Equipment	Replace Power Tools	Replace As Needed	857
CENTRAL MAINTENANCE GARAGE			
0123003-5839 Portable Tools & Other Equipment	Tools Needed For Garage	Replace As Needed	4,994
0123003- 5861 Desks, Chairs & Tables	Replace Table And Chairs	Replace As Needed	60
0123003-5865 Computer Equipment	Replace Computer	Replace As Needed	1,300
TOTAL CENTRAL MAINTENANCE GARAGE			**6,354**
PUBLIC WORKS LABOR FORCE			
0124001-5839 Portable Tools & Other Equipment	Replace Tools & Equipment	Replace As Needed	567
0124001-5856 Mowers	Repair Mowers	Replace As Needed	200
TOTAL PUBLIC WORKS LABOR FORCE			**767**
CENTRAL EQUIPMENT BUILDING			
0124008-5839 Portable Tools & Other Equipment	Replace Tools & Equipment	Replace As Needed	500
0124008-5861 Desks, Chairs & Tables	Replacement A/C Units	Replace As Needed	500
TOTAL CENTRAL EQUIPMENT BUILDING			**1,000**
RECREATION ADMINISTRATION			
0140001-5865 Computer Equipment	Replace Computers	Replace As Needed	1,000
HAGER HOUSE			
0140402-5865 Computer Equipment	Replace Computers	Replace As Needed	100

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
PARKS AND EQUIPMENT DEPARTMENT 0145000-5865 Computer Equipment	Replace Computer	Replace As Needed	1,000
ECONOMIC DEVELOPMENT & ADMIN 0150001-5865 Computer Equipment	Replace Computer	Replace As Needed	5,500
0150001-5867 Communication Equipment	Replace Equipment	Replace As Needed	750
TOTAL ECONOMIC DEVELOPMENT & ADMIN			**6,250**
TOTAL CAPITAL OUTLAY			**$ 186,688**

Utilities





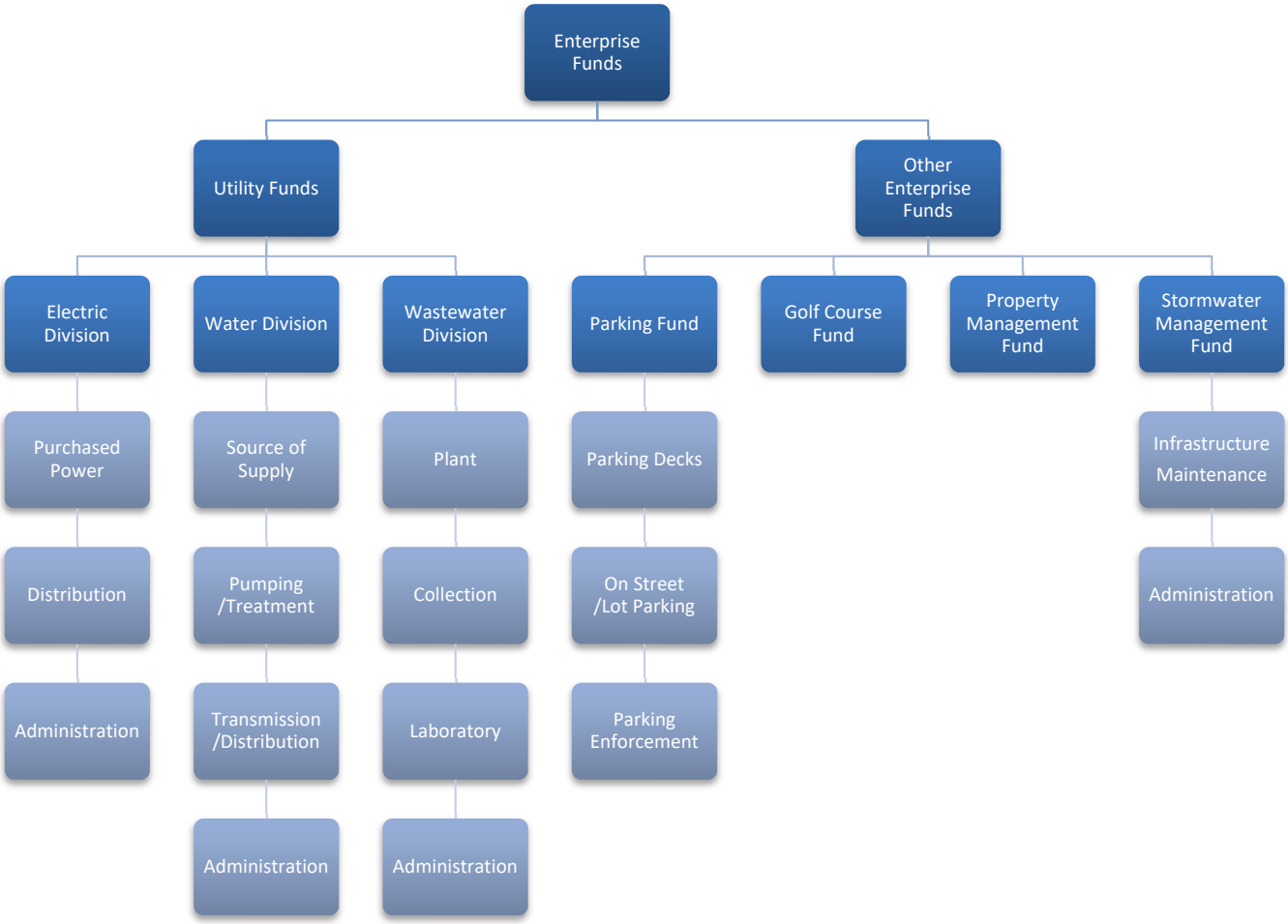




ENTERPRISE FUNDS
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Enterprise Funds
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Administration
Transmission /Distribution
Laboratory
Parking Enforcement
Administration
Administration

ENTERPRISE FUNDS - COMBINING STATEMENT
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	ELECTRIC FUND	WATER FUND	WASTEWATER FUND	PARKING FUND	GOLF COURSE FUND	PROPERTY MANAGEMENT FUND	STORMWATER MANAGEMENT FUND	TOTAL
OPERATING REVENUES								
Service Charges	$24,672,870	$11,917,000	$13,902,000	$ 731,910	$ 237,000	$ 326,987	$ 3,121,268	$ 54,909,035
Other Revenues	430,000	$ 864,672	469,927	-	59,500	3,200	$ (176,836)	$ 1,650,463
Total Operating Revenues	**25,102,870**	**12,781,672**	**14,371,927**	**731,910**	**296,500**	**330,187**	**2,944,432**	**56,559,498**
OPERATING EXPENSES								
Production and Treatment	18,659,916	3,927,569	4,911,932	-	-	-	-	27,499,417
Transmission, Distribution & Collection	2,528,522	2,418,631	1,867,051	-	-	-	-	6,814,204
Infrastructure and Construction	-	-	-	-	-	-	674,931	674,931
Selling, General & Administrative	3,262,956	2,928,453	3,582,743	652,870	458,538	310,198	1,393,979	12,589,737
Depreciation	1,002,500	3,892,000	3,156,000	287,000	65,500	141,000	91,300	8,635,300
Total Operating Expenses	**25,453,894**	**13,166,653**	**13,517,726**	**939,870**	**524,038**	**451,198**	**2,160,210**	**56,213,589**
Operating Income (Loss)	**(351,024)**	**(384,981)**	**854,201**	**(207,960)**	**(227,538)**	**(121,011)**	**784,222**	**345,909**
NON-OPERATING REVENUES (EXPENSES)								
Interest Earned	5,000	8,000	3,000	2,000	220	13,000	2,500	33,720
Premium on Bonds	-	4,172	4,073	2	-	-	-	8,247
Interest/Bond Issuance Expense	(8,668)	(427,129)	(286,536)	(16,077)	-	(3,875)	(22,578)	(764,863)
Gain (Loss) on Capital Assets	175,000	-	8,000	-	-	-	-	183,000
Total Other Income (Expense)	**171,332**	**(414,957)**	**(271,463)**	**(14,075)**	**220**	**9,125**	**(20,078)**	**(539,896)**
Net Income before Contributions & Transfers	**(179,692)**	**(799,938)**	**582,738**	**(222,035)**	**(227,318)**	**(111,886)**	**764,144**	**(193,987)**
OTHER FINANCING SOURCES (USES)								
Benefit Charges	-	502,142	500,000	-	-	-	-	1,002,142
Grants in Aid of Construction	-	-	200,000	-	-	-	-	200,000
Developer Contributions	150,000	350,000	250,000	-	-	-	-	750,000
Operating & Capital Transfers from Other Funds	53,356	83,255	71,421	-	200,466	-	-	408,498
Operating & Capital Transfers to Other Funds	(11,740)	(11,740)	(11,740)	(2,040)	-	-	-	(37,260)
Increase (Decrease) in Retained Earnings	**11,924**	**123,719**	**1,592,419**	**(224,075)**	**(26,852)**	**(111,886)**	**764,144**	**2,129,393**
ADJUST RETAINED EARNINGS TO A UNRESTRICTED CASH FLOW BASIS								
Add Back Depreciation	1,002,500	3,892,000	3,156,000	287,000	65,500	141,000	91,300	8,635,300
Capital Outlay/Fixed Assets	(1,292,000)	(2,765,000)	(2,592,000)	(25,000)	(98,000)	(160,000)	(1,012,500)	(7,944,500)
Repayment of Principal on Debt	(47,150)	(1,691,982)	(1,482,705)	(69,098)	-	(5,555)	(34,348)	(3,330,838)
Non-Cash Developer Contributions	(150,000)	(350,000)	(250,000)	-	-	-	-	(750,000)
Bond Proceeds	-	-	-	-	-	-	-	-
Change in Restricted Cash	-	-	-	-	-	-	-	-
Net Sources (Uses) of Cash	**$ (474,726)**	**$ (791,263)**	**$ 423,714**	**$ (31,173)**	**$ (59,352)**	**$ (136,441)**	**$ (191,404)**	**$ (1,260,645)**
Beginning Fund Balance	**$15,065,053**	**$93,155,622**	**$53,838,353**	**$ 6,788,585**	**$ 629,713**	**$ 3,484,941**	**$ 287,074**	**$ 173,249,341**
Ending Fund Balance	**$15,076,977**	**$93,279,341**	**$55,430,772**	**$ 6,564,510**	**$ 602,861**	**$ 3,373,055**	**$ 1,051,218**	**$175,378,734**

DEPARTMENT / PROGRAM OVERVIEW

The Mission of the Utilities Department is to enhance the quality of life in our community by providing reliable, competitively priced utility services through skilled, safety-oriented, and customer focused employees. The success of our organization depends on teamwork, professionalism, and overall excellence achieved through our commitment to our core values. Customer and employee communication, cooperation, innovation, and integrity in each process we perform are keystones to the success of the department. The Utilities Department is responsible for the management of public utilities (Electric, Wastewater, and Water) collectively serving a population of nearly 88,000 customers.

DEPARTMENT / PROGRAM OBJECTIVES

• The COVID-19 pandemic negatively affected FY21 revenues. Staff is closely monitoring Operating and Capital expenditures to damper the reserve fund decline in an attempt to meet the department's goal of maintaining the existing rate structure.

• The Electric Division strives to provide reliable electric service to all customers. The Division also works to ensure we are providing the most cost effective energy source in the immediate region.

• Division crews provide new service connections, routine maintenance, street light service along all City streets, monitor all substations and related equipment, and ensure the functionality of metering to ensure a high quality service.

• The other contracted services budget for overhead line maintenance in FY22 is $150,000. This will assist HLD lineworkers with efforts toward vegetation mangement to maintain system reliability.

• The wholesale power purchase agreement with Energy Harbor will end on May 31, 2022. Customers can expect a steady electric rate through this contract period. A two-year extension will begin on June 1, 2022 with an expected wholesale rate decrease of 10.37% through May 31, 2024.

• Staff is monitoring House Bill 0376 and Senate Bill 0053 in the 2021 Legislative Session. These bills could introduce a cap on Renewable Energy Portfolio Standard's solar renewable requirement that would allow our wholesale power supplier to purchase more effective Tier 1 renewables. Provisions are in place to true-up the price component for renewable energy and any savings in Purchase Power will be passed to the customers through the monthly Purchase Power Adjustment.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of Residential Customers	**14,640**	**14,640**	**14,650**
Number of Non-Residential Customers	**2,575**	**2,575**	**2,580**
Million Kilowatt-hours Purchased	**315**	**315**	**315**
Million Kilowatt-hours Sold	**306**	**306**	**306**
Number of Funded Employees	**31.51**	**29.96**	**28.85**
Number of Customers Served per Employee	**546**	**575**	**597**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,984,277	$ 2,075,717	$ 2,015,123	$ 1,996,488	-3.8%
Benefits	1,170,753	1,162,476	1,166,031	1,176,222	1.2%
Overtime	83,021	109,000	102,850	109,500	0.5%
Personnel Subtotal	**3,238,051**	**3,347,193**	**3,284,004**	**3,282,210**	**-1.9%**
Contractual Services	427,657	471,593	286,610	399,653	-15.3%
Operating Expenditures	20,304,548	20,304,327	20,178,450	20,754,432	2.2%
Operating Cap Exp (Cap Outlay)	56	100	100	100	0.0%
Other General Expenses	1,071,892	1,133,000	1,035,694	862,907	-23.8%
Operating Subtotal	**21,804,153**	**21,909,020**	**21,500,854**	**22,017,092**	**0.5%**
Total Expenditures	**$ 25,042,204**	**$ 25,256,213**	**$ 24,784,858**	**$ 25,299,302**	**0.2%**
REVENUES BY TYPE					
Departmental Revenue	24,666,038	25,306,829	24,621,818	25,311,226	0.0%
Total Revenues	**$ 24,666,038**	**$ 25,306,829**	**$ 24,621,818**	**$ 25,311,226**	**0.0%**
Revenues, excess of Expenditures	**$ 376,166**	**$ (50,616)**	**$ 163,040**	**$ (11,924)**	**-76.4%**

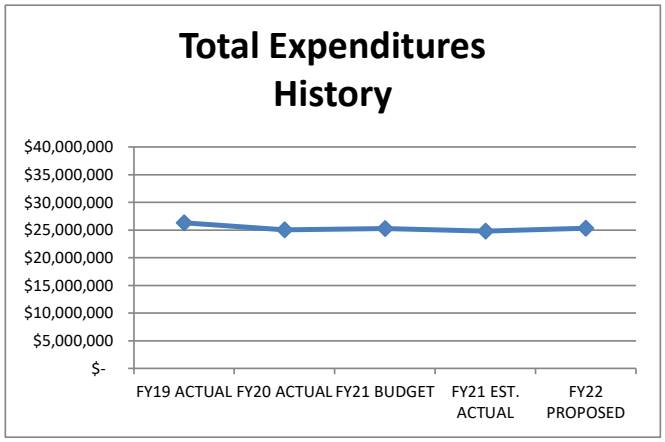
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

FY21 estimated actual for departmental revenues is 2.7% or $685.0K lower than budget. Significant revenue adjustments include the decline in late fees, reconnection charges, customer arrearages, and interest which was caused by the COVID-19 pandemic. Overall, total expenditures are 1.9% or $471.3K lower than budget. Services such as streetlight refurbishment and vegetation management have been reduced to offset the losses. Software maintenance and support fees are projected to increase for Work Management intended to streamline certain aspects of operations.

Adopted FY21 to Proposed FY22

Overall, total expenditures are expected to increase 0.2% or $43.0K. Personnel expenditures are expected to decrease 1.9% or $64.9K mainly due to a decrease in salary and wages. There is expected to be a 0.5% or $108.0K increase in operating expenditures. Vegetation Management services will be restored to maintain system reliabiltiy while monitoring other operating expenses. Planned Capital Improvement Projects such as vehicles and system improvements will be deferred to fund developement along Wesel Boulevard and Salem Avenue/Marshall Street/I-81. Revenues are expected to remain level with FY21 budget. The Novemeber 2020 settlement with Cascades Tissue Group will reduce future revenues roughly $350.0K annually with the loss of debt payment, interest, the revenue guarantee, and a lease payment; approximately $282.0K was on track to dissolve following the December 2023 billing cycle.



STAFFING SUMMARY

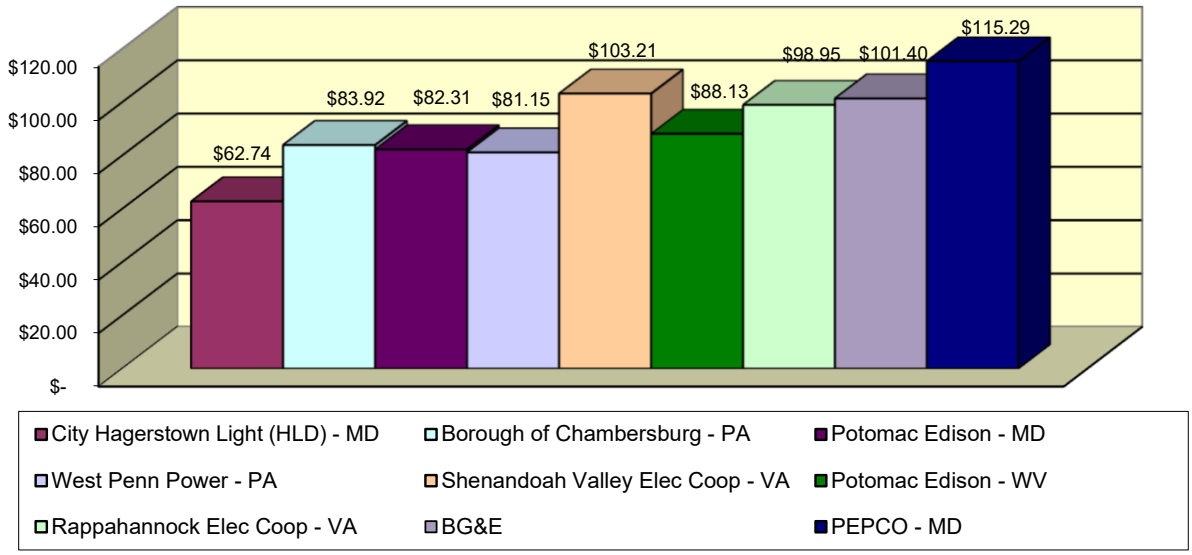
	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	31.51	29.96	29.96	28.85
Staffing Total	31.51	29.96	29.96	28.85
Unfunded positions	4.00	5.00	5.00	6.00

The Division will continue to maintain operational costs within levels at or below revenues generated through FY22.

ELECTRIC FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
OPERATING REVENUES					
Service Charges	$ 23,855,620	$ 24,246,540	$ 23,818,253	$ 24,672,870	1.8%
Other Revenues	594,804	687,299	656,148	430,000	-37.4%
Total Operating Revenues	**24,450,424**	**24,933,839**	**24,474,401**	**25,102,870**	**0.7%**
OPERATING EXPENSES					
Purchased Power	18,320,874	18,338,943	18,067,672	18,659,916	1.8%
Distribution Expenses	2,527,103	2,543,214	2,408,384	2,528,522	-0.6%
Customer Accounts Expenses	1,013,008	1,061,872	1,081,048	1,059,973	-0.2%
Selling, General & Administrative	2,132,136	2,194,185	2,207,060	2,202,983	0.4%
Depreciation	946,823	1,081,000	975,000	1,002,500	-7.3%
Total Operating Expenses	**24,939,944**	**25,219,214**	**24,739,164**	**25,453,894**	**0.9%**
Operating Income (Loss)	**(489,520)**	**(285,375)**	**(264,763)**	**(351,024)**	**23.0%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - CARES Act	-	-	6,606	-	0.0%
Interest Earned	137,448	145,281	23,102	5,000	-96.6%
Interest/Bond Issuance Expense	(11,734)	(10,249)	(10,249)	(8,668)	-15.4%
Gain (Loss) on Capital Assets	(32,401)	(10,000)	(18,695)	175,000	-1850.0%
Total Other Income (Expense)	**93,313**	**125,032**	**764**	**171,332**	**37.0%**
Net Income before Operating Transfers	**(396,207)**	**(160,343)**	**(263,999)**	**(179,692)**	**12.1%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(58,125)	(16,750)	(16,750)	(11,740)	-29.9%
Transfers from Health Insurance Fund	63,562	27,709	27,709	53,356	92.6%
Total Transfers From (To) Funds	**5,437**	**10,959**	**10,959**	**41,616**	**279.7%**
CAPITAL CONTRIBUTIONS					
Developer Contributions	14,604	200,000	90,000	150,000	-25.0%
Total Capital Contributions	**14,604**	**200,000**	**90,000**	**150,000**	**-25.0%**
Increase (Decrease) in Retained Earnings	**(376,166)**	**50,616**	**(163,040)**	**11,924**	**-76.4%**
Add Back Depreciation	946,823	1,081,000	975,000	1,002,500	-7.3%
Capital Outlay/Fixed Assets	(1,128,938)	(1,492,500)	(873,725)	(1,292,000)	-13.4%
Repayment of Principal	(43,245)	(44,894)	(44,893)	(47,150)	5.0%
Non-Cash Developer Contributions	(14,604)	(200,000)	(90,000)	(150,000)	-25.0%
Changes in Working Capital	(202,352)	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ (818,482)**	**$ (605,778)**	**$ (196,658)**	**$ (474,726)**	**-21.6%**
Beginning Fund Balance	**$ 15,604,259**	**$ 15,228,093**	**$ 15,228,093**	**$ 15,065,053**	**-1.1%**
Ending Fund Balance	**$ 15,228,093**	**$ 15,278,709**	**$ 15,065,053**	**$ 15,076,977**	**-1.3%**

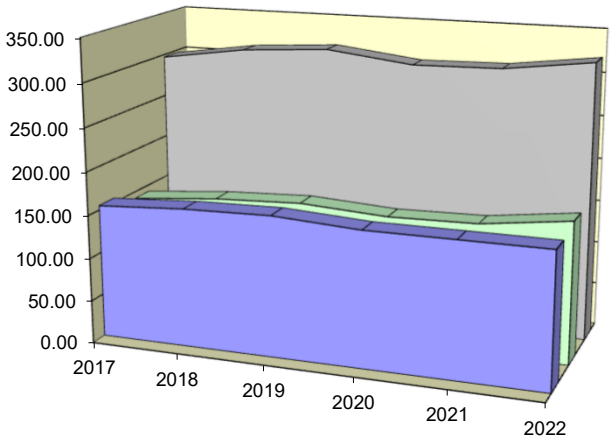
SERVICE CHARGE COMPARISON AS OF MARCH 2021



Shown above are comparative residential rates based on an average usage of 800 kWh per month. The Hagerstown Light Department has an approved wholesale power contract extension with First Energy Solutions at a rate of $52.70 per MWh effective June 1, 2017 through May 31, 2022, followed by a decrease through May 31, 2024.

ELECTRIC CONSUMPTION FROM 2017 - 2022

Per 1,000,000 KWH



Shown above is a trend based on millions of kWh used by HLD customers annually over a five year period. As reflected, City Non-Residential Customers (Commercial Customers), utilize almost same amount as residential customers.

ELECTRIC FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
ELECTRIC REVENUES					
Sales of Electric-Unbilled Readings	$ 41,447	$ -	$ -	$ -	0.0%
Residential Lighting	12,303,414	12,414,640	12,288,000	12,288,000	-1.0%
Residential Metering	3,747	5,000	4,000	4,000	-20.0%
Commercial Lighting	4,824,396	4,927,440	4,777,000	4,777,000	-3.1%
Commercial Metering	14,221	13,340	14,000	14,000	4.9%
Power Pl(09)	1,723,704	1,896,300	1,714,000	1,714,000	-9.6%
Power Ph(10)	4,118,402	4,136,580	4,232,000	5,126,000	23.9%
High Voltage-Newstech	103,825	106,000	82,383	-	-100.0%
Dusk to Dawn	20,508	21,000	21,000	21,000	0.0%
Street Lighting	615,367	617,240	618,870	618,870	0.3%
Traffic Lighting	22,034	21,000	22,000	22,000	4.8%
Reconnection Charges	64,555	88,000	45,000	88,000	0.0%
Total Electric Revenues	**23,855,620**	**24,246,540**	**23,818,253**	**24,672,870**	**1.8%**
OTHER REVENUES					
Pole Rental/Attachment Fees	38,697	37,639	41,000	45,000	19.6%
Rents from Electric Properties	33,667	25,000	-	-	-100.0%
Building Rental-CMG	41,400	41,400	41,400	42,000	1.4%
Rent Income - Sub-Station	3,403	3,403	3,403	-	-100.0%
Late Fees	139,529	200,000	115,000	200,000	0.0%
Miscellaneous Electric Revenue	29,290	40,000	55,000	40,000	0.0%
Customer Reimbursed Overtime	3,320	5,000	3,500	3,500	-30.0%
Scrap Sales	7,120	7,500	17,000	7,500	0.0%
Recovery of Inventory	37,822	40,000	40,000	40,000	0.0%
Insurance Reimbursements	39,371	50,000	50,000	50,000	0.0%
Recovery of Notes Receivable-F.U.F.	218,710	233,357	287,845	-	-100.0%
Bad Check Charges	2,475	4,000	2,000	2,000	-50.0%
Total Other Revenues	**594,804**	**687,299**	**656,148**	**430,000**	**-37.4%**
Total Operating Revenues	**$ 24,450,424**	**$ 24,933,839**	**$ 24,474,401**	**$ 25,102,870**	**0.7%**

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Electric Fund Vehicle Replacement-C0090 Replace fleet vehicles scheduled for replacement under the Vehicle Replacement Program.	Replace Fleet Vehicles	Replace deteriorating mobile equipment to improve safety for workers and to reduce service restoration time.	30,000
Telemetry Equipment-C0111 Construction of communication networks to facilitate transmission of data from installed devices in the Electric System.	Communication Equipment	Improve service, increase system reliability.	5,000
Security Improvements-C0178 Upgrade the aged building and site security systems.	Video Surveillance	Deter theft and/or vandalism of electric utility assets.	25,000
Wesel Boulevard Development-C0220 Provide electric service along Wesel Boulevard for the NorthPoint Development.	Infrastructure	Provide electric service to new customers within the service territory of the HLD.	35,000
System Reconductoring-C0259 Upgrade power in distribution lines.	Poles, Towers & Fixtures, Overhead Devices	Improve service and reliability.	187,500
SCADA System-C0441 Upgrade Current SCADA software and hardware.	Communication Equipment	Improve load monitoring and outage restoration.	5,000
Underground Replacement-C0540 Replace aging underground primary cable in various areas throughout HLD service territory identified by the feeder inspection program.	Replace Underground Cable	Replacing sections of aged primary cable will improve electric reliability in various developments and/or locations.	12,500
HLD Distribution & Admin. Office Bldg.-C0542 Improvements to HLD facility on East Baltimore Street.	Replace interior lighting in garage and stock room areas.	Cost avoidance, planned improvement, and improved service.	25,000
Streetlight Replacement-C0546 Replace direct buried streetlight circuit, obsolete fixtures, and non-standard poles.	Street Lighting	Unable to provide for replacement materials for uniformity. Existing cable is in poor condition.	10,000
Kilpatrick Woods-C0550 Provide electric power and service to Kilpatrick Woods, a new development between Marshall Street and Salem Avenue, east of I-81.	Infrastructure	Provide new electric service to lots as they develop.	225,500
273 E Memorial Blvd-C0552 Redevelopment of the former Hagerstown Fiber Plant, requiring new underground service to their indoor substation.	Infrastructure	Provide electric service to a new customer within the service terrritory of the HLD.	5,000
Test Equipment-C0609 Procure/repair test equipment to improve maintenance programs and power quality for customers.	Station Equipment	Improve reliability of service.	40,000
Substation Controls-C0616 Procure and replace obsolete and degraded substation control equipment.	Machinery and Equipment	Replace inferior equipment to maintain system reliability, public & workforce safety, and system integrity	25,000

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Burhans Village-C0707 Proposed development connecting Burhans Boulevard and Mitchell Avenue requiring underground electric service.	Infrastructure	Provide electric service to new customers.	59,000
Substation Breaker Replacement-C0776 Replace aging breakers in substation to maintain reliability.	Replace substation breakers on maintenance cycle to reduce equipment failure.	Increase reliability of service.	25,000
Substation Upgrades-C0778 Increase electrical capacity and system improvements within substations.	Station Equipment	Increase reliability of service.	25,000
Equipment Refurbishment-C0797 Purchase and/or refurbish voltage regulators and controllers for substations.	Station Equipment	Replace, refurbish, and repair sub-station voltage regulators as needed to maintain levels within limits mandated by the MD Public Service Commission.	45,000
Wildlife Protection-C0802 Purchase and install wildlife protection on substation equipment.	Station Equipment	Power outages caused by wildlife within the substations will be reduced and reliability will increase. There will also be a decrease in maintenance repair and/or replacement costs of damaged equipment caused by wildlife.	10,000
Feeder Coordination-C0833 Remove, relocate, replace, and/or adjust Circuit Breakers, Reclosers, Fuses, Switches, and Capacitors.	Poles, Towers & Fixtures, O/H Con-ductors & Devices, and Underground Conductors & Devices	Improve system reliability and power quality.	20,000
SUBTOTAL PROJECT EXPENSES			**$ 814,500**
5074001-5865 Computer Equipment	Computer Equipment	Replace as needed.	100
5085001-581001 General Plant - Structure	Administrative Building	Replace worn office furniture and computer equipment.	5,000
5085001-583002 Dist-Station Equipment	Costs of installation of station equip-ment including transformer banks, which are used for the purpose of changing the characteristics of electricity in connection with its distribution.	To upgrade existing substation facilities and to continue periodic replacement of aged equipment.	50,000
5085001-583004 Dist-Poles, Towers & Fixtures	Costs of installation of poles, towers, and fixtures used for supporting overhead distribution conductors and service wires.	To upgrade service to electrical customers and to continue periodic replacement of aged equipment.	80,000

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5085001-583005 Dist-Overhead Conductors and Devices	Costs of installation of overhead conductors & devices for distribution purposes, including the installation of overhead primary cable, insulators, arrestors, switches and other line hardware.	To upgrade existing facilities and to continue periodic replacement of aged equipment.	50,000
5085001-583006 Dist-Underground Conduit	Costs of installation on underground conduit and tunnels used for housing distribution cables or wires.	To meet the need of electrical customers who are upgrading or installing new services.	10,000
5085001-583007 Dist-Underground Conductors and Devices	Costs of installation of underground conductors and devices used for distribution purposes.	To upgrade existing primary electrical wires and for the installation of new primary underground conductors to maintain the reliability of the distribution systems.	15,000
5085001-583008 Dist-Line Transformers	Costs of installation of overhead & underground distribution line transformers and voltage regulators for use in transforming electricity to the voltage at which it is to be used by the customer.	To meet the needs of electrical customers who are upgrading their services or building new homes and to replace aging units already in service.	100,000
5085001-583009 Dist-Services	Costs of installation of overhead & underground conductors leading from a point where wires leave the last pole of an overhead system, or if an underground system, the distribution box of manholes.	To meet the needs of electrical customers who are upgrading their services and building new homes.	50,000
5085001-583010 Dist-Meters	Costs of installation of meters or devices for use in measuring the electricity delivered to users.	To meet the needs of electrical customers who are upgrading their services and building new homes and to replace obsolete meters currently in the system, as required by the Maryland Public Service Commission.	20,000
5085001-583013 Dist-Street & Signal Lighting	Costs of installation of equipment used wholly for public streets.	To provide adequate street lighting for City residents.	70,000
5085001-583014 Tools, Shop & Garage Equipment	Cost of tools, implements, and equipment used in construction, repair work, general shops and garages.	To maintain and provide miscellaneous improvements to utility construction equipment and facilities.	15,000
5085001-5860 General Plant - Office Furniture, Fixtures, & Equipment	Administrative Building	Replace worn office furniture and computer equipment.	10,000
5085001-5867 Communication Equipment	Costs of installation of telephone and wireless equipment for general use in connection with utility operations.	To maintain Supervisory Control and Data Control (SCADA), radio communication, telephone service, etc.	2,500
TOTAL CAPITAL OUTLAY			**$ 1,292,100**

DEPARTMENT / PROGRAM OVERVIEW

The Mission of the Utilities Department is to enhance the quality of life in our community by providing reliable, competitively priced utility services through skilled, safety-oriented and customer focused employees. The success of our organization depends on teamwork, professionalism, and overall excellence achieved through our commitment to our core values. Customer and employee communication, cooperation, innovation, and integrity in each process we perform are keystones to the success of the Department. The Utilities Department is responsible for the management of public utilities (Electric, Wastewater, and Water) collectively serving a population of nearly 88,000 customers. The Department is responsible for all billing operations, collection of revenue, and the oversight of all operating and capital expenses.

DEPARTMENT / PROGRAM OBJECTIVES

• The Water Division supports the Mayor and Council's Goals and Priorities through the Division's assistance to all City Departments in the realization of all applicable objectives. As part of the Public Facilities and Infrastructure goals to establish and maintain quality services and infrastructure that supports residents and businesses in a cost effective manner, the Water Division continues to work with Hazen and Sawyer to ensure the long-term viability of the Edgemont Reservoir and the W.M. Breichner Plant. Staff supports the Mayor and Council's core values regarding Health, Safety, and Welfare and, as such, continues to make improvements to the Water System that are consistent with both the Water Master Plan and the Capital Improvement Plan to ensure compliance with all Federal and State regulatory programs and requirements identified in the Safe Drinking Water Act and Clean Water Act.

• The Water Division is responsible for the treatment and distribution of 10.04 MGD (2020 average daily demand) of potable water to all City residents and surrounding communities in Washington County. The water system is comprised of approximately 431 miles of water mains, the R.C. Willson and W.M. Breichner treatment plants, four pumping stations, and eight water storage tanks. The Division has undergone many improvements which include the improvements to system potable water storage, electrical and treatment, and piping upgrades at R.C. Willson and numerous water distribution main replacements. These improvements help ensure a reliable cost effective water supply to all customers served by the City of Hagerstown.

• To further assist in our financial commitment to our customers, the Water Fund has submitted a request for additional MDE funding for repairs to the Edgemont Reservoir to address ongoing seepage concerns. Funding will be requested for the W.M. Breichner Plant for compliance with the LT2ESWTR and Stage 2 DBPR once work is underway at Edgemont. Water Distribution will continue the Leak Detection Program to meet MDE water loss reduction plan requirements. The department will continue to test all large commercial/industrial meters annually. The Water Division will also continue with system rehabilitation and main replacement projects through the leak detection program, hydrant and valve program, and through coordinated efforts with the City/County/State roadway rehabilitation proejcts. Capital Project Improvement Planning assists greatly in reducing system operational issues related to water main and equipment failures.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of Inside City Customers	**13,499**	**13,720**	**13,800**
Number of Outside City Customers	**16,436**	**16,700**	**16,850**
Million Gallons Produced	**3,623**	**3,664**	**3,692**
Million Gallons Accounted For	**3,199**	**3,226**	**3,267**
Percentage of Unaccounted for Water	**11.7%**	**12.0%**	**11.5%**
Number of Funded Employees	**50.36**	**48.67**	**50.60**
Number of Customers Served per Employee	**594**	**625**	**606**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 2,946,419	$ 2,964,078	$ 2,931,691	$ 3,141,774	6.0%
Benefits	1,329,152	1,419,323	1,408,115	1,454,407	2.5%
Overtime	105,850	179,200	179,300	167,900	-6.3%
Personnel Subtotal	**4,381,421**	**4,562,601**	**4,519,106**	**4,764,081**	**4.4%**
Contractual Services	408,715	866,543	542,924	748,071	-13.7%
Operating Expenditures	3,191,816	3,455,997	3,487,546	3,691,051	6.8%
Operating Cap Exp (Cap Outlay)	67,847	72,000	65,600	71,000	-1.4%
Other General Expenses	4,170,288	4,415,126	4,301,291	4,331,319	-1.9%
Operating Subtotal	**7,838,666**	**8,809,666**	**8,397,361**	**8,841,441**	**0.4%**
Total Expenditures	**$ 12,220,087**	**$ 13,372,267**	**$ 12,916,467**	**$ 13,605,522**	**1.7%**
REVENUES BY TYPE					
Departmental Revenue	16,392,380	13,425,823	13,529,107	13,729,241	2.3%
Total Revenues	**$ 16,392,380**	**$ 13,425,823**	**$ 13,529,107**	**$ 13,729,241**	**2.3%**
Expenditures, net of Revenues	**$ (4,172,293)**	**$ (53,556)**	**$ (612,640)**	**$ (123,719)**	**131.0%**

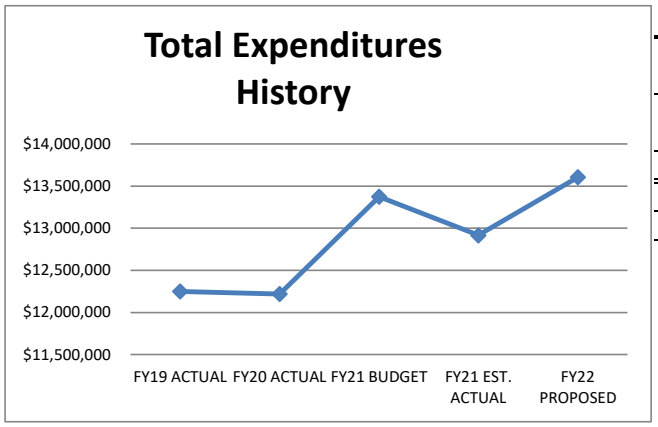
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Overall, total expenditures for FY21 estimated actual are expected to decrease by 3.4% or $455.8K. The Water Division has reduced staff and currently has 4 positions unfunded in FY21. Vehicle replacement purchases are limited and based on repair cost versus replacement cost. All external seminars and non-certification training are monitored for consistency with programmatic needs. Total operating revenues for FY21 estimated actual is anticipated to be 0.8% or $103.3K higher than FY21 budget. The Water Division utilizes common sense approaches related to energy consumption, chemical usage, and employee sharing in an effort to realize growth in retained earnings.

Adopted FY21 to Proposed FY22

In total, personnel costs for FY22 budget are expected to be 4.4% or $201.5K higher than FY21 budget due to increases in benefits and salaries and wages. Total operating expenditures are projected to increase by 0.4% or $31.8K. The Water Division continues to work with MDE to secure low interest State Revolving Loans and Drinking Water Grant Funds in an effort to ensure compliance with mandated regulatory requirements. Staff will continue to work with Municipal Financial Services to maintain the integrity of the Rate Model.



STAFFING SUMMARY

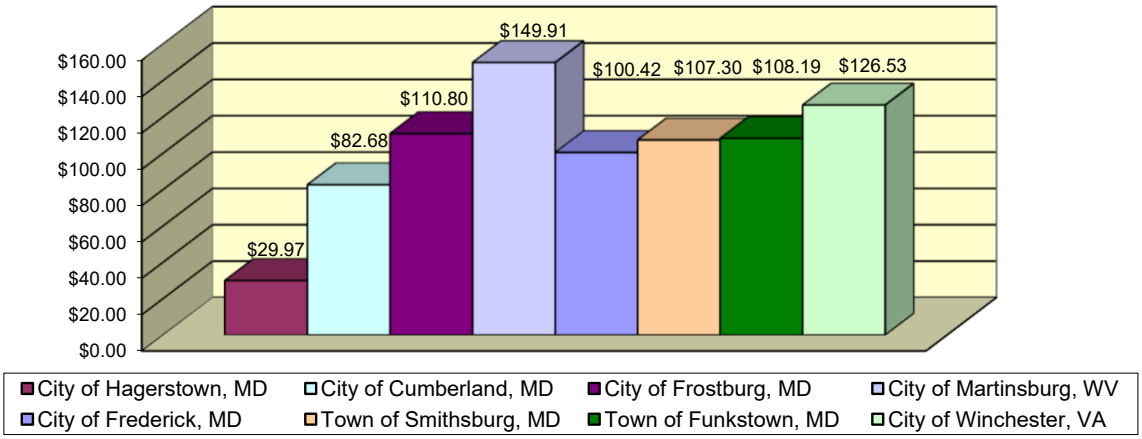
	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	50.36	48.67	48.67	50.60
Seasonal	4.00	2.00	2.00	1.00
Staffing Total	54.36	50.67	50.67	51.60
Unfunded positions	4.00	4.00	4.00	4.00

The Division will continue to monitor operational costs and revenue through FY22 and beyond by the managing of the financial operations and ensuring that our recently updated rate model is followed.

WATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2021/2022

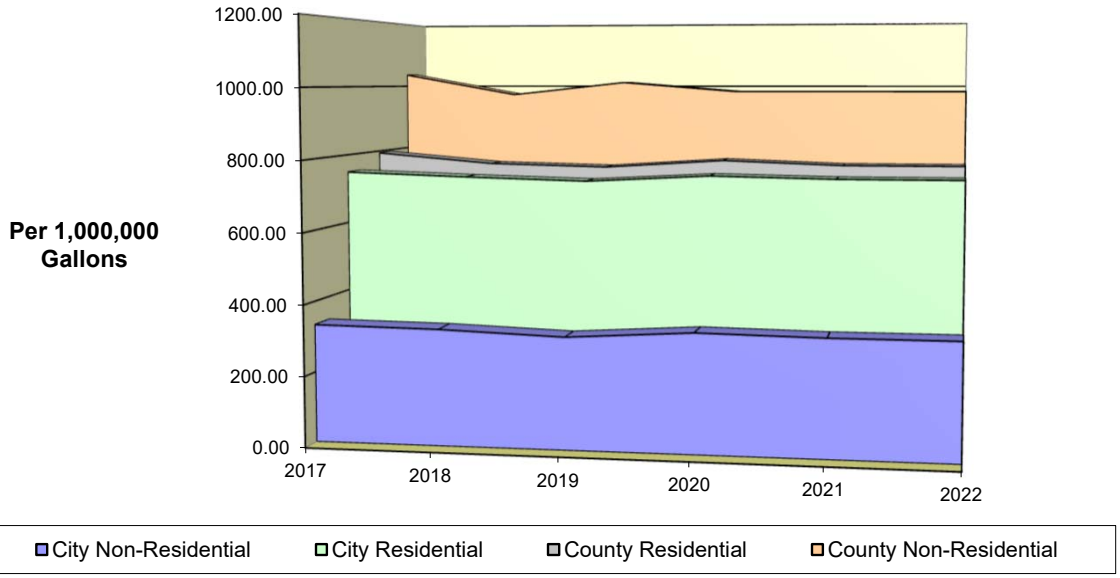
ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 PROPOSED
OPERATING REVENUES					
Service Charges	$ 11,428,485	$ 11,358,000	$ 11,603,500	$ 11,917,000	4.9%
Other Revenues	1,197,723	871,149	864,213	864,672	-0.7%
Total Operating Revenues	**12,626,208**	**12,229,149**	**12,467,713**	**12,781,672**	**4.5%**
OPERATING EXPENSES					
Source of Supply	77,469	53,300	53,485	61,000	14.4%
Pumping & Water Treatment	3,340,875	3,782,640	3,680,518	3,866,569	2.2%
Transmission & Distribution	2,145,830	2,395,503	2,245,790	2,418,631	1.0%
Selling,General & Administrative	2,517,126	2,726,149	2,635,832	2,928,453	7.4%
Depreciation	3,608,688	3,938,000	3,817,000	3,892,000	-1.2%
Total Operating Expenses	**11,689,988**	**12,895,592**	**12,432,625**	**13,166,653**	**2.1%**
Operating Income (Loss)	**936,220**	**(666,443)**	**35,088**	**(384,981)**	**-42.2%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - CARES Act	-	-	6,778	-	0.0%
Interest Earned	80,197	40,000	8,000	8,000	-80.0%
Premium on Bonds	4,440	4,172	4,172	4,172	0.0%
Interest/Bond Issuance Expense	(471,976)	(447,425)	(467,092)	(427,129)	-4.5%
Gain (Loss) on Capital Assets	11,020	10,000	-	-	-100.0%
Total Other Income (Expense)	**(376,319)**	**(393,253)**	**(448,142)**	**(414,957)**	**5.5%**
Income Before Contribs. & Transfers	**559,901**	**(1,059,696)**	**(413,054)**	**(799,938)**	**-24.5%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(58,125)	(29,250)	(16,750)	(11,740)	-59.9%
Transfers from Health Insurance Fund	94,513	40,302	40,302	83,255	106.6%
Total Transfers From (To) Funds	**36,388**	**11,052**	**23,552**	**71,515**	**547.1%**
CAPITAL CONTRIBUTIONS					
Water Benefit Charges	1,015,410	752,200	652,142	502,142	-33.2%
Grants in Aid of Construction	1,338,338	-	-	-	0.0%
Developer Contributions	1,222,256	350,000	350,000	350,000	0.0%
Total Capital Contributions	**3,576,004**	**1,102,200**	**1,002,142**	**852,142**	**-22.7%**
Increase (Decrease) in Retained Earnings	**4,172,293**	**53,556**	**612,640**	**123,719**	**131.0%**
Add Back Depreciation	3,608,688	3,938,000	3,817,000	3,892,000	-1.2%
Capital Outlay/Fixed Assets	(4,002,106)	(4,345,000)	(1,680,937)	(2,765,000)	-36.4%
Repayment of Principal on Debt	(1,755,570)	(1,788,379)	(1,788,379)	(1,691,982)	-5.4%
Non-Cash Developer Contributions	(1,222,256)	(350,000)	(350,000)	(350,000)	0.0%
Changes in Working Capital	(1,014,312)	-	-	-	0.0%
Bond Proceeds	72,873	1,700,000	-	-	-100.0%
Net Sources (Uses) of Cash	**$ (140,390)**	**$ (791,823)**	**$ 610,324**	**$ (791,263)**	**-0.1%**
Beginning Fund Balance	**$ 88,370,689**	**$ 92,542,982**	**$ 92,542,982**	**$ 93,155,622**	**0.7%**
Ending Fund Balance	**$ 92,542,982**	**$ 92,596,538**	**$ 93,155,622**	**$ 93,279,341**	**0.7%**

SERVICE CHARGE COMPARISON AS OF MARCH 2021
(Rates presented are strictly City)



The service charge comparison shows that the quarterly charges for a typical water customer is significantly less expensive in Hagerstown than any other comparable utility in the region. A typical water customer is defined as a City resident using 13,000 gallons of water per quarter.

WATER CONSUMPTION FROM 2017 - 2022



The water consumption comparison reflects a similar usage rate among City and County Residential consumers. For Non-Residential consumers, the chart reflects that County Non-Residential customers consume a significant amount more than City Non-Residential consumers.

WATER FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
WATER SERVICES					
Metered Sales-Unbilled	$ 82,442	$ -	$ -	$ -	0.0%
Water Fixed Charge - City	579,320	593,000	600,000	618,000	4.2%
Water Fixed Charge - County	2,180,144	2,232,000	2,266,000	2,334,000	4.6%
Metered City Water	1,792,793	1,773,000	1,826,000	1,879,000	6.0%
Metered County Water	6,755,428	6,718,000	6,873,000	7,044,000	4.9%
Reconnection Charges	36,220	40,000	37,000	40,000	0.0%
Bad Check Charges	2,138	2,000	1,500	2,000	0.0%
Total Service Charges	**11,428,485**	**11,358,000**	**11,603,500**	**11,917,000**	**4.9%**
OTHER REVENUES					
Contracted Services	26,674	20,000	15,000	20,000	0.0%
Water Service Application Fee	25,350	25,000	25,000	25,000	0.0%
Water Transfer Fee	55,650	50,000	55,000	55,000	10.0%
W.C.S.D. Consumption Data Service	66,372	66,000	66,372	66,372	0.6%
Review/Inspection Fee	28,623	20,000	30,000	20,000	0.0%
Insurance Reimbursements	-	2,500	5,041	-	-100.0%
Rent-City Employees	26,400	26,400	26,400	26,400	0.0%
Late Fees	97,890	120,000	56,000	120,000	0.0%
Miscellaneous Other Revenues	257,722	28,000	20,500	12,000	-57.1%
County Debt Service Surcharge	21,403	21,750	21,400	21,400	-1.6%
Cell Tower Rent	11,500	11,499	11,500	11,500	0.0%
Fire Protection	170,929	175,000	176,000	181,000	3.4%
Plumbing	402,495	300,000	350,000	300,000	0.0%
Net Gain/Loss-Scrap Sales	6,715	5,000	6,000	6,000	20.0%
Total Other Revenues	**1,197,723**	**871,149**	**864,213**	**864,672**	**-0.7%**
Total Operating Revenues	**$ 12,626,208**	**$ 12,229,149**	**$ 12,467,713**	**$ 12,781,672**	**4.5%**

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Water Fund Vehicles-C0117 Replace 2005 F550 Service Truck #208 ($85,000) Replace 2009 Dump Truck #211 ($100,000)	Vehicle Replacement	Replace units - reduced maintenance costs anticipated.	185,000
RC Willson WTP Improvements-C0166 Various plant improvements each year for equipment replacement to include pumps, motors, communi-cation equipment, etc.	Equipment	Improve service and increase system reliability.	750,000
Willson Transmission Mains-C0167 Emergency valve replacement	Transmission/ Distribution	Replace deteriorated infrastructure to increase reliability.	220,000
Edgemont Reservoir Improvements-C0168 Continue to monitor reservoir and make required MDE Improvements, complete study and begin design.	Land Improvements	Improve system and increase reliability.	200,000
Risk and Resiliency/Security-C0322 Improve the security of the the SCADA systems, communication systems, water plants, and pump stations.	Security	An EPA mandate requires a "Risk and Resiliency Assessment" to determine areas of vulnerability.	325,000
Breichner WTP Improvements-C0405 Plant upgrades will be a result of the implementation of existing and proposed Safe Drinking Water Act requirements as well as Clean Water Act require-ments.	Equipment	Replace and/or upgrade aging equipment to achieve compliance and to continue to ensure a back-up water supply.	20,000
Administrative & Eng. Equipment-C0648 Upgrade computer equipment and info-water program.	Computer Equipment & Software	Replace and/or upgrade engineering computer hardware and software.	10,000
Pump Station Improvements-C0651 Replacement of critial equipment at all stations and installation of VFDs at Pump Station 3.	Infrastructure	Replace and/or upgrade deteriorating infrastructure to improve reliability.	145,000
Distribution Services-C0653 Continue the fire line metering program which will include the evaluation of unmetered fire lines and installation of a fire meter.	Meter Replacement	Replace aging equipment to ensure water and sewer rates are an accurate reflection of the required revenue.	325,000

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Distribution System Rehabilitation-C0709 Continue the leak detection program and replace aging infrastructure throughout the Distribution System.	Infrastructure	Replace deteriorating infra-structure, improve safety for workers, and improve customer service.	400,000
Water SCADA System-C0820 Maintain SCADA to ensure treatment efficiencies.	Equipment	Replace and/or upgrade aging equipment.	185,000
SUBTOTAL PROJECT EXPENSES			**$ 2,765,000**
5270501-5833 Laboratory Equipment-Willson	Laboratory Equipment	Maintain laboratory equipment.	10,000
5270501-5839 Portable Tools/Equipment-Willson	Portable Tools and Equipment	Replace portable tools and equipment as needed.	3,000
5270501-5861 Desks-Chairs-and Tables-Willson	Desks, Chairs, Tables	To replace office furniture as needed.	500
5270501-5865 Computer Equipment-Willson	Computer Equipment	Replace worn equipment as needed.	2,500
5270501-5867 Communication Equipment-Willson	Communication Equipment	To replace communication equipment as needed.	4,000
5270502-5825 Residential Buildings-Pump Stations	Park Ave. Office - Facility Maintenance	Routine facility maintenance required.	1,000
5270502-5833 Laboratory Equipment-Pump Stations	Laboratory Equipment	Replace laboratory equipment.	2,000
5270502-5861 Desks-Chairs-Tables-Pump Stations	Desks, Chairs, Tables	To replace office furniture as needed.	500
5270502-5865 Computer Equipment-Pump Stations	Computer Equipment	Replace worn equipment as needed.	2,000

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5270502-5867 Communication Equipment-Pump Stations	Communication Equipment	To replace communication equipment as needed.	3,000
5270503-5861 Desks-Chairs-and Tables-Laboratory	Desks, Chairs, Tables	To replace office furniture as needed.	500
5270503-5865 Computer Equipment-Laboratory	Computer Equipment	Replace worn equipment as needed.	1,000
5271001-5825 Residential Buildings-Source of Supply	Maintain Residential/ Rental Properties	Rental property maintenance (3 properties).	10,000
5271001-5865 Computer Equipment-Source of Supply	Computer Equipment	Replace worn equipment as needed.	1,500
5272501-5836 Traffic Lights-Signs-Etc.-Distribution	Traffic Control Equipment	Replace traffic control equipment (signs, light bar, etc.).	2,000
5272501-5839 Portable Tools/Equipment-Distribution	Portable Tools and Equipment	Replace portable tools and equipment as needed.	15,000
5272501-5855 Portable Equipment-Distribution	Portable Tools and Equipment	Replace portable tools and equipment as needed.	2,500
5272501-5861 Desks-Chairs-and Tables-Distribution	Desks, Chairs, Tables	To replace office furniture as needed.	500
5272501-5865 Computer Equipment-Distribution	Computer Equipment	Replace worn equipment as needed.	2,500
5272501-5867 Communication Equipment-Distribution	Communication Equipment	To replace communication equipment as needed.	500

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5274001-5861 Desks-Chairs and Tables-Admin & General	Desks, Chairs, Tables	To replace office furniture as needed.	500
5274001-5865 Computer Equipment-Admin & General	Computer Equipment	Replace worn equipment as needed.	3,000
5274502-5865 Computer Equipment-Customer Accounts	Computer Equipment	Replace worn equipment as needed.	3,000
TOTAL CAPITAL OUTLAY			**$ 2,836,000**

DEPARTMENT / PROGRAM OVERVIEW

The Mission of the Utilities Department is to enhance the quality of life in our community by providing reliable, competitively priced utility services through skilled, safety-oriented, and customer focused employees. The success of our organization depends on teamwork, professionalism, and overall excellence achieved through our commitment to our core values. Customer and employee communication, cooperation, innovation, and integrity in each process we perform are keystones to the success of the department. The Utilities Department is responsible for the management of public utilities (Electric, Wastewater, and Water) collectively serving a population of nearly 88,000 customers. The Department is responsible for all billing operations, collection of revenue, and the oversight of all operating and capital expenses.

DEPARTMENT / PROGRAM OBJECTIVES

• The Wastewater Division supports the Mayor and Council's Strategic Plan through the Division's assistance to all City Departments in the realization of all applicable objectives. As part of the City's approved Strategic Plan, Focus Area "A Safe and Healthy Community," Wastewater continues the successful operation of the Enhanced Nutrient Removal components of the wastewater treatment plant in order to achieve the highest quality effluent that available technology can provide.

• The Wastewater Division is responsible to the conveyance and treatment of an average of 5.58 MG per day of wastewater for calendar year 2020. The WWTP is currently permitted to treat an average daily flow of 8.0 MGD. The collection system is comprised of over 157 miles of gravity sewer, 23 wastewater pumping stations, 8.24 miles of forcemain, 330 Grinder Pumps, and approximately 4.68 miles of Low Pressure Sewer. The infrastructure ensures that all customers served by the City of Hagerstown receive consistently reliable service. The Division has been working with Synagro to upgrade the sludge handling facilities at the Wastewater Treatment Plant. Phase One of that project addressed the need for redundant facilities to store and thicken sludge prior to being transferred to the Pelletizing Facility. Phase Two addressed the upgrade and/or replacement of equipment within the Pelletizing Facility. Those improvements to the Pelletizing Facility will ensure that the City, in conjunction with its contractor Synagro, will continue to provide a high quality service that is cost effective. Staff continues to refine our processes as they relate to the Enhanced Nutrient Removal (ENR) initiatives at our Wastewater Treatment Plant (WWTP) and we have been awarded $240,000 from our 2020 Operations and Maintenance Grant submission.

• The City invested approximately $10.9 million to upgrade the sludge thickening, storage, and pelletizing facilities at the Wastewater Treatement Plant. These facilties were originally constructed in the early 1980's and were in need of replacement. The Division entered into a 10 year contract extension with Synagro in 2013. They were responsible for the design, equipment procurement, and construction of the major capital improvements to the Facility, including immediate capital improvements and subsequent capital improvements throughout the contract term.

• In FY20 the City completed improvements to reduce and eliminate Inflow and Infiltration (I&I) from our wastewater collection systems as part of its ongoing commitment to maintain the existing wastewater collection systems. Large portions of our wastewater collection systems were constructed in the early 1900's and require major rehabilitation to extend the life of the sytem for years to come. In order to manage our long-term debt, the division will only accept grant funding for the I&I project. Inflow and Infiltration accounted for approximately 24.6% of the total wastewater flow treated at the wastewater treatment plant.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of Inside City Customers	**13,229**	**13,260**	**13,280**
Number of Outside City Customers	**6,892**	**6,940**	**6,950**
Annual Million Gallons/Day Treated	**7.34**	**5.44**	**6.99**
Inflow/Infiltration Million Gallons/Day Treated	**1.81**	**1.34**	**1.72**
Available Allocation in Thousand Gallons (carryover)	**660**	**2,560**	**1,010**
Number of Funded Employees	**46.56**	**46.95**	**45.55**
Number of Customers Served per Employee	**430**	**434**	**444**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 2,703,932	$ 2,821,486	$ 2,789,064	$ 2,750,444	-2.5%
Benefits	2,269,033	1,418,937	1,485,065	1,473,527	3.8%
Overtime	103,940	87,500	106,500	86,500	-1.1%
Personnel Subtotal	**5,076,905**	**4,327,923**	**4,380,629**	**4,310,471**	**-0.4%**
Contractual Services	2,290,986	2,039,200	1,752,266	2,080,803	2.0%
Operating Expenditures	3,946,496	4,368,057	3,872,363	3,953,352	-9.5%
Operating Cap Exp (Cap Outlay)	18,579	20,100	15,450	17,100	-14.9%
Other General Expenses	3,159,746	4,000,669	3,197,953	3,454,276	-13.7%
Operating Subtotal	**9,415,807**	**10,428,026**	**8,838,032**	**9,505,531**	**-8.8%**
Total Expenditures	**$ 14,492,712**	**$ 14,755,949**	**$ 13,218,661**	**$ 13,816,002**	**-6.4%**
REVENUES BY TYPE					
Departmental Revenue	15,628,100	15,863,399	14,895,045	15,408,421	-2.9%
Total Revenues	**$ 15,628,100**	**$ 15,863,399**	**$ 14,895,045**	**$ 15,408,421**	**-2.9%**
Expenditures, net of Revenues	**$ (1,135,388)**	**$ (1,107,450)**	**$ (1,676,384)**	**$ (1,592,419)**	**43.8%**

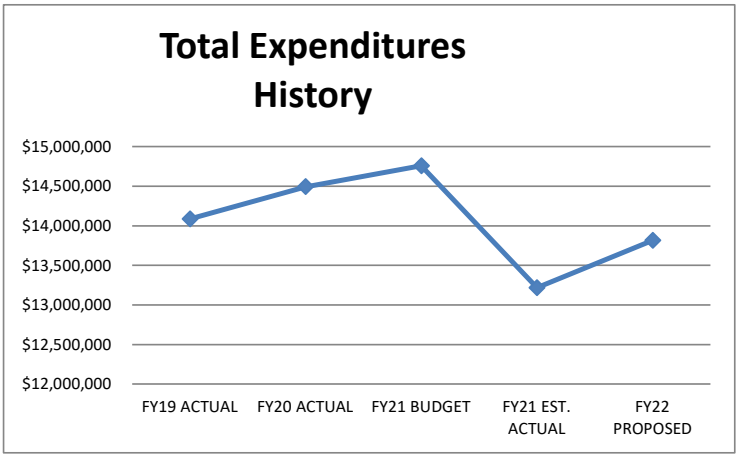
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total personnel expenditures are expected to be over budget in FY21 by 1.2% or $52.7K. The Wastewater Division continues to carry 2 positions unfunded in the Collection System for FY21. All external seminars and non-certification training continue to be monitored. Capital improvement projects have decreased from $8.6M budgeted in FY21 to $7.8M estimated in FY21. The Wastewater Division utilizes common sense approaches related to energy consumption, chemical usage, employee sharing, vehicle re-utilization, etc.

Adopted FY21 to Proposed FY22

Total personnel expenditures reflect a decrease of approximately 0.4% or $17.5K from FY21 budget to FY22 budget. In total, operating expenses are projected to decrease by 8.8% or $922.5K due to a decrease in magnesium hydroxide, polymers, meter reading allocation, and other general expenses. Revenues are expected to decrease 2.9% or $455.0K mainly due to a decrease in grant funding, surcharges, late fees, and benefit charges.



STAFFING SUMMARY

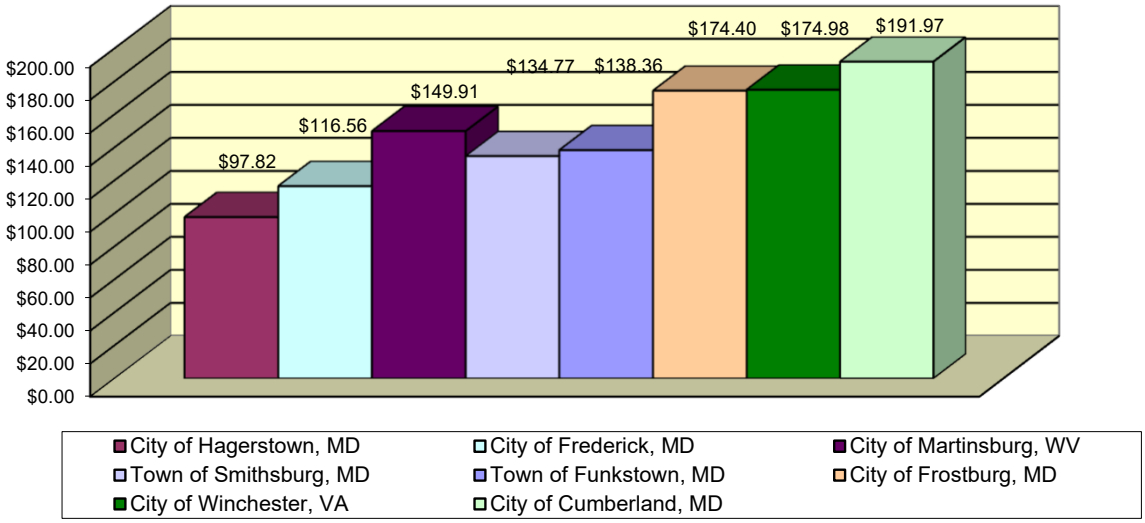
	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	46.56	46.95	46.95	45.55
Staffing Total	46.56	46.95	46.95	45.55
Unfunded positions	2.00	2.00	2.00	2.00

The Division will continue to monitor operational costs and revenue through FY22 and beyond by the managing of financial operations and ensuring that our recently updated rate model is followed.

WASTEWATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2021/2022

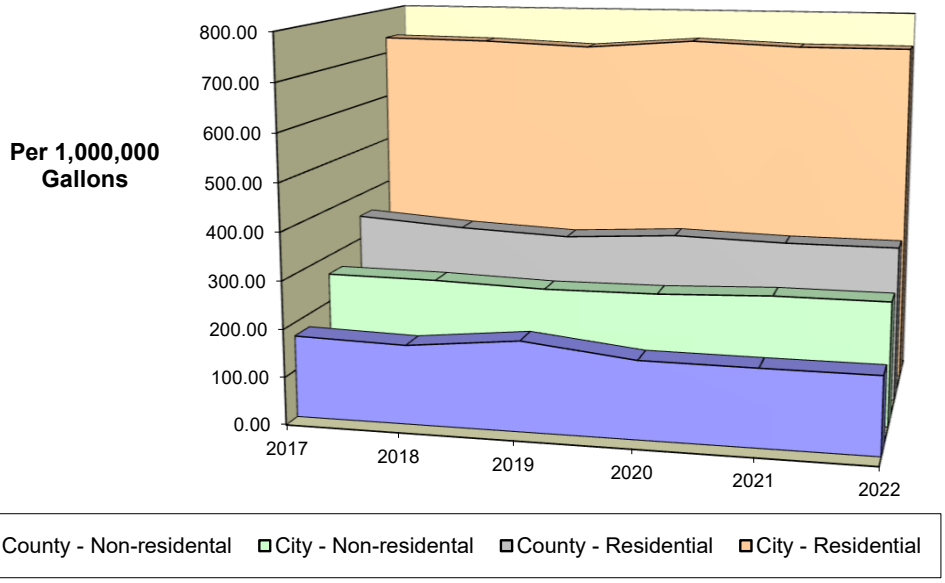
ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
OPERATING REVENUES					
Service Charges	$ 13,483,304	$ 13,630,000	$13,635,000	$ 13,902,000	2.0%
Other Revenues	308,681	362,376	133,525	229,927	-36.6%
Operating Revenues	**13,791,985**	**13,992,376**	**13,768,525**	**14,131,927**	**1.0%**
Grant Operating Revenue	**240,000**	**240,000**	**240,000**	**240,000**	**0.0%**
OPERATING EXPENSES					
Plant Expenses	5,348,111	5,098,122	4,818,102	4,911,932	-3.7%
Laboratory Expenses	289,469	273,525	247,255	301,723	10.3%
Collections	1,553,622	1,531,235	1,584,272	1,565,328	2.2%
Selling, General & Administrative	4,141,765	3,852,398	3,371,080	3,582,743	-7.0%
Depreciation	2,761,832	3,546,000	2,869,000	3,156,000	-11.0%
Total Operating Expenses	**14,094,799**	**14,301,280**	**12,889,709**	**13,517,726**	**-5.5%**
Operating Income (Loss)	**(62,814)**	**(68,904)**	**1,118,816**	**854,201**	**-1339.7%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - CARES Act	-	-	5,498	-	0.0%
Interest Earned	45,739	40,000	3,000	3,000	-92.5%
Premium on Bonds	4,274	4,073	4,073	4,073	0.0%
Interest/Bond Issuance Expense	(339,790)	(437,919)	(312,203)	(286,536)	-34.6%
Gain (Loss) on Sale of Capital Assets	19,476	1,000	8,000	8,000	700.0%
Total Other Income (Expense)	**(270,301)**	**(392,846)**	**(291,632)**	**(271,463)**	**-30.9%**
Income before Contribs. & Transfers	**(333,115)**	**(461,750)**	**827,184**	**582,738**	**-226.2%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(58,125)	(16,750)	(16,750)	(11,740)	-29.9%
Transfers from Health Insurance Fund	79,842	35,950	35,950	71,421	98.7%
Total Transfers From (To) Funds	**21,717**	**19,200**	**19,200**	**59,681**	**210.8%**
CAPITAL CONTRIBUTIONS					
Benefit Charges	1,228,286	600,000	580,000	500,000	-16.7%
Grants in Aid of Construction	-	700,000	-	200,000	-71.4%
Developers Contributions	218,500	250,000	250,000	250,000	0.0%
Total Capital Contributions	**1,446,786**	**1,550,000**	**830,000**	**950,000**	**-38.7%**
Increase (Decrease) in Retained Earnings	**1,135,388**	**1,107,450**	**1,676,384**	**1,592,419**	**43.8%**
Add Back Depreciation	2,761,832	3,546,000	2,869,000	3,156,000	-11.0%
Capital Outlay/Fixed Assets	(4,734,555)	(5,985,000)	(1,448,438)	(2,592,000)	-56.7%
Repayment of Principal on Debt	(1,844,891)	(1,714,966)	(1,456,966)	(1,482,705)	-13.5%
Non-Cash Capital Contributions	(218,500)	(250,000)	(250,000)	(250,000)	0.0%
Changes in Working Capital	(1,499,397)	-	-	-	0.0%
Bond Proceeds	-	8,105,000	-	-	-100.0%
Net Sources (Uses) of Cash	**$ (4,400,123)**	**$ 4,808,484**	**$ 1,389,980**	**$ 423,714**	**-91.2%**
Beginning Fund Balance	**$ 51,026,581**	**$ 52,161,969**	**$52,161,969**	**$ 53,838,353**	**3.2%**
Ending Fund Balance	**$ 52,161,969**	**$ 53,269,419**	**$53,838,353**	**$ 55,430,772**	**4.1%**

SERVICE CHARGE COMPARISON AS OF MARCH 2021
(Rates presented are strictly City)



The service charge comparison shows the quarterly charges for a typical wastewater customer is less expensive in Hagerstown than any other comparable utility in the region. A typical wastewater customer is defined as a City resident with a usage of 13,000 gallons per quarter.

WASTEWATER CONSUMPTION FROM 2017 - 2022



The chart reflects a slight decrease in Residential City customers since 2017.

WASTEWATER FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
WASTEWATER SERVICES					
Fixed Service Charge - City	$ 1,750,420	$ 1,772,000	$ 1,791,000	$ 1,827,000	3.1%
Fixed Service Charge - County	765,234	776,000	780,000	796,000	2.6%
Fixed Service Charge - Joint Service	780,951	782,000	808,000	824,000	5.4%
Service Charges-Unbilled	70,881	200,000	-	-	-100.0%
Metered City Wastewater	5,564,994	5,576,000	5,680,000	5,789,000	3.8%
Metered County Wastewater	2,705,171	2,692,000	2,721,000	2,775,000	3.1%
Metered Joint Service Wastewater	1,739,607	1,726,000	1,749,000	1,785,000	3.4%
Low-Pressure System Charge	106,046	106,000	106,000	106,000	0.0%
Total Service Charges	**13,483,304**	**13,630,000**	**13,635,000**	**13,902,000**	**2.0%**
OTHER REVENUES					
Wastewater Application Fees	4,150	2,500	4,000	4,000	60.0%
Wastewater Connection Charges	4,800	2,400	4,000	4,000	66.7%
Review/Inspection Fee	8,358	-	9,000	5,000	100.0%
Industrial Permit Maintenance Fee	8,250	5,500	8,000	8,000	45.5%
Reimbursements	4,410	3,000	1,500	1,500	-50.0%
Insurance Reimbursements	-	-	15	-	0.0%
Lab Testing	746	-	746	746	100.0%
Industrial Surcharges	96,362	125,000	35,000	35,000	-72.0%
Rental Income	13,905	14,276	14,264	14,681	2.8%
Late Fees	154,577	200,000	50,000	150,000	-25.0%
Miscellaneous Revenue	9,728	8,000	6,000	6,000	-25.0%
Net Gain/Loss-Scrap Sales	3,395	1,700	1,000	1,000	-41.2%
Total Other Revenues	**308,681**	**362,376**	**133,525**	**229,927**	**-36.6%**
Total Operating Revenues	**$ 13,791,985**	**$ 13,992,376**	**$ 13,768,525**	**$ 14,131,927**	**1.0%**

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Vehicle Replacement Program-C0004 Replace 2003 Ford F550 1-T with Crane ($165,000)	Vehicle Replacement	Replacement units - reduced maintenance costs anticipated.	165,000
Manhole Raising-C0267 Raise Manholes to meet new street grade, replace 3 inch thick lids with lighter more accessible lids.	Manhole Raising and Manhole Cover Replacement	Part of the City's Annual Pavement Preservation Program.	25,000
Pumping Station Improvements-C0299 Replacement and upgrades to Collection System Pump Stations; these stations convey Wastewater to Wastewater Treatment Plant from low lying areas.	Pump Station Rehabilitation Project	Reduce maintenance and increase safety and security of stations.	75,000
Collection System Rehabilitation-C0327 Collection System personnel to continue point repairs throughout the system, service connection & main rehabilitation, and manhole rehabilitation.	Construction	Reducing the inflow and infiltration will provide future recapturing of allocation for the WWTP.	400,000
WWTP Equipment-C0584 Replaces various aging equipment or adds additional new equipment to maintain efficient operations and permit compliance.	Equipment	Deteriorating equipment that has reached the end of its useful life cycle requires replacement to maintain reliable and continuous operations.	350,000
Oxygen System Improvements-C0657 Miscellaneous repairs and equipment replacement on oxygen skid and on OAB Deck ($60,000).	Equipment	Improve reliability, efficiencies, and maintain MDE compliance.	60,000
Synagro Facility Upgrade Improvements-C0712 Replace or rehabilitate the Pellet Silo	Equipment Upgrades	This is a major compnent of the Pelletizer Facility and there are issues that need repaired.	450,000
Collection System Equipment-C0713 Replaces various aging equipment or adds additional new equipment. New 80kVA trailer mounted, portable emergency generator for Pump Stations.	Equipment	Reduce annual maintenance costs, and long-term CIP planning.	80,000
Laboratory Equipment-C0745 Replaces various aging equipment or adds additional new equipment.	Equipment	Improve reliability of existing equipment.	100,000

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Grinder Pump Replacement Program-C0767 Replace 20 Grinder Pumps.	Equipment	Replace deteriorating equipment.	112,000
SSES City-Wide-CS Rehab-C0800 Correct infiltration & inflow into the Wastewater Collection System by replacement or re-lining defective piping.	Piping	Reducing the inflow & infiltration will provide future recapturing of allocation for the WWTP.	460,000
Eliminate Pump Stations-C0832 Design, permitting, and construction of gravity main and package Pump Station to eliminate Pump Station #6.	Infrastructure	Reduce annual operating costs.	50,000
Truck Lines and Laterals-C0834 Purchase or transfer of Infrastructure.	Infrastructure	Provide efficient use of Wastewater infrastructure throughout system.	265,000
SUBTOTAL PROJECT EXPENSES			**$ 2,592,000**
5471501-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn materials.	1,000
5471501-5865 Computer Equipment	Computer Equipment	Replace worn equipment.	2,500
5471501-5867 Communication Equipment	Two-way Radios	Operators safety for 24-7 operations.	1,000
5472601-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn equipment.	500
5472601-5865 Computer Equipment	Computer Equipment	Replace worn equipment.	3,000
5472601-5867 Communication Equipment	Radios and SCADA System Upgrades	Normal replacement of worn equipment.	500
5472701-5833 Lab Equipment	WW Lab Equipment	Replace worn equipment.	4,000

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5472701-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn office furniture and equipment.	100
5472701-5865 Computer Equipment	Computer Equipment	Replace worn equipment.	2,500
5474001-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn office furniture and equipment.	500
5474001-5865 Computer Equipment	Computer Equipment	Replace worn equipment.	1,500
TOTAL CAPITAL OUTLAY			**$ 2,609,100**

DEPARTMENT / PROGRAM OVERVIEW

The mission of the Parking System is to provide convenient and safe parking options at affordable rates for the residents, businesses, and visitors to downtown Hagerstown and neighborhoods. This is accomplished with 625 spaces in 2 parking decks, 337 spaces on the streets, and over 700 spaces in 13 parking lots around the City. Seven of the lots are neighborhood lots that provide free parking for residents. A Parking Supervisor oversees full time and part time employees to collect money from the meters, invoice permit customers, and maintain the facilities. Parking enforcement responsibilities also fall under this department.

The number of parking spaces slightly increased in FY20. This was due to the inclusion of a seventh neighborhood parking lot connected to Garlinger Avenue that can accommodate up to 16 vehicles.

DEPARTMENT / PROGRAM OBJECTIVES

• The coronavirus, COVID-19, severely affected the Parking System operations and revenues. All parking became free towards the latter part of March 2020, including the parking decks, lots, and on-street parking. Paid parking resumed in August 2020 but revenues were limited by the number of businesses and government agencies that re-opened. Revenues were trending around 60% of previous years income at the end of 2020 and early 2021. It is still unknown when business and government offices will return to normal or what normal will be for parking. Staff will continue to provide great customer service to those using the parking system.

• As previously approved by the Mayor and Council, parking rates are still slated to increase on July 1, 2021. Parking deck rates will increase by $2 to $70 per month per permit while parking lot permits will increase $2 to $56 per month per permit. Hourly rates in the parking decks will remain unchanged at $1 per hour, $2 for afterhours, and free on Sunday. Meter rates will also remain unchanged at $.50 per hour for most meters and $1 per hour in the Antietam Street Parking Lot. This is the final increase in parking rates as officially approved with no other rate increases in the foreseeable future.

• Due to the COVID-19 Pandemic, there are no major renovations or projects sceduled for FY22. Revenues still need to stabilize before money is reinvested into the parking system.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Parking Decks			
No. of Parking Spaces	**625**	**625**	**625**
No.of Permit Holders (avg. per week)	**587**	**360**	**500**
Revenue			
Meters: Fees & Permits	**$279,177**	**$266,660**	**$291,510**
Decks: Fees & Permits	**$340,234**	**$311,775**	**$353,900**
Parking Enforcement	**$85,325**	**$86,500**	**$86,500**
Number of Parking Lots (Paid and Residential)	**13**	**13**	**13**
Number of Parking Lot Permit Holders (avg per month)	**282**	**248**	**250**
Total Parking Spaces (Lots & Street)	**1,032**	**1,032**	**1,032**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 336,909	$ 332,511	$ 350,846	$ 353,908	6.4%
Benefits	127,795	122,733	130,437	130,674	6.5%
Overtime	3,682	4,050	4,150	3,083	-23.9%
Personnel Subtotal	**468,386**	**459,294**	**485,433**	**487,665**	**6.2%**
Contractual Services	28,550	13,643	14,396	13,753	0.8%
Operating Expenditures	102,531	139,383	145,636	150,452	7.9%
Operating Cap Exp (Cap Outlay)	1,510	2,800	2,800	1,000	-64.3%
Other General Expenses	288,603	313,433	290,496	305,117	-2.7%
Operating Subtotal	**421,194**	**469,259**	**453,328**	**470,322**	**0.2%**
Total Expenditures	**$ 889,580**	**$ 928,553**	**$ 938,761**	**$ 957,987**	**3.2%**
REVENUES BY TYPE					
Departmental Revenue	721,748	1,051,253	667,180	733,912	-30.2%
Total Revenues	**$ 721,748**	**$ 1,051,253**	**$ 667,180**	**$ 733,912**	**-30.2%**
Expenditures, net of Revenues	**$ 167,832**	**$ (122,700)**	**$ 271,581**	**$ 224,075**	**-282.6%**

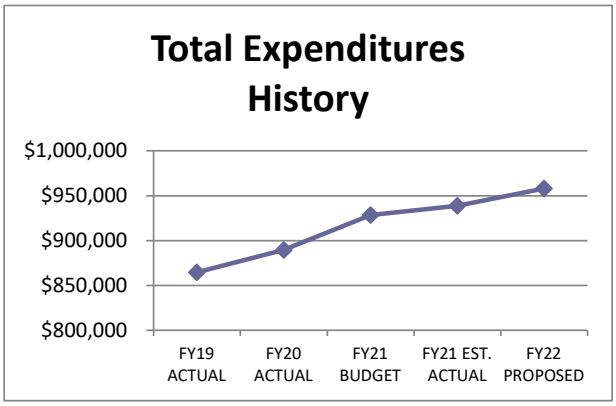
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total personnel expenditures for FY21 estimated actual are anticipated to be higher than budget by 5.7% or $26.1K. In total, operating expenses are expected to be over budget by 1.1% or $10.2K. Departmental revenues are expected to be 36.5% or $384.1K lower than budget primarily due to the COVID-19 pandemic.

Adopted FY21 to Proposed FY22

Total personnel expenditures for FY22 proposed budget are 6.2% or $28.4K higher than FY21 budget. Total operating expenditures are anticipated to increase by 0.2% or $1.1K. Departmental revenues are expected to decrease by 30.2% or $317.3K as the COVID-19 pandemic continues to negatively effect the parking system.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	2.20	2.80	2.80	2.80
Part time	10.00	9.00	9.00	9.00
Seasonal	2.00	2.00	2.00	0.00
Staffing Total	14.20	13.80	13.80	11.80
Unfunded positions	0.00	0.00	0.00	0.00

In FY20, a part-time position was replaced with a full-time position that is shared with Central Maintenance Garage.

PARKING FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
OPERATING REVENUES					
University District Parking Deck	$ 217,915	$ 300,741	$ 172,300	$ 208,900	-30.5%
A & E Parking Deck	123,039	180,000	139,475	145,000	-19.4%
Parking Lot Fees	279,177	372,510	266,660	291,510	-21.7%
Net Parking Fines	85,325	186,000	86,500	86,500	-53.5%
Total Operating Revenues	**705,456**	**1,039,251**	**664,935**	**731,910**	**-29.6%**
OPERATING EXPENSES					
University District Parking Deck	144,957	144,877	145,984	147,688	1.9%
A & E Parking Deck	207,639	198,191	220,772	208,907	5.4%
Other Parking Facilities	174,635	186,960	196,110	208,533	11.5%
Parking Enforcement Expenses	73,745	85,092	85,399	87,742	3.1%
Depreciation	256,189	273,000	268,400	287,000	5.1%
Total Operating Expenses	**857,165**	**888,120**	**916,665**	**939,870**	**5.8%**
Operating Income (Loss)	**(151,709)**	**151,131**	**(251,730)**	**(207,960)**	**-237.6%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - CARES Act	-	-	573	-	0.0%
Interest Earned	16,020	12,000	1,670	2,000	-83.3%
Premium on Bonds	272	2	2	2	0.0%
Interest/Bond Issuance Expense	(22,037)	(37,033)	(18,696)	(16,077)	-56.6%
Total Other Income (Expense)	**(5,745)**	**(25,031)**	**(16,451)**	**(14,075)**	**-43.8%**
Income Before Contribs. & Transfers	**(157,454)**	**126,100**	**(268,181)**	**(222,035)**	**-276.1%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(10,378)	(3,400)	(3,400)	(2,040)	-40.0%
Total Transfers From (To) Funds	**(10,378)**	**(3,400)**	**(3,400)**	**(2,040)**	**-40.0%**
Increase (Decrease) in Retained Earnings	**(167,832)**	**122,700**	**(271,581)**	**(224,075)**	**-282.6%**
Add Back Depreciation	256,189	273,000	268,400	287,000	5.1%
Capital Outlay/Fixed Assets	(21,985)	(880,000)	(137,182)	(25,000)	-97.2%
Repayment of Principal on Debt	(215,979)	(66,399)	(66,399)	(69,098)	4.1%
Changes in Working Capital	57,940	-	-	-	0.0%
Bond Proceeds	-	1,367,000	-	-	-100.0%
Net Sources/(Uses)of Cash	**$ (91,667)**	**$ 816,301**	**$ (206,762)**	**$ (31,173)**	**-103.8%**
Beginning Fund Balance	**$ 7,227,998**	**$ 7,060,166**	**$ 7,060,166**	**$ 6,788,585**	**-3.8%**
Ending Fund Balance	**$ 7,060,166**	**$ 7,182,866**	**$ 6,788,585**	**$ 6,564,510**	**-8.6%**

PARKING FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
UNIVERSITY DISTRICT PARKING DECK					
Parking Deck Permits	$ 162,847	$ 230,141	$ 149,000	$ 160,000	-30.5%
Parking Deck Fees	44,544	65,000	17,000	35,000	-46.2%
Downtown Promotions	1,590	1,600	-	1,400	-12.5%
Validation Fees	19,651	29,000	8,000	15,000	-48.3%
Park N Shop	(2,435)	(5,000)	(200)	(1,000)	-80.0%
Volume Parking Discount	(8,282)	(20,000)	(1,500)	(1,500)	-92.5%
Total University District Deck Revenues	**217,915**	**300,741**	**172,300**	**208,900**	**-30.5%**
A&E PARKING DECK					
Parking Deck Permits	75,327	115,000	100,000	100,000	-13.0%
Parking Deck Fees	49,287	65,000	40,000	45,000	-30.8%
PEP Discounts	(1,440)	-	(480)	-	0.0%
Volume Parking Discount	(135)	-	(45)	-	0.0%
Total A&E Parking Deck Revenues	**123,039**	**180,000**	**139,475**	**145,000**	**-19.4%**
PARKING LOT REVENUES					
Street Meters	78,670	113,000	54,000	78,000	-31.0%
Antietam Street Lot Meters	15,588	23,000	13,000	15,000	-34.8%
Bryan Center Lot Meters	283	600	200	200	-66.7%
Central Lot Meters	26,226	33,000	18,000	26,000	-21.2%
Market House Lot Meters	1,579	2,500	600	1,300	-48.0%
Rochester Lot Meters	538	900	300	450	-50.0%
Central Lot Permits	46,652	66,750	55,000	45,000	-32.6%
Church Street Lot Permits	35,193	51,500	51,500	51,500	0.0%
Market House Lot Permits	41,063	40,300	40,300	40,300	0.0%
Rochester Lot Permits	3,744	5,700	5,000	5,000	-12.3%
Departmental Charges-Parking Permits	24,337	38,500	32,000	32,000	-16.9%
Free Parking - 41 E Franklin Street	(936)	(1,296)	(1,296)	(1,296)	0.0%
Free Parking - 39 E Franklin Street	(1,404)	(1,944)	(1,944)	(1,944)	0.0%
Insurance Reimbursements	7,644				
Total Parking Lot Revenues	**279,177**	**372,510**	**266,660**	**291,510**	**-21.7%**
PARKING TICKET REVENUES					
Fines-Traffic Violations	1,190	3,000	2,500	2,500	-16.7%
Original Issuance	97,800	130,000	110,000	110,000	-15.4%
Late fees	98,375	113,000	74,000	74,000	-34.5%
Uncollectable Parking Tickets	(112,040)	(60,000)	(100,000)	(100,000)	66.7%
Total Parking Ticket Revenues	**85,325**	**186,000**	**86,500**	**86,500**	**-53.5%**
Total Operating Revenues	**$ 705,456**	**$ 1,039,251**	**$ 664,935**	**$ 731,910**	**-29.6%**

PARKING FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Upgrades to Parking Decks-C0749 General repairs and improvements to both decks.	General Repairs and Improvements	Continued refurbishments prevent deterioration of the facility and improve the parking experience.	15,000
Parking Lot Improvements-C0857 Improve the overall condition of surface parking lots: Rochester Lot parking lot pavement preservation, sidewalk improvements, and lighting improvements.	Parking Lot Improvements	Preservation of the pavement allows the pavement to last much longer before total replacement is necessary. Sidewalk improvements include handicap accessible ramps to meet ADA requirements. Light improvements by transitioning to LED lights improve security while reducing energy costs.	10,000
SUBTOTAL PROJECT EXPENSES			**$ 25,000**
5674013-5861 Desks-Chairs-Tables	Office Equipment	Replace as needed.	1,000
TOTAL CAPITAL OUTLAY			**$ 26,000**

DEPARTMENT / PROGRAM OVERVIEW

Constructed in 1932 by private individuals, the Greens at Hamilton Run has a mature course layout that new courses cannot equal. The City of Hagerstown has operated the golf course since 1947. We pride ourselves on beautiful greens, beautiful views, and well maintained fairways. The course is a 9-hole par 35 course featuring all the amenities of more expensive courses. Our rates are very economical, the location is convenient off of Route 40, and the course provides for a quick round of golf.

Standard green fee rates were last updated in December of 2020. In the last few years we have replaced all tee markers, installed yardage markers, installed new bridges over Hamilton Run, and made general improvements to the course. All carts are leased in a piggyback on a Washington County contract and are new starting in 2018. The course itself is in very good condition and the clubhouse was completely renovated in 2012 to provide an area for players to relax and enjoy food and beverages before and after their rounds.

The COVID-19 pandemic has led people to re-discover this safe outdoor recreation which has lead to record-breaking attendance and revenue in 2020.

DEPARTMENT / PROGRAM OBJECTIVES

• Despite projected increases in FY21 estimated actuals, recreation staff will strive to decrease costs during 2021 by continuing to implement several ideas from last season.

• We will strive to increase revenue by targeting slower times for a special (such as afternoons between noon and 4:00 PM), and continuing our Loyalty Card program and lesson program.

• Improvements in the Spring of 2021 include cart path paving. Improvements in FY22 include additional fencing to prevent trespassing, net replacement, and chemical building construction.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of Golfers	**15,219**	**19,425**	**18,000**
Number of Rounds Started	**9,600**	**16,192**	**14,000**
Average daily rounds of golf	**48**	**54**	**52**
Number of cart rentals	**9,751**	**11,988**	**10,500**
Number of golf leagues	**1**	**1**	**1**
Number of golf tournaments	**3**	**3**	**3**
Pro Shop Sales/Other Revenues (in $)	**$ 23,373**	**$34,030**	**$29,500**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 170,002	$ 171,502	$ 172,469	$ 173,508	1.2%
Benefits	109,793	109,395	106,910	108,072	-1.2%
Overtime	14,511	12,000	15,001	15,000	25.0%
Personnel Subtotal	**294,306**	**292,897**	**294,380**	**296,580**	**1.3%**
Contractual Services	36,067	20,097	31,874	22,903	14.0%
Operating Expenditures	122,020	139,695	137,263	139,055	-0.5%
Operating Cap Exp (Cap Outlay)	717	-	819	-	0.0%
Other General Expenses	39,513	42,268	48,500	65,500	55.0%
Operating Subtotal	**198,317**	**202,060**	**218,456**	**227,458**	**12.6%**
Total Expenditures	**$ 492,623**	**$ 494,957**	**$ 512,836**	**$ 524,038**	**5.9%**
REVENUES BY TYPE					
Departmental Revenue	516,867	474,957	583,101	497,186	4.7%
Total Revenues	**$ 516,867**	**$ 474,957**	**$ 583,101**	**$ 497,186**	**4.7%**
Expenditures, net of Revenues	**$ (24,244)**	**$ 20,000**	**$ (70,265)**	**$ 26,852**	**34.3%**

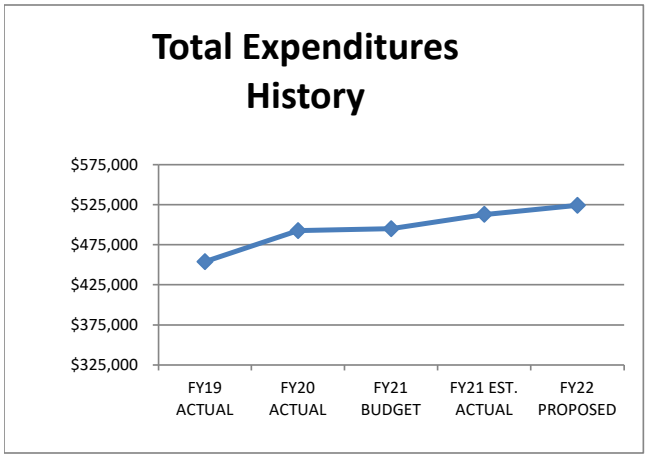
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total expenditures reflect a 3.6% or $17.9K increase from the adopted budget to FY21 estimated actual due to increases in salaries and wage, overtime, contractual services, and other general expenses. The increase in fees results from increased transactions and revenue growth. In addition, depreciation projections were estimated based upon actual trends experiencing. Departmental revenue is expected to be 22.8% or $108.1K higher than FY21 budget due to the COVID-19 pandemic. Golf is one of a few outdoor recreational activities that continued during this pandemic.

Adopted FY21 to Proposed FY22

In total, personnel expenditures are projected to increase by 1.3% or $3.7K due to anticipated increases for salaries related to steps and adjusting overtime to actual trends experiencing. Contractual services are expected to increase by 14.0% or $2.8K. Total departmental revenue reflects a total increase of 4.7% or $22.2K. The total anticipated stipend needed in FY22 from the general fund is $200.4K as a result of decreasing golf charges and one-time addition of Highway User Revenue to fund a capital improvement.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	2.25	2.24	2.24	2.24
Part time	1.00	1.72	1.72	1.72
Seasonal	3.00	3.00	3.00	2.00
Staffing Total	6.25	6.96	6.96	5.96
Unfunded postions	0.00	0.00	0.00	0.00

Overall, staffing for the Golf Course will remain steady with the same number of full time and part time employees. However, seasonal employees will decrease to 2 in FY22.

GOLF COURSE FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
OPERATING REVENUES					
Green Fees	$ 130,825	$ 106,000	$ 165,000	$ 137,000	29.2%
Cart Rentals	80,580	70,000	100,000	90,000	28.6%
Tournaments and Specials	8,549	5,500	12,000	10,000	81.8%
State Shared: Highway User Income	-	-	-	30,000	100.0%
Other Revenues	23,373	21,700	34,030	29,500	35.9%
Total Operating Revenues	**243,327**	**203,200**	**311,030**	**296,500**	**45.9%**
OPERATING EXPENSES					
Operating Expenses	453,110	452,689	464,336	458,538	1.3%
Depreciation	39,513	42,268	48,500	65,500	55.0%
Total Operating Expenses	**492,623**	**494,957**	**512,836**	**524,038**	**5.9%**
Operating Income (Loss)	**(249,296)**	**(291,757)**	**(201,806)**	**(227,538)**	**-22.0%**
NONOPERATING REVENUES (EXPENSES)					
Interest Earned	985	100	220	220	120.0%
Intergovernmental Revenue - CARES Act	-	-	194	-	0.0%
Total Other Income (Expense)	**985**	**100**	**414**	**220**	**120.0%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from General Fund	272,555	271,657	271,657	200,466	-26.2%
Total Transfers From (To) Funds	**272,555**	**271,657**	**271,657**	**200,466**	**-26.2%**
CAPITAL CONTRIBUTIONS					
Capital Contributions	-	-	-	-	0.0%
Total Capital Contributions	**-**	**-**	**-**	**-**	**0.0%**
Increase (Decrease) in Retained Earnings	**24,244**	**(20,000)**	**70,265**	**(26,852)**	**34.3%**
Add Back Depreciation	39,513	42,268	48,500	65,500	55.0%
Capital Outlay/Fixed Assets	(34,579)	(35,000)	(35,000)	(98,000)	180.0%
Changes in Working Capital	131	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 29,309**	**$ (12,732)**	**$ 83,765**	**$ (59,352)**	**366.2%**
Beginning Fund Balance	**$ 555,204**	**$ 579,448**	**$ 559,448**	**$ 629,713**	**8.7%**
Ending Fund Balance	**$ 579,448**	**$ 559,448**	**$ 629,713**	**$ 602,861**	**7.8%**

GOLF COURSE FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
GREENS REVENUES					
Greens Fees-Weekday,Regular,9-Hole	117,202	100,000	150,000	120,000	20.0%
Season Pass- Regular Individual	13,623	6,000	15,000	17,000	183.3%
Total Greens Revenues	**130,825**	**106,000**	**165,000**	**137,000**	**29.2%**
GOLF CART REVENUES					
Cart Rentals-Regular, 9-Holes	80,580	70,000	100,000	90,000	28.6%
Total Golf Cart Revenues	**80,580**	**70,000**	**100,000**	**90,000**	**28.6%**
TOURNAMENTS & SPECIALS	**8,549**	**5,500**	**12,000**	**10,000**	**81.8%**
STATE SHARED: HIGHWAY USER INCOME	**-**	**-**	**-**	**30,000**	**100.0%**
OTHER REVENUES					
Rental of Golf Clubs	556	500	1,000	1,000	100.0%
Tee Marker/Scorecard Sponsorship	550	-	4,500	4,500	100.0%
Golf Course Concession Revenues	5,025	5,000	6,000	5,000	0.0%
Golf Course Vending Revenues	7,621	8,000	9,000	8,000	0.0%
Golf Course Alcohol Revenues	8,173	8,000	12,000	10,000	25.0%
Property Rent-Golf Course	400	600	400	400	-33.3%
Recreation Programs	1,315	-	530	-	0.0%
Discounts/Promotions	(370)	(500)	500	500	-200.0%
Admin Fee Parks	25	-	-	-	0.0%
Miscellaneous Golf Revenues	78	100	100	100	0.0%
Total Other Revenues	**23,373**	**21,700**	**34,030**	**29,500**	**35.9%**
Total Operating Revenues	**$ 243,327**	**$ 203,200**	**$ 311,030**	**$ 296,500**	**45.9%**

GOLF COURSE FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Golf Course-Vehicles/Equipment-C0395 Replace 2004 Cushman Sprayer #389	Vehicle and Equipment Replacement Schedule	Replace deteriorated equipment. Maintain reliable and efficient equipment necessary to operate and maintain golf course.	38,000
Golf Course Improvements - C0825 Rebuild clubhouse deck, repave cart paths, install additional fencing to deter vandalism and trespassing by public, and chemical storage addition.	Land Improvements	To provide a more enjoyable experience to the customers with the enhancements to the course.	60,000
TOTAL CAPITAL OUTLAY			**$ 98,000**

DEPARTMENT / PROGRAM OVERVIEW

The Property Management Fund provides professional stewardship over downtown property owned by the City and leased to area businesses or other government agencies. This fund includes properties at 14 N. Potomac Street (Elizabeth Hager Center), 60 W. Washington Street (BuroBox/USMH/front commercial); 36 - 40 N. Potomac Street (NOPO Studios), 239 N. Locust Street (The Alms house); and 309 Valley Road (Fire Police Headquarters). The fund is a self-supporting Enterprise Fund.

Expenditures are assigned to specific tenant cost centers where applicable and remaining general costs are allocated based on square footage.

DEPARTMENT / PROGRAM OBJECTIVES

• The City acquired 60 W. Washington Street in FY11 and initiated the renovation of the building. The building is now fully renovated. The City used funds from a USDA RBEG Grant to fit out and furnish the BuroBox, an entrepreneurship resource center. This space is now used as a business resource center for entrepreneurs and growing businesses. The name "BuroBox" is German which translates to "OfficeBox" and is representative of Hagerstown's German heritage. The front commercial space is occupied by Fresh Academicz. The rear classroom and office space remains occupied by USMH.

• The City acquired 36-40 N. Potomac Street in FY12 utilizing CDBG funds. The residential renovations in 2013 created four studio apartment units on the upper floors. CDBG funds and Community Legacy funds were used to complete the residential portion of the project. The Engine Room Art Space was closed in 2020 and is now currently occupied by The Yarn Shop. This is a temporary lease while their permanent location is under renovation. This property is now listed for sale through the City's Competitive Negotiated Sale program.

• Planned repairs for FY22 and future fiscal years include: Replacement of roof at 60 W. Washington Street and some minor renovation work at the Elizabeth Hager Center to include possible window replacement.

• The Elizabeth Hager Center Building at 14 N. Potomac Street is currently listed for sale through the City's Competitive Negotiated Sale program. The Hagerstown-Washington County Convention & Visitor's Bureau vacated their space at 14 N. Potomac Street in January 2021. The intent will be to find a new tenant for this 1,400 square foot space.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of leases:			
Elizabeth-Hager Center	**3**	**4**	**3**
Fire Police Headquarters	**1**	**1**	**1**
BuroBox	**10**	**10**	**10**
36-40 N. Potomac Street	**5**	**5**	**6**
Alms House	**0**	**0**	**0**

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 67,388	$ 88,973	$ 74,858	$ 75,560	-15.1%
Benefits	23,830	33,615	24,815	22,004	-34.5%
Overtime	-	-	-	-	0.0%
Personnel Subtotal	**91,218**	**122,588**	**99,673**	**97,564**	**-20.4%**
Contractual Services	29,458	23,683	24,810	25,019	5.6%
Operating Expenditures	200,478	199,518	216,373	187,015	-6.3%
Operating Cap Exp (Cap Outlay)	-	-	-	600	0.0%
Other General Expenses	179,090	144,041	137,240	144,875	0.6%
Operating Subtotal	**409,026**	**367,242**	**378,423**	**357,509**	**-2.7%**
Total Expenditures	**$ 500,244**	**$ 489,830**	**$ 478,096**	**$ 455,073**	**-7.1%**
REVENUES BY TYPE					
Departmental Revenue	333,321	338,908	349,478	343,187	1.3%
Total Revenues	**$ 333,321**	**$ 338,908**	**$ 349,478**	**$ 343,187**	**1.3%**
Expenditures, net of Revenues	**$ 166,923**	**$ 150,922**	**$ 128,618**	**$ 111,886**	**-25.9%**

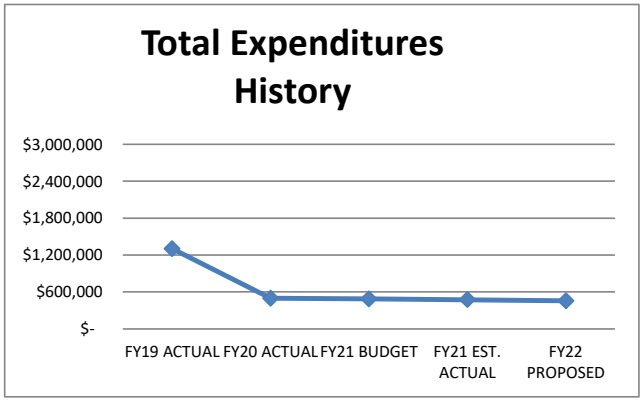
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

In total, personnel expenditures are expected to be lower than FY21 budget by 18.7% or $22.9K which is due to vacancies in part-time staffing. Operating expenditures are anticipated to be lower than budget by 3.0% or $11.2K. In total, revenues are projected to be slightly higher than budget by 3.1% or 10.6K due to increased projected rental income.

Adopted FY21 to Proposed FY22

FY22 personnel expenditures are projected to decrease 20.4% or $25.0K compared to FY21 budget due to decreases in benefits and salary and wages. Operating expenditures are planned to decrease by 2.7% or $9.7K . In addition, departmental revenues are expected to increase by 1.3% or $4.3K, largely due to increased rental income.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	0.90	0.90	0.90	0.90
Part time	0.70	0.72	0.72	0.00
Staffing Total	1.60	1.62	1.62	0.90
Unfunded positions	0.00	0.00	0.00	0.00

PROPERTY MANAGEMENT FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
OPERATING REVENUES					
Rent from Tenants	$ 288,292	$ 319,508	$ 330,005	$ 326,987	2.3%
Other Revenues	29,743	6,400	6,400	3,200	-50.0%
Total Operating Revenues	**318,035**	**325,908**	**336,405**	**330,187**	**1.3%**
OPERATING EXPENSES					
Selling, General and Administrative Expenses	321,154	345,789	340,856	310,198	-10.3%
Depreciation	137,421	140,000	133,200	141,000	0.7%
Total Operating Expenses	**458,575**	**485,789**	**474,056**	**451,198**	**-7.1%**
Operating Income (Loss)	**(140,540)**	**(159,881)**	**(137,651)**	**(121,011)**	**-24.3%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - CARES Act	-	-	73	-	0.0%
Interest Earned	15,286	13,000	13,000	13,000	0.0%
Interest/Bond Issuance Expense	(4,195)	(4,041)	(4,040)	(3,875)	-4.1%
Gain (Loss) on Capital Assets	(37,474)	-	-	-	0.0%
Total Other Income (Expense)	**(26,383)**	**8,959**	**9,033**	**9,125**	**1.9%**
Net Income (Loss) Before Transfers	**(166,923)**	**(150,922)**	**(128,618)**	**(111,886)**	**-25.9%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from CDBG Fund	-	-	-	-	0.0%
Total Transfers From (To) Funds	**-**	**-**	**-**	**-**	**0.0%**
CAPITAL CONTRIBUTIONS					
Grants in Aid of Construction	-	-	-	-	0.0%
Total Capital Contributions	**-**	**-**	**-**	**-**	**0.0%**
Increase (Decrease) in Retained Earnings	**(166,923)**	**(150,922)**	**(128,618)**	**(111,886)**	**-25.9%**
Add Back Depreciation	137,421	140,000	133,200	141,000	0.7%
Capital Outlay/Fixed Assets	-	(147,000)	(47,000)	(160,000)	8.8%
Repayment of Principal on Debt	(5,107)	(5,511)	(5,511)	(5,555)	0.8%
Changes in Working Capital	31,111	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ (3,498)**	**$ (163,433)**	**$ (47,929)**	**$ (136,441)**	**-16.5%**
Beginning Fund Balance	**$ 3,780,482**	**$ 3,613,559**	**$ 3,613,559**	**$ 3,484,941**	**-3.6%**
Ending Fund Balance	**$ 3,613,559**	**$ 3,462,637**	**$ 3,484,941**	**$ 3,373,055**	**-2.6%**

PROPERTY MANAGEMENT FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Rent - 2-6 N Potomac Street, 1st Floor	$ 148,369	167,100	167,100	167,100	0.0%
Rent - 14 N Potomac Street, Suite 200A/B	34,248	27,638	35,527	35,744	29.3%
Rent - 6 N Potomac Street	17,697	19,598	11,262	-	-100.0%
Rent - 14 N Potomac Street, Suite B-3	1,400	17,700	17,700	21,300	20.3%
Rent - 14 N Potomac Suite 200B Rm 59	1,167	-	-	-	0.0%
Rent - 14 N Potomac Street, Suite 200C	(150)	-	-	-	0.0%
Rent - 60 W Wash Street, Suite 102	6,744	2,472	7,416	7,600	207.4%
Rent - 790-800 Potomac Avenue	15,930	16,000	16,000	16,000	0.0%
Rent - 40 N Potomac Street	14,729	16,510	16,510	17,003	3.0%
Rent - 60 W Washington St Rear	28,958	31,590	31,590	32,940	4.3%
Rent - 38 N Potomac Street	19,200	20,900	20,900	20,900	0.0%
Rent - 36 N Potomac Street	-	-	6,000	8,400	100.0%
Total Rent from Tenants	**288,292**	**319,508**	**330,005**	**326,987**	**2.3%**
Membership Dues	5,773	6,400	6,400	3,200	-50.0%
Other Revenues	23,970	-	-	-	0.0%
Total Other Revenues	**29,743**	**6,400**	**6,400**	**3,200**	**-50.0%**
Total Operating Revenues	**$ 318,035**	**$ 325,908**	**$ 336,405**	**$ 330,187**	**1.3%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Rental income from tenants and other revenues are anticipated to be 3.3% or $10.5K higher than budget for FY21 due to higher than expected revenues from 14 N Potomac Street-Suite 200A/B, 60 W Washington Street-Suite 102, and 36 N Potomac Street.

Adopted FY21 to Proposed FY22

The total rents from tenants for FY22 will increase by 2.3% or $7.5K due to a new tenant at 36 N Potomac Street.

PROPERTY MANAGEMENT FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Elizabeth Hager Center-C0803 Replace several windows on the second floor. Paint exterior to meet code regulations.	Office Use for City's Tenants	The windows are original steel frame, uninsulated windows. Window sills need repaired/replaced.	30,000
Hagerstown Small Business Center-C0828 Total building roof replacement	Building Renovation	Provide space for new and existing downtown businesses.	120,000
36-40 North Potomac Street-C0836 General repairs and replacements.	Building Renovation	Building located at 36-40 N Potomac was acquired in order to create artist housing in the A&E District.	10,000
TOTAL CAPITAL OUTLAY			**$ 160,000**

PROGRAM OVERVIEW

The National Pollutant Discharge Elimination System (NPDES) general permit that we received from the Maryland Department of the Environment (MDE) that went into effect on October 31, 2018 requires the City to do minimum control measures to prevent stormwater pollution. In addition, the general permit requires the City to commence restoration efforts for 20% (396 acres) of existing developed land. In reality, this means the removal of existing impervious areas or the construction of treatment facilities to manage stormwater runoff from 20% of the City's impervious land. The City has developed a Stormwater Management Program which will charge a fee to property owners based upon the amount of impervious area present on their parcel. The revenue generated by this fee will be used to fund all stormwater operations in the City, including storm system maintenance, street sweeping, and restoration activities such as tree planting, stream restoration, retrofits to existing stormwater facilities to provide water quality treatment, and impervious area removal. All of the necessary legislation to implement the program is in place, and the fee is scheduled to go into effect on March 1, 2021. Until this revenue stream is established, the City is limited in its ability to fund the design and construction of many of the restoration activities.

The Stormwater Fund is different than the other Enterprise funds in that it utilizes manpower from Public Works and Engineering.

PROGRAM OBJECTIVES

Continue steps to meet the NPDES permit requirements as issued by the Maryland Department of the Environment. This includes minimum control measures to prevent stormwater pollution such as the following: 1) public education, 2) public involvement, 3) illicit discharge elimination, 4) construction site stormwater runoff control, 5) post construction stormwater management, and 6) good housekeeping at City facilities. In addition, staff will work toward completing the following:

- Continue streetsweeping program and evaluate ways to increase MDE stormwater credits
- Develop incentive programs for residents and larger commercial establishments to install stormwater management best practices
- Develop plans for stream restoration projects along Hamilton Run
- Implement reforestation at various sites in partnership with the DNR
- Design retrofits of existing stormwater facilities to increase water quality protection
- Implement "green street" projects to eliminate paving and capture/clean runoff before it enters the storm drain system
- Construct a shed roof over the street sweepings pile at the transfer site on Eldridge Drive. This will help protect the pile from rain and snow which can contaminate runoff.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of tons collected by sweepers	410	420	430
Number of stormdrain inlets	2515	2515	2520
Number of stormdrain manholes	587	587	590
Mile of public stormdrain	106	106	107
Total stormwater BMP's in City	334	334	340
Incentive projects	-	-	5
Lineal feet of stream restoration	-	-	400
Facitility retrofits	-	-	1
Green street projects	-	-	1

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ -	$ 280,659	$ 253,255	$ 369,611	31.7%
Benefits	-	95,318	75,051	101,157	6.1%
Overtime	-	5,000	5,000	5,000	0.0%
Personnel Subtotal	**-**	**380,977**	**333,306**	**475,768**	**24.9%**
Contractual Services	-	405,617	153,070	256,000	-36.9%
Operating Expenditures	-	540,124	504,635	1,337,142	147.6%
Other General Expenses	-	-	97,994	113,878	100.0%
Operating Subtotal	**-**	**945,741**	**755,699**	**1,707,020**	**80.5%**
Total Expenditures	**$ -**	**$ 1,326,718**	**$ 1,089,005**	**$ 2,182,788**	**64.5%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ 1,411,982	$ 1,376,079	$ 2,946,932	108.7%
Total Revenues	**$ -**	**$ 1,411,982**	**$ 1,376,079**	**$ 2,946,932**	**108.7%**
Expenditures, net of Revenues	**$ -**	**$ (85,264)**	**$ (287,074)**	**$ (764,144)**	**796.2%**

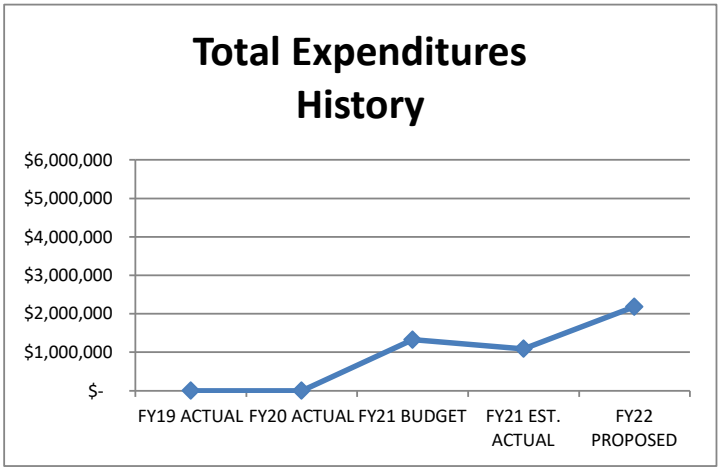
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total FY21 estimated actual personnel expenditures reflect a 12.5% or $47.7K decrease from FY21 budget due to a decrease in salary and wages and benefits. Operating expenditures also decreased 20.1% or $190.0K from FY21 budget due to an increase in other general expenses. Overall, expenditures decreased by 17.9% or $237.7K. In total, departmental revenues decreased $36.0K or 2.5% due to the delay in billing customers for the stormwater fixed fee.

Adopted FY21 to Proposed FY22

Personnel expenditures in the proposed FY22 budget are expected to increase 24.9% or $94.8K from FY21 budget. This is due to an increase in salary and wages and benefits. In total, operating expenditures are expected to increase 80.5% or $761.3K. This is due to increases in other general expenses, postage, office allocations, and wage allocations. Departmental revenues are projected to increase 108.7% or $1.5M mostly due to revenue generated from the stormwater fixed fee.



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	0.00	3.86	3.86	5.36
Seasonal	0.00	3.00	3.00	4.00
Staffing Total	0.00	6.86	6.86	9.36
Unfunded positions	0.00	0.00	0.00	0.00

In FY20 and prior, staffing was included in General Fund areas of Public Works and Engineering for Stormwater Management related activies.

STORMWATER MANAGEMENT - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
OPERATING REVENUES					
Stormwater Fixed Fee	$ -	$ 1,334,718	$ 771,504	$ 3,121,268	133.9%
Credit SWM Program	-	-	(2,061)	(176,836)	100.0%
Total Operating Revenues	**-**	**1,334,718**	**769,443**	**2,944,432**	**120.6%**
OPERATING EXPENSES					
Infrastructure Maintenance	-	674,367	517,426	538,633	-20.1%
Capital Construction	-	129,261	15,070	136,298	5.4%
Selling, General & Administrative	-	523,090	458,515	1,393,979	166.5%
Depreciation	-	-	74,000	91,300	100.0%
Total Operating Expenses	**-**	**1,326,718**	**1,065,011**	**2,160,210**	**62.8%**
Operating Income (Loss)	**-**	**8,000**	**(295,568)**	**784,222**	**9702.8%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	-	-	-	2,500	100.0%
Interest/Bond Issuance Expense	-	-	(23,994)	(22,578)	100.0%
Total Other Income (Expense)	**-**	**-**	**(23,994)**	**(20,078)**	**100.0%**
Net Income before Operating Transfers	**-**	**8,000**	**(319,562)**	**764,144**	**9451.8%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from Capital Improvements Fund	-	77,264	77,564	-	-100.0%
Total Transfers From (To) Funds	**-**	**77,264**	**77,564**	**-**	**-100.0%**
CAPITAL CONTRIBUTIONS					
Capital Contributions	-	-	529,072	-	0.0%
Total Capital Contributions	**-**	**-**	**529,072**	**-**	**0.0%**
Increase (Decrease) in Retained Earnings	**-**	**85,264**	**287,074**	**764,144**	**796.2%**
Add Back Depreciation	-	-	74,000	91,300	100.0%
Capital Outlay/Fixed Assets	-	(2,490,240)	(664,487)	(1,012,500)	-59.3%
Repayment of Principal	-	-	(32,932)	(34,348)	100.0%
Changes in Working Capital	-	-	-	-	0.0%
Bond Proceeds	-	1,000,000	-	-	-100.0%
Net Sources (Uses) of Cash	**$ -**	**$ (1,404,976)**	**$ (336,345)**	**$ (191,404)**	**-86.4%**
Beginning Fund Balance	**$ -**	**$ -**	**$ -**	**$ 287,074**	**100.0%**
Ending Fund Balance	**$ -**	**$ 85,264**	**$ 287,074**	**$ 1,051,218**	**1132.9%**

*Capital Contributions reflect a transfer of Capital Fixed Assets at book value from General Fund.

STORMWATER MANAGEMENT CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Stormwater Facilities-C0255 Pole Barn shed at Eldridge Drive.	Buildings and Structures	The pole barn is required by MDE at the site where the street sweeper drops loads.	30,000
Stormdrain System Upgrades-C0444 Remediate issues from initial video inspection or design work.	Infrastucture	Replace deteriorating system as problems arise or install new storm drain based on complaints.	20,000
Curb Replacement Program-C0459 Replacement of existing deteriorated curbs on planned street overlay streets and other locations.	Infrastructure - Curbs	The City is taking over responsibility of curb maintenance because the Maryland Attorney General determined curb's are part of the City's drainage system.	100,000
Protection Program Implementation-C0637 Retrofit of existing flood-control stormwater facilities to provide water quality benefits. MSK Business Park	Infrastructure - Storm Drains	Compliance with NPDES permit will require significant funding for analysis, design, construction, and maintenance of new or enhanced stormwater management facilities.	500,000
Green Streets-C0639 Modifications to existing streets to improve pedestrian access, decrease impervious surfaces, and construct new planting bed and tree pits to provide stormwater management.	Stormwater Management	Anticipated NPDES regulations will require the City to provide stormwater management for existing impervious surfaces.	100,000
Stream Restorations-C0866 Hamilton Run flows adjacent to Longmeadow Park and is severely eroding the banks. This project will improve the stream and recreational opportunities at the park.	Stormwater Management	Streams are eroding and impacting properties and the golf course.	262,500
TOTAL CAPITAL OUTLAY			**$ 1,012,500**

Events

City of Hagerstown





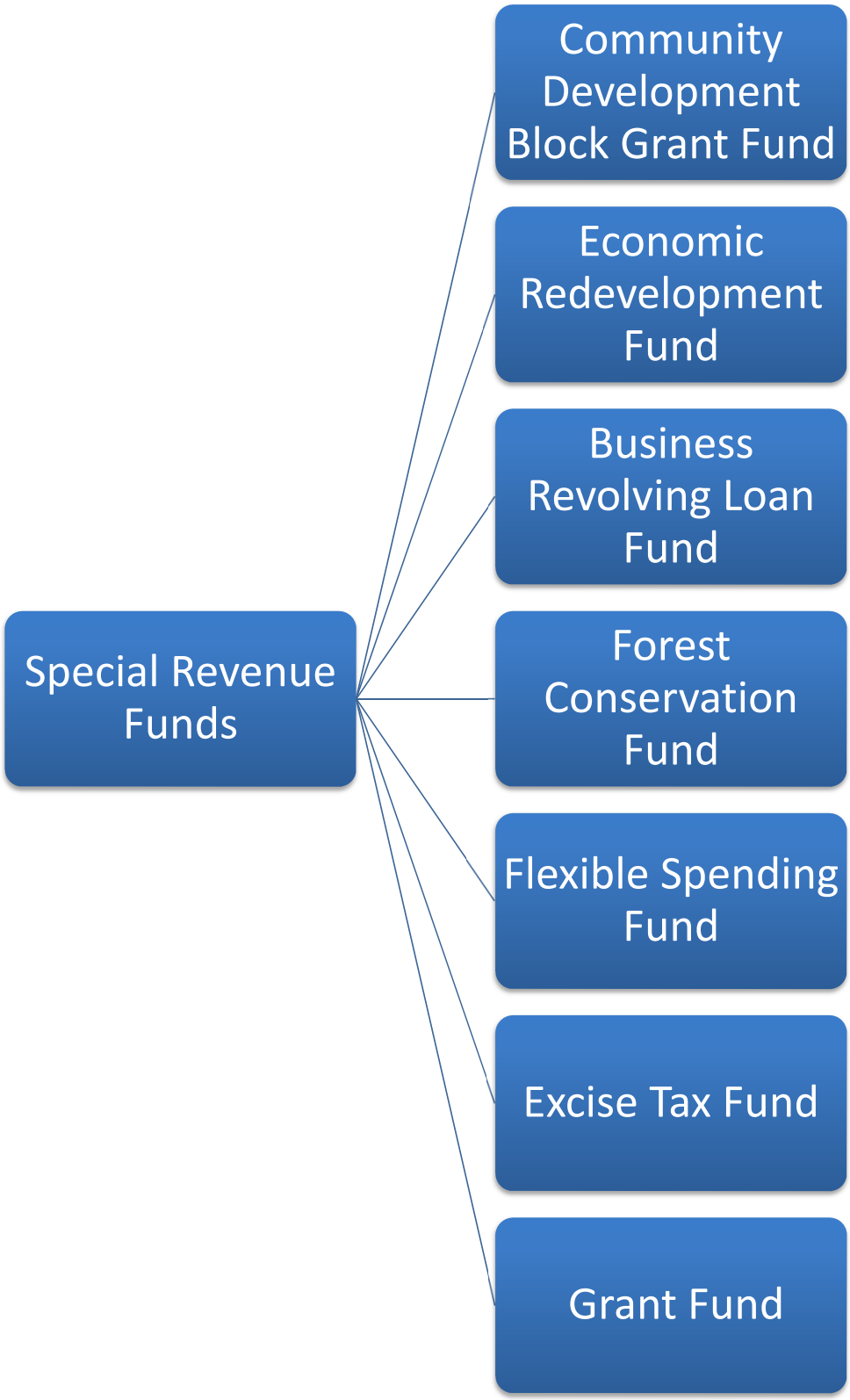




SPECIAL REVENUE FUNDS
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Special Revenue Funds
Community Development Block Grant Fund
Economic Redevelopment Fund
Business Revolving Loan Fund
Forest Conservation Fund
Flexible Spending Fund
Excise Tax Fund
Grant Fund

SPECIAL REVENUE FUNDS -COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	CDBG FUND	ECONOMIC REDEVELOPMENT FUND	BUSINESS REVOLVING LOAN FUND	FOREST CONSERV FUND	FLEXIBLE SPENDING FUND	EXCISE TAX FUND	GRANT FUND	TOTAL
REVENUES								
Grant Revenues	$ 1,629,910	$ 275,000	-	$ -	$ -	$ -	$ 369,077	$ 2,273,987
Program Income	249,618	-	226,653	-	-	-	-	476,271
Reforestation Fees	-	-	-	15,000	-	-	-	15,000
Interest on Investments	75	300	2,000	150	-	50	85	2,660
Other Revenues	-	22,289	500	-	-	-	-	22,789
Total Revenues	**1,879,603**	**297,589**	**229,153**	**15,150**	**-**	**50**	**369,162**	**2,790,707**
EXPENDITURES								
New Loan Expenditures	-	-	200,000	-	-	-	-	200,000
Commercial/Industrial Improvements	75,000	-	-	-	-	-	-	75,000
Clearance/Demolition	75,000	-	-	-	-	-	-	75,000
Public Facilities and Improvements	735,000	-	-	-	-	-	-	735,000
Public Services	628,410	-	-	-	-	-	-	628,410
Contra Principal Payments	66,000	-	-	-	-	-	-	66,000
Cost of Properties Held for Resale	221,000	-	-	-	-	-	-	221,000
Housing Rehab	71,774	-	-	-	-	-	-	71,774
Program Administration	59,527	-	-	-	-	-	-	59,527
Administration	162,524	22,655	14,292	-	-	-	-	199,471
Public Safety	-	-	-	-	-	-	375,744	375,744
PEP Subsidized Rent Payments	-	131,500	-	-	-	-	-	131,500
Economic Incentives		35,000	-	-	-	-	-	35,000
Economic Incentives: State Grant	-	75,000	-	-	-	-	-	75,000
City Center Redevelopment: Invest Hagerstown	-	500,000	-	-	-	-	-	500,000
City-Wide Redevelopment: Invest Hagerstown	-	125,000	-	-	-	-	-	125,000
Homeownership Grant: Invest Hagerstown	-	112,500	-	-	-	-	-	112,500
Rental Property Rehab:Invest Hagerstown	-	55,000	-	-	-	-	-	55,000
Façade:Invest Hagerstown	-	26,500	-	-	-	-	-	26,500
USMH Housing Catalyst #3	-	221,650	-	-	-	-	-	221,650
Total Expenditures	**2,094,235**	**1,304,805**	**214,292**	**-**	**-**	**-**	**375,744**	**3,989,076**
Excess of Revenues Over (under) Expenditures	**(214,632)**	**(1,007,216)**	**14,861**	**15,150**	**-**	**50**	**(6,582)**	**(1,198,369)**
OTHER FINANCING USES								
Operating Transfers From Other Funds	-	1,030,000	-	-	-	-	6,667	1,036,667
Operating Transfers (to) Other Funds	-	-	-	(80,000)	-	-	-	(80,000)
Total Other Financing Uses	**-**	**1,030,000**	**-**	**(80,000)**	**-**	**-**	**6,667**	**956,667**
Net Change in Fund Balance	**(214,632)**	**22,784**	**14,861**	**(64,850)**	**-**	**50**	**85**	**(241,702)**
Beginning Fund Balance	**1,887,361**	**1,681,900**	**1,003,506**	**75,115**	**(5,825)**	**3,024**	**175,734**	**4,820,815**
Ending Fund Balance	**$ 1,672,729**	**$ 1,704,684**	**$ 1,018,367**	**$ 10,265**	**$ (5,825)**	**$ 3,074**	**$ 175,819**	**$ 4,579,113**
DETAIL OF ENDING FUND BALANCE								
Restricted	$ 1,672,729	$ -	$ -	$ 10,265	$ -	$ -	$ 175,819	1,858,813
Committed*	-	605,100	-	-	-	-	-	605,100
Assigned	-	1,099,584	1,018,367	-	-	3,074	-	2,121,025
Unassigned		-	-	-	(5,825)	-	-	(5,825)
Ending Fund Balance	**$ 1,672,729**	**$ 1,704,684**	**$ 1,018,367**	**$ 10,265**	**$ (5,825)**	**$ 3,074**	**$ 175,819**	**$ 4,579,113**

*FY22 Fund Balance for Economic Development reflects pending property sale of 170 West Washington Street.

DEPARTMENT / PROGRAM OVERVIEW

The Department of Community and Economic Development (DCED) administers the City's Community Development Block Grant Program (CDBG). The primary goal of the federally funded CDBG Program is the development of a viable urban community.

Hagerstown is an entitlement grantee under the CDBG Entitlement Program. Entitlement grantees receive an annual allocation of Federal CDBG funds directly from the U.S. Department of Housing and Urban Development (HUD). These funds must be used for community based programs and activities that meet one of the three CDBG National Objectives.

The three National Objectives are:

- Benefit to low and moderate income persons (Primary Objective);
- Aid in the prevention or elimination of slums or blight;
- Meeting a need having a particular urgency

From 1989 through 2011, the average CDBG entitlement amount received by the City was $1,034,875. From 2012 through 2018, federal budget cuts significantly reduced the City's CDBG funding resulting in an average entitlement amount of $682,565 over this seven year period. After seven years of the significantly reduced entitlement amounts, the City's FY19, FY20 and FY21 entitlement amounts were increased to $757,083, $771,030 and $803,671 respectively. The estimated entitlement amount for FY22 is $800,000. At this time, an exact entitlement amount for FY22 has not been provided by HUD due to the ongoing federal budget process.

DEPARTMENT / PROGRAM OBJECTIVES

- Consistent with the National Objectives and Hagerstown's five year CDBG consolidated plan, the FY22 CDBG budget concentrates funds on neighborhood based projects that improve the housing stock and enhance the quality of life for Hagerstown residents. Current and future Community Development projects are being implemented to enhance the City's urban core and strengthen neighborhoods throughout the City. Housing programs include funding for both private/public partnership projects and City sponsored projects.

- The DCED works in cooperation with other City Departments to carry out neighborhood based projects. Proposed Public Facility projects to be carried out in cooperation with the Department of Parks & Engineering for FY22 include Fairgrounds Park Skate Park Construction, City Park Walking Bridge Reconstruction, Potterfield Pool Lighting Enhancements, and sidewalk accessibility ramp construction.

- The FY22 CDBG budget also proposes support for local public service providers. Public service providers must carry out eligible activities that meet critical, identifiable, and unmet community needs for low and moderate income City residents.

CDBG-CV FUNDING

In April of 2020, the City received a $472,845 allocation of "CDBG-CV" funding. CDBG-CV funding was provided through the Federal CARES Act legislation in response to the COVID-19 pandemic. The City distributed this funding in FY21 to multiple non-profit organizations for housing crisis assistance and food resource assistance. An additional $274,365 of CDBG-CV funding has been awarded to the City and this funding will be distributed to eligible non-profit organizations later in FY21 after an application and review process.

CDBG-CV funding must be used via standard CDBG activities that also prevent, prepare for, or respond to the COVID-19 pandemic. These activities still must meet CDBG national objective requirements with the primary national objective being a benefit to low/moderate income citizens. In essense, CDBG-CV funds are more restrictive than standard CDBG funds with additional requirements related to COVID-19 prevention, preparation, and response.

PERFORMANCE INDICATORS

	2019/20	2020/21	2021/22
Number of Active Loans Outstanding	**32**	**35**	**39**
Value of Active Loans Portfolio ($000)	**$ 1,297**	**$ 1,129**	**$ 1,158**
Down Payment Assistance Cases	**19**	**8**	**10**
CDBG Single Family Rehabilitation Projects	**22**	**18**	**20**
Citizens Assisted Through Public Services	**590**	**1,350**	**1,200**
Overall Low/Moderate Benefit Ratio (%)	**100%**	**100%**	**95%**
Total Administrative Costs as Percent of Total Expenditures	**19%**	**19%**	**19%**

ENTITLEMENT SPENDING

	Award	Amount Used thru FY21	FY22 Budget	Remaining
B14 HUD Entitlement Grant	646,183	646,183	-	-
B15 HUD Entitlement Grant	641,604	641,604	-	-
B16 HUD Entitlement Grant	654,941	654,941	-	-
B17 HUD Entitlement Grant	667,757	667,757	-	-
B18 HUD Entitlement Grant	757,083	757,083	-	-
B19 HUD Entitlement Grant	771,221	759,221	12,000	-
B20 HUD Entitlement Grant	803,671	450,671	353,000	-
B21 HUD Entitlement Grant	800,000	-	800,000	-

EXPENDITURE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
Commercial/Industrial Improvements	$ (1,286)	$ -	$ -	$ 75,000	100.0%
Clearance and Demolition	-	150,000	75,000	75,000	-50.0%
Public Facilities and Improvements	714,150	789,748	445,384	735,000	-6.9%
Public Services	142,500	636,345	470,800	628,410	-1.2%
Contra Principal Payments	124,858	95,000	320,254	66,000	-30.5%
Cost of Properties Held for Resale	358,437	-	-	221,000	100.0%
Housing Rehab	137,465	149,250	125,620	71,774	-51.9%
Program Administration	-	-	30,520	59,527	100.0%
Administration	470,266	163,065	169,987	162,524	-0.3%
Total Expenditures	**$ 1,946,390**	**$ 1,983,408**	**$ 1,637,565**	**$ 2,094,235**	**5.6%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total estimated actual FY21 CDBG expenditures are currently projected to be in lower than the FY21 adopted budget. This can sometimes vary or change depending on capital projects that span multiple fiscal years. Demand for homeowner repair programs can also flucuate and homeowner projects can also span multiple fiscal years.

In FY21, CDBG funding was provided for a part-time code inspector position focused on improving the quality of life in City neighborhoods. Funding for this position is also included in the FY22 budget. Administrative and personnel costs associated with various activities will remain in compliance with the regulatory cap of 20%.

A cooperative effort with the Parks & Engineering Department lead to the following neighborhood based projects in FY21:
- Accessibility Ramp Improvements
- Mitchell Avenue Traffic Signal Construction
- Fairgrounds Park Fit Room Bathroom Rehabilitation
- Hellane Park Basketball Court Rehabilitation

Mid-year CDBG budget amendments resulted in additional neighborhood based projects being undertaken in FY21 and FY22:
- Skate Park Construction

Adopted FY21 to Proposed FY22

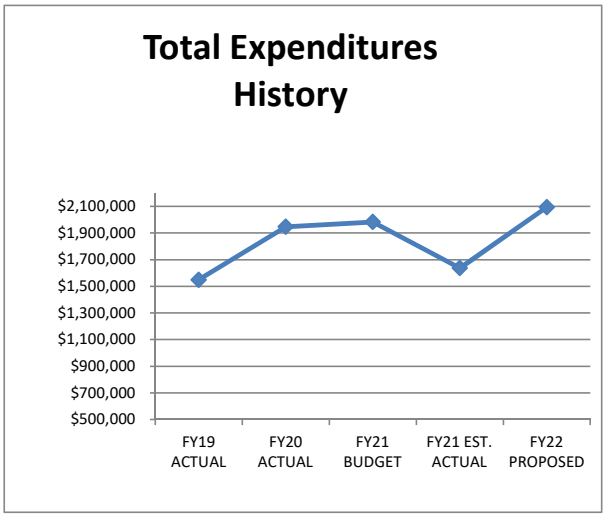
Due to the ongoing federal budget process, the City's FY22 entitlement amount has not been determined. Even if CDBG grant amounts are similar from year to year, projects that span multiple fiscal years, carry over funding from projects completed under budget, and fluctuations in program income can result in significant budget variation when comparing fiscal year expenditures. Based on the estimated entitlement amount for FY22 and potential carry over funds from previous years, the proposed FY22 budget has been set where expenditures equal the estimated entitlements and program income. The budgeted FY22 loss of approximately $215K is from the result of a loss on a property sale of one unit at 261 S. Prospect Street.

The FY22 budget includes funds for moving forward with several initiatives in the Strategic Plan and the Community's City Center Plan including neighborhood sidewalk improvements, public park improvements, homeownership support, and various neighborhood based projects.

In cooperation with multiple City departments, community partners, and Neighborhood 1st groups, efforts will be made to carry out neighborhood based projects throughout the City. This includes projects being carried out with or without CDBG funding.

COMMUNITY DEVELOPMENT BLOCK GRANT - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES					
CDBG Grant Entitlements	$ 896,435	$ 1,187,077	$ 1,010,522	$ 1,165,000	-1.9%
HUD Cares Act Entitlements	-	472,845	282,300	464,910	-1.7%
Program Income-Principal Repayments	124,858	95,000	320,254	66,000	-30.5%
Program Income-Other	187,848	203,606	25,514	183,618	-9.8%
Interest on Investments	36	-	236	75	100.0%
Other Revenues	128	-	-	-	0.0%
Total Operating Revenues	**1,209,305**	**1,958,528**	**1,638,826**	**1,879,603**	**-4.0%**
EXPENDITURES					
Commercial/Industrial Improvements	$ (1,286)	$ -	$ -	$ 75,000	100.0%
Clearance and Demolition	-	150,000	75,000	75,000	-50.0%
Public Facilities and Improvements	714,150	789,748	445,384	735,000	-6.9%
Public Services	142,500	636,345	470,800	628,410	-1.2%
Contra Principal Payments	124,858	95,000	320,254	66,000	-30.5%
Cost of Properties Held for Resale	358,437	-	-	221,000	100.0%
Housing Rehab	137,465	149,250	125,620	71,774	-51.9%
Program Administration	-	-	30,520	59,527	100.0%
Administration	470,266	163,065	169,987	162,524	-0.3%
Total Operating Expenditures	**1,946,390**	**1,983,408**	**1,637,565**	**2,094,235**	**5.6%**
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ (737,085)**	**$ (24,880)**	**$ 1,261**	**$ (214,632)**	**762.7%**
Beginning Fund Balance	**2,623,185**	**1,886,100**	**1,886,100**	**1,887,361**	**0.1%**
Ending Fund Balance	**$ 1,886,100**	**$ 1,861,220**	**$ 1,887,361**	**$ 1,672,729**	**-10.1%**



STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full time	2.00	2.00	2.00	2.70
Staffing Total	2.00	2.00	2.00	2.70
Unfunded positions	0.00	0.00	0.00	0.00

CDBG staffing allocation changed for FY22.

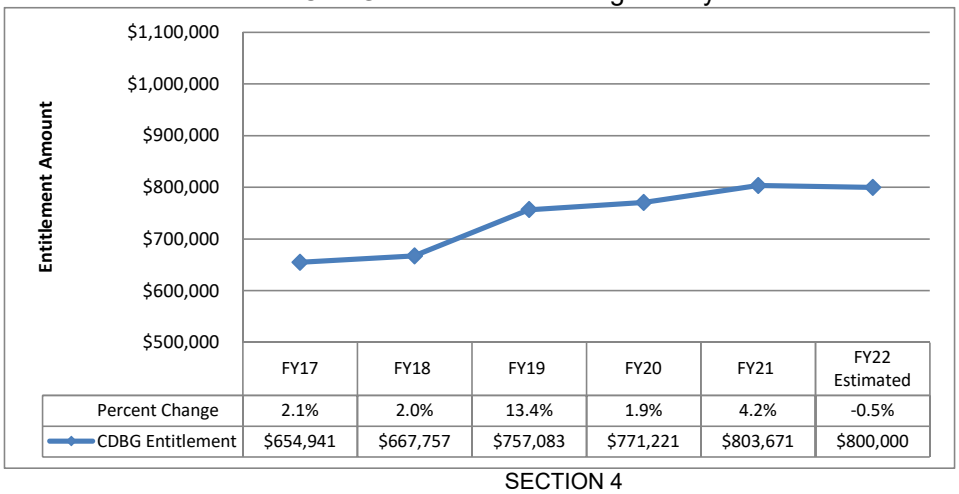
COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
GRANTS					
CDBG Grant Entitlements (HUD)					
B14 Entitlement	-	43,696	38,461	-	-100.0%
B15 Entitlement	30,837	-	3,615	-	0.0%
B16 Entitlement	66,191	15,000	219,794	-	-100.0%
B17 Entitlement	93,048	25,000	55,173	-	-100.0%
B18 Entitlement	165,480	20,000	24,465	-	-100.0%
B19 Entitlement	540,879	279,710	218,343	12,000	-95.7%
B20 Entitlement	-	803,671	450,671	353,000	-56.1%
B21 Entitlement	-	-	-	800,000	100.0%
HUD Cares Act Funding Round One	-	472,845	282,300	190,545	-59.7%
HUD Cares Act Funding Round Two	-	-	-	274,365	100.0%
Total Grants	896,435	1,659,922	1,292,822	1,629,910	-1.8%
PROGRAM INCOME					
Sale of Properties	145,810	165,000	-	155,000	-6.1%
Principal Repayments on Loans	124,858	95,000	320,254	66,000	-30.5%
Interest Income on Loans	42,038	38,606	25,514	28,618	-25.9%
Total Program Income	312,706	298,606	345,768	249,618	-16.4%
INVESTMENT EARNINGS	36	-	236	75	100.0%
OTHER REVENUES					
Miscellaneous Revenues	128	-	-	-	0.0%
Total Other Revenues	128	-	-	-	0.0%
Total Operating Revenues	**$ 1,209,305**	**$ 1,958,528**	**$ 1,638,826**	**$ 1,879,603**	**-4.0%**

The CDBG Entitlement Funding History graph and chart below illustrate the CDBG Entitlement current year amounts awarded to the City for FY17–FY21, and the CDBG Entitlement amount estimated to be awarded to the City for FY22. Each year, funding that has not been expended is carried forward as an operating revenue into the next fiscal year. Subsequently, the amounts reported under the heading CDBG Grant Entitlements (HUD) in the above table of Proposed Operating Revenues represent the current year Entitlement funding plus any unspent Entitlement funding from prior years.

From the CDBG Entitlement Funding History graph and chart below, the amount of Federal funding awarded to the City for CDBG Entitlement funds increased in FY17 and FY18 by 2.1% and 2.0% with a jump in funding in FY19 of 13.4% before 1.9% and 4.2% increases in FY20 and FY21 to bring the entitlement to $162.0K above the FY16 level. The City has continued to see increases annually since FY17. In FY22, the City expects a slight 0.5% decrease in funding.

CDBG Entitlement Funding History



	FY17	FY18	FY19	FY20	FY21	FY22 Estimated
Percent Change	2.1%	2.0%	13.4%	1.9%	4.2%	-0.5%
CDBG Entitlement	$654,941	$667,757	$757,083	$771,221	$803,671	$800,000

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
COMMERCIAL/INDUSTRIAL IMPROVEMENTS					
Commercial Property Rehab Loan	-	-	-	75,000	100.0%
Commercial Rehab-City Owned Property	(1,286)	-	-	-	0.0%
Total Commercial/Industrial Improvements	(1,286)	-	-	75,000	100.0%
CLEARANCE & DEMOLITION					
City - Downtown Buildings	-	150,000	75,000	75,000	-50.0%
Total Clearance & Demolition	-	150,000	75,000	75,000	-50.0%
CONTRA PRINCIPAL PAYMENTS	124,858	95,000	320,254	66,000	-30.5%
COST OF PROPERTIES HELD FOR RESALE	358,437	-	-	221,000	100.0%
PUBLIC FACILITIES & IMPROVEMENTS					
Handicap Ramps	80,000	120,000	120,669	120,000	0.0%
City Sidewalk Construction	228,843	-	-	-	0.0%
Downtown Surveillance Cameras	-	60,000	-	-	-100.0%
City Fairgrounds Park	-	-	-	375,000	100.0%
Traffic Signal Replacement	6,335	162,408	162,408	-	-100.0%
Medal of Honor Triangle	60,659	-	-	-	0.0%
Neighborhood Parks	285,554	282,340	162,307	60,000	-78.7%
Potterfield Pool Improvements	52,759	-	-	40,000	100.0%
Loans	-	95,000	-	140,000	47.4%
Crosswalk Construction/Improvements	-	70,000	-	-	-100.0%
Total Public Facilities & Improvements	714,150	789,748	445,384	735,000	-6.9%
PUBLIC SERVICES *					
CAC Cares Act Funding	-	434,445	250,000	184,445	-57.5%
REACH Shelter Security	20,000	20,000	20,000	25,000	25.0%
Community Free Clinic	48,000	48,000	48,000	48,000	0.0%
Girl's Inc Supper Program	10,000	10,000	10,000	10,000	0.0%
Children in Need	-	6,000	6,000	6,000	0.0%
Potential Mid Year Modifications	-	5,000	-	274,365	5387.3%
Girls Inc. of Washington County	-	21,100	15,000	6,100	-71.1%
Senior Living Alternative Meals	52,000	52,000	52,000	52,000	0.0%
CAC Financial Literacy	5,500	5,500	5,500	5,500	0.0%
Together With Families	7,000	7,000	7,000	7,000	0.0%
Crime Camera Equipment	-	-	30,000	-	0.0%
Commission on Aging	-	17,300	17,300	-	-100.0%
Goodwill	-	10,000	10,000	10,000	0.0%
Total Public Services	142,500	636,345	470,800	628,410	-1.2%
HOUSING REHAB					
Res Single Fam Emergency Repair	31,945	35,000	20,000	30,000	-14.3%
Homeownership Program	16,534	5,000	2,600	-	-100.0%
Habitat Repair Program	12,943	18,000	18,000	18,000	0.0%
Commission on Aging	24,819	18,000	12,000	24,000	33.3%
HNDP Downpayment & Settlement	18,000	24,500	24,500	24,500	0.0%
Single Family Loan Program	28,520	50,000	120,000	75,000	50.0%
Residential Rental Rehabilitation Loan	-	50,000	-	-	-100.0%
Contra Expense - Single Family Loan Program	(28,520)	(100,000)	(120,000)	(150,000)	50.0%
CDBG Administration (Residential Rental)	-	2,000	-	-	-100.0%
CDBG Administration (Home Ownership)	-	2,000	-	-	-100.0%
CDBG Administration (Single Family)	-	14,000	21,000	21,000	50.0%
Code Admin PT Inspector	28,450	30,000	27,020	28,524	-4.9%
Home Ownership Acq. Resale	3,656	-	115,000	-	0.0%
Contra Expense - Home Ownership Acq. Resale	-	-	(115,000)	-	0.0%
Residential Single Family Rehabilitation	1,118	750	500	750	0.0%
Total Housing Rehab	137,465	149,250	125,620	71,774	-51.9%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
PROGRAM ADMINISTRATION					
Salary and Wages	-	-	28,000	50,090	100.0%
Benefits	-	-	2,245	9,162	100.0%
Overtime	-	-	275	275	100.0%
Total Program Administration	-	-	30,520	59,527	100.0%
ADMINISTRATION **					
Salary and Wages	106,391	110,578	113,600	111,224	0.6%
Benefits	52,863	55,864	63,484	58,157	4.1%
Overtime	-	-	100	100	100.0%
Allocated Labor - Salaried	-	(18,000)	(21,000)	(21,000)	16.7%
Office Supplies	-	350	100	100	-71.4%
Computer Software & Supplies	504	275	275	275	0.0%
Dues, Subscriptions & Periodicals	-	300	-	300	0.0%
Advertising & Printing	1,620	1,850	1,850	1,850	0.0%
Legal Fees	1,170	3,000	2,000	3,000	0.0%
Auditing Fees	1,902	2,231	1,902	1,961	-12.1%
Consolidated Plan	39,100	-	-	-	0.0%
Public Transportation Expenses	-	100	-	100	0.0%
Lodging & Meals	-	100	-	100	0.0%
Conference & Seminar Fees	-	600	-	500	-16.7%
Postage Expenses	8	75	-	75	0.0%
Other General Expenses	261,901	-	2,911	-	0.0%
Photocopy Expenses	-	75	-	75	0.0%
Buildings & Contents Insurance	1,868	1,967	1,965	2,007	2.0%
General Liability Insurance	(32)	-	-	-	0.0%
Interest Exp. - Escrowed Taxes	33	200	50	200	0.0%
Communication Expense	1,779	1,850	1,350	1,850	0.0%
Capital Outlay	1,159	1,650	1,400	1,650	0.0%
Total Administration	470,266	163,065	169,987	162,524	-0.3%
Total Expenditures	**$ 1,946,390**	**$ 1,983,408**	**$ 1,637,565**	**$ 2,094,235**	**5.6%**

* HUD cap on Public Services costs must be under 15%, Formula: Public Svc Costs/(CY Entitlement + PY Program Income)
** HUD Cap on Administration costs must be under 20%, Formula: Admin Costs/(CY Entitlement + CY Program Income)

COMMUNITY DEVELOPMENT BLOCK GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
1050001-5861 Desks, Chairs, & Tables	Office furniture, cabinets, and shelves	Replace worn equipment.	250
1050001-5865 Computer Equipment	Computer equipment	Replace worn or obsolete equipment.	1,400
TOTAL CAPITAL OUTLAY			**$ 1,650**

ECONOMIC REDEVELOPMENT FUND

This fund was established to promote the revitalization of the City's downtown and older neighborhood areas. Currently the fund is being used to promote businesses and home ownership through the Invest Hagerstown Programs. Additionally, this fund is used for the Partners in Economic Progress (PEP) Program, holding real property for resale, and related development activities. Revenues in this fund consist of periodic transfers from other funds, State Grant funds (when available), and a transfer from the General Fund to continue carrying out strategic revitalization efforts through Invest Hagerstown.

BUSINESS REVOLVING LOAN FUND

This fund is designed to assist in the retention, expansion, and attraction of businesses within the City. The Business Revolving Loan Fund was initially funded through a grant from the Maryland Commerce Department and City Community Betterment Funds. This program provides financing for new and expanding businesses for working capital, equipment, and rehabilitation. In order to expand loan opportunities, the City continues to seek additional funding for the Revolving Loan Fund through partnership with the State of Maryland. For FY22, it is anticipated that program income will allow up to $200,000 in new loans to be made.

FOREST CONSERVATION FUND

This fund was created as part of the City’s forest conservation program for development within the City of Hagerstown. In lieu of reforestation activities on a development site, developers have the option to pay into a special City Forest Conservation Fund. In return, this funding is utilized by the City to plant trees.

FLEXIBLE SPENDING FUND

This fund accounts for the City Flexible Spending Account (FSA) Program. Funds are transferred into this fund on a pre-tax basis for employees participating in the FSA Program for reimbursed medical and dependent care costs.

EXCISE TAX FUND

This fund accounts for the City's share of the County excise taxes collected by the City. There is a building excise tax on all building construction in Washington County. Effective March 2014, the City stopped assessing and collecting the City's portion of this fee and instead administers and collects only the County's portion less two percent (2%) for the adminstrative oversight provided.

GRANT FUND

In FY07, the City created a separate special revenue fund to account for operating grant revenues from various federal, state, and local agencies and related expenditures. This fund allows grant revenues and expenditures to be tracked separately by grant projects. Local matches, if required, are shown as transfers in from other funds. Unspent grant funds are carried over from year-to-year until expended for their intended purpose.

DEPARTMENT / PROGRAM OVERVIEW

The Department of Community and Economic Development administers the Economic Redevelopment Fund which includes multiple economic incentive programs and property resale initiatives. The highlighted initiative is the strategic resale project located at 170 West Washington Street.

170 West Washington Street:

A property located at the western gateway to the City Center underwent enhancements to remedy a blighting influence on the surrounding neighborhood and promote a more positive image of the downtown. The City of Hagerstown purchased the property at 170 West Washington Street from Frederick County Bank in March of 2013. The property had been vacant for a significant amount of time, which was impacting the immediate area, including churches and the St. Mary School. Using Economic Redevelopment funds, the City demolished the rear motel portion of the property, leveling the rear lot to make it ready for either new construction or parking, depending on a subsequent owner's needs. Roof replacement, window replacement, and exterior painting were completed by FY16. These improvements will allow the City to more effectively promote the building for redevelopment. State Community Legacy funding was matched with Economic Redevelopment funds to complete the additional exterior work.

Due to the location and historical value of the structure, this property was selected to be one of the City's strategic acquisition and redevelopment projects. In FY21, the property was sold to a private developer. The developer's concept plan involves creation of student housing, market rate housing, and first floor commercial space. This planned mixed-use property redevelopment will result in approximately $1.1 million of rehabilitation investment to fully transform this long-term vacant property with project completion scheduled for end of calender year 2021.

170 West Washington Street Funding Sources and Uses

Expenditures	FY13-15	FY16	FY17	FY18-20	Total
Acquisition	$ 28,140	-	-	-	$ 28,140
Demolition/Construction/Rehabilitation	$ 175,878	$ 160,166	$ 11,517	-	$ 347,561
Total	$ 204,018	$ 160,166	$ 11,517	-	$ 375,701

Funding Sources	FY13-15	FY16	FY17	FY18-20	Total
Economic Redevelopment	$ 130,870	$ 58,315	$ 11,517	-	$ 200,701
Community Legacy	$ 73,148	$ 76,852	-	-	$ 150,000
Proceeds - Sale of 11-16 Public Square	-	$ 25,000	-	-	$ 25,000
Total	$ 204,018	$ 160,166	$ 11,517	-	$ 375,701

Invest Hagerstown Program:

In order to stimulate redevelopment and investment in Hagerstown, the Mayor and City Council created multiple incentive programs under the Invest Hagerstown initiative. Each incentive program offered substantial City incentives for commercial redevelopment, mixed-use redevelopment, and residential investment.

Invest Hagerstown – Initial Program

The initial program was funded in FY14 with $1,500,000 in funding from General Fund Reserves. The Invest Hagerstown Program provided grants up to $250,000 for eligible redevelopment projects in the City Center and up to $50,000 for eligible redevelopment projects City-wide. The City partnered with the private sector to assist in moving development forward. This program resulted in a combined private and public investment City-wide estimated at $4,173,000.

The Invest Hagerstown Program also provided down payment/rehab grants up to $7,500 for homebuyers purchasing a vacant home within the City of Hagerstown. The Invest Hagerstown Program also provided down payment/rehab incentives for homebuyers in City Center and a rental subsidy for renters in City Center with the goal of attracting a more diversified population Downtown. This program assisted 24 homeowners City wide and 7 homeowners in City Center for a total of 31 homeowners. The program also assisted 18 renters in City Center.

By the end of FY22, all of the funding will be expended or committed for this program. A funding chart of the initial Invest Hagerstown program is shown below.

Invest Hagerstown Program Incentives		FY14-18	FY19	FY21	Future
Expenditures	**Designated**	**Actual**	**Actual**	**Est. Actual**	**Commitment**
Community First Third Grant	$ 1,200,000	$ 950,000	-	-	$ 250,000
Downtown Rental Program	$ 50,000	$ 50,000	-	-	-
Downtown Residency Program	$ 70,000	$ 70,000	-	-	-
City-Wide Residency Program	$ 178,574	$ 176,979	$ 1,595	-	$ -
Total Expenditures per Year	**$ 1,498,574**	**$ 1,246,979**	**$ 1,595**	**$ -**	**$ 250,000**

After initial funding for Invest Hagerstown was utilized, DCED offered down payment/rehab incentives funded through a State Community Legacy Grant in FY18 and FY19.

During FY19, $200,000 committed for the Invest Hagerstown program was temporarily reallocated to provide The Maryland Theatre expansion project a grant. As a result of a FY18 actual surplus in the General Fund, the original $200,000 has now been restored back to the intial Invest Hagerstown. At such time in the future that a Class A office building will be built, the City will fund the $250,000 that was included in the original Request for Qualifications bid in December 2014.

Invest Hagerstown – New Program started in FY19
Beginning in FY19, the Invest Hagerstown program was started again with dedicated funding from General Fund real estate tax rate. Funding was provided in the amounts of $549,000 in FY19, $800,000 in FY20, and $804,000 in FY21 to support various incentive program components. Since FY19, the Invest Hagerstown Program has leveraged more than $15 million in private sector investment, more than 100 new jobs, and 23 new homeowners.

Invest Hagerstown-FY22 Proposed Budget
The FY22 Budget includes $819,000 for funding of the Invest Hagerstown Program. The components of the program are expected to model similarly to the FY21 program with some possible variation.

Invest Hagerstown - Program Components
The Invest Hagerstown program has several program components:

1. City Center Redevelopment Grant Program – Grants from a minimum of $150,000 to a maximum of $250,000 and requiring a minimum 2:1 match from the developer. Projects ranging $450,000 to $750,000+

2. City-Wide Redevelopment Grant Program – Grants from a minimum of $5,000 to a maximum of $25,000 and requiring a minimum 2:1 match from the developer. Projects ranging $15,000 to $75,000+

3. Homeownership Grant Program – Additional funding to existing program that provides down payment/rehab grants of $7,500 City Wide. Property must be built prior to 1960 and be vacant for 12 months. Or the property may be a conversion of a rental of 2 or more units to a single unit, owner-occupied home.

4. Rental Property Rehabilitation Grant Program – Grants of $7,500 for rental property rehabilitation to market rate rental and requiring 2:1 match. Projects $22,500+

5. Facade Rehabilitation Grant Program-Grants from a minimum of $2,500 to a maximum of $7,500 requiring a 1:1 match from the developer. Projects ranging from $5,000 to $15,000+ (Added in FY20)

A funding chart for the new Invest Hagerstown program is shown below.

Invest Hagerstown Program Incentives *	**FY19**	**FY20**	**FY21**	**FY21**	**FY22**
Expenditures	**Actual**	**Actual**	**Budget**	**Est Actual**	**Prop Budget**
City Center Redevelopment	$ 350,000	$ 250,000	$ 500,000	$ 500,000	$ 500,000
City Wide Redevelopment	$ 154,500	$ 115,000	$ 114,000	$ 114,000	$ 125,000
Homeownership	$ 45,000	$ 102,500	$ 110,000	$ 110,000	$ 112,500
Rental Property Rehabilitation	$ -	$ 15,000	$ 55,000	$ 55,000	$ 55,000
Façade: Invest Hagerstown		$ 14,898	$ 25,000	$ 25,000	$ 26,500
Total Expenditures per Year	**$ 549,500**	**$ 497,398**	**$ 804,000**	**$ 804,000**	**$ 819,000**

* A separately approved Economic Incentive for $250K was provided to a developer outside the Invest Hagerstown Program in FY19.

ECONOMIC REDEVELOPMENT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES					
State Community Legacy Grant	$ 10,000	$ 50,000	$ 50,000	$ 275,000	450.0%
State Funding Pass Thrus: Urban Improve Project	500,000	-	-	-	0.0%
Program Income	-	-	100,000	-	0.0%
Interest on Investments	2,607	1,500	150	300	-80.0%
Other Revenues	21,641	16,960	23,960	22,289	31.4%
Total Revenues	**534,248**	**68,460**	**174,110**	**297,589**	**334.7%**
EXPENDITURES					
Administrative Expenditures	13,531	19,220	15,947	20,020	4.2%
Current Property Expenditures	1,014	7,200	2,384	2,635	-63.4%
PEP Subsidized Rent Payments	116,280	131,500	117,000	131,500	0.0%
Sign and Facade Grants	10,000	-	-	-	0.0%
Economic Incentives	80,000	72,500	72,500	35,000	-51.7%
Economic Incentives: State Grant	-	50,000	50,000	75,000	50.0%
Citywide Down Payment: State Grant	7,500	-	-	-	0.0%
City Center Redevelopment: Invest Hagerstown	250,000	500,000	500,000	500,000	0.0%
City-Wide Redevelopment: Invest Hagerstown	115,000	114,000	114,000	125,000	9.6%
Homeownership Grant: Invest Hagerstown	102,500	110,000	110,000	112,500	2.3%
Rental Property Rehab:Invest Hagerstown	15,000	55,000	55,000	55,000	0.0%
Facade:Invest Hagerstown	14,898	25,000	25,000	26,500	6.0%
USMH Housing Catalyst #3 *	-	21,650	21,650	221,650	923.8%
State Funding Pass Thrus: Urban Improve Project	500,000	-	-	-	0.0%
Total Expenditures	**1,225,723**	**1,106,070**	**1,083,481**	**1,304,805**	**18.0%**
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund	478,102	226,000	226,000	226,000	0.0%
Transfers from General Fund: Invest Hag Incentives	497,398	804,000	804,000	804,000	0.0%
Total Other Financing Sources	975,500	1,030,000	1,030,000	1,030,000	0.0%
Net Change in Fund Balance	**284,025**	**(7,610)**	**120,629**	**22,784**	**-399.4%**
Beginning Fund Balance	**1,277,246**	**1,561,271**	**1,561,271**	**1,681,900**	**7.7%**
Ending Fund Balance	**$ 1,561,271**	**$ 1,553,661**	**$ 1,681,900**	**$ 1,704,684**	**9.7%**

* FY22 Proposed includes a $200K Community Legacy grant pass thru.

BUSINESS REVOLVING LOAN FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES & LOAN REPAYMENTS					
Program Income:					
Principal Repayments on Loans	$ -	$ 125,000	$ -	$ 200,000	60.0%
Interest from Loans	18,570	26,163	23,153	26,653	1.9%
Interest on Investments	3,220	2,500	500	2,000	-20.0%
Other Revenues	713	500	250	500	0.0%
Total Revenues	**22,503**	**154,163**	**23,903**	**229,153**	**48.6%**
EXPENDITURES, NEW LOANS & OTHER WORKING CAPITAL					
Salary and Wages	9,001	9,289	9,289	9,579	3.1%
Benefits	2,609	2,677	2,633	2,763	3.2%
Contractual Services	371	1,750	2,800	1,750	0.0%
Capital Outlay	-	200	-	200	0.0%
New Loan Expenditures	-	125,000	-	200,000	60.0%
Allowance for Uncollectible Loans	147,204	-	-	-	0.0%
Total Expenditures	**159,185**	**138,916**	**14,722**	**214,292**	**54.3%**
Net Change in Fund Balance	**(136,682)**	**15,247**	**9,181**	**14,861**	**-2.5%**
Beginning Fund Balance	**1,131,007**	**994,325**	**994,325**	**1,003,506**	**0.9%**
Ending Fund Balance	**$ 994,325**	**$ 1,009,572**	**$ 1,003,506**	**$ 1,018,367**	**0.9%**

STAFFING SUMMARY

	FY20	FY21 Bud	FY21 Est Act	FY22
Full Time	0.15	0.15	0.15	0.15
Staffing Total	0.15	0.15	0.15	0.15

FOREST CONSERVATION FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 BUDGET	2021/22 % CHANGE
REVENUES					
Reforestation Fees	$ 186,445	$ 60,000	$ 73,000	$ 15,000	-75.0%
Interest on Investments	834	1,500	400	150	-90.0%
Total Revenues	**187,279**	**61,500**	**73,400**	**15,150**	**-75.4%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	(37,870)	(190,000)	(190,000)	(80,000)	-57.9%
Total Other Financing Sources	**(37,870)**	**(190,000)**	**(190,000)**	**(80,000)**	**-57.9%**
Net Change in Fund Balance	**149,409**	**(128,500)**	**(116,600)**	**(64,850)**	**-49.5%**
Beginning Fund Balance	**42,306**	**191,715**	**191,715**	**75,115**	**-60.8%**
Ending Fund Balance	**$ 191,715**	**$ 63,215**	**$ 75,115**	**$ 10,265**	**-83.8%**

FLEXIBLE SPENDING FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES					
Interest on Investments	$ 537	$ 175	$ 10	$ -	-100.0%
Employer FICA Savings	-	-	-	-	0.0%
Unreimbursed Employee Deductions	(20,750)	2,000	2,000	-	-100.0%
Total Revenues	**(20,213)**	**2,175**	**2,010**	**-**	**-100.0%**
EXPENDITURES					
Contractual Services	2,132	-	-	-	0.0%
Total Expenditures	**2,132**	**-**	**-**	**-**	**0.0%**
Net Change in Fund Balance	**(22,345)**	**2,175**	**2,010**	**-**	**-100.0%**
Beginning Fund Balance	**14,510**	**(7,835)**	**(7,835)**	**(5,825)**	**-25.7%**
Ending Fund Balance	**$ (7,835)**	**$ (5,660)**	**$ (5,825)**	**$ (5,825)**	**2.9%**

EXCISE TAX FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES					
Interest on Investments	$ 256	$ 225	$ 75	$ 50	-77.8%
Total Revenues	**256**	**225**	**75**	**50**	**-77.8%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	-	-	-	-	0.0%
Total Other Financing Sources	**-**	**-**	**-**	**-**	**0.0%**
Net Change in Fund Balance	**256**	**225**	**75**	**50**	**-77.8%**
Beginning Fund Balance	**2,693**	**2,949**	**2,949**	**3,024**	**2.5%**
Ending Fund Balance	**$ 2,949**	**$ 3,174**	**$ 3,024**	**$ 3,074**	**-3.2%**

GRANT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES:					
Federal Grants	75,771	98,541	135,132	85,429	-13.3%
State Grants	311,934	331,923	365,253	283,648	-14.5%
Private Grants and Other Contributions	4,359	-	-	-	0.0%
Interest on Investments	$ 1,064	$ 500	$ 85	$ 85	-83.0%
Total Revenues	**393,128**	**430,964**	**500,470**	**369,162**	**-14.3%**
EXPENDITURES:					
Salary and Wages	86,535	104,974	100,086	91,901	-12.5%
Benefits	18,582	9,149	16,391	11,261	23.1%
Overtime	114,608	131,273	147,478	117,665	-10.4%
Personnel Subtotal	**219,725**	**245,396**	**263,955**	**220,827**	**-10.0%**
Contractual Services	23,159	138,705	138,705	120,350	-13.2%
Operating Expenditures	19,834	34,793	31,442	12,816	-63.2%
Capital Outlay	44,471	36,351	59,305	21,751	-40.2%
Other General Expenses	96,170	-	31,198	-	0.0%
Operating Subtotal	**183,634**	**209,849**	**260,650**	**154,917**	**-26.2%**
TOTAL EXPENDITURES	**403,359**	**455,245**	**524,605**	**375,744**	**-17.5%**
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund	11,295	24,220	24,220	6,667	-72.5%
Total Other Financing Sources	**11,295**	**24,220**	**24,220**	**6,667**	**-72.5%**
Net Change in Fund Balance	**1,064**	**(61)**	**85**	**85**	**-239.3%**
Beginning Fund Balance	**174,585**	**175,649**	**175,649**	**175,734**	**0.0%**
Ending Fund Balance	**$ 175,649**	**$ 175,588**	**$ 175,734**	**$ 175,819**	**0.1%**

Activity in this fund is dependent on grants that we receive. The following grants have been included for next year:

		2021/22 PROPOSED
Police Department		
	FY19 Bulletproof Vest Partnership Program	2,951
	FY20 Bulletproof Vest Partnership Program	4,700
	FY20 Coronavirus Emergency Supplemental Funding	15,118
	FY20 Hagerstown PD MHSO Traffic Safety Program	2,765
	FY21 Bulletproof Vest Partnership Program	14,100
	FY22 Community Program Fund	12,500
	FY22 Domestic Violence Data Entry Program	10,283
	FY22 Hagerstown PD MHSO Traffic Safety Program	8,295
	FY22 JAG Program	15,000
	FY22 Lethality Assessment Coordinator	26,667
	FY22 Maryland Criminal Intelligence Network	260,865
	FY22 MHSO Pedestrian/Bicycle Safety Grant	2,500
Total Police Department		**375,744**
Total Grant Expenditures		**$ 375,744**

GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2021/2022

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Bulletproof Vest Partnership 1610000-5834-G0353 Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vests.	2,951
Bulletproof Vest Partnership 1610000-5834-G0369 Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vests.	4,700
Future Bulletproof Vest Partnership 1610000-5834-G9999 Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vests.	14,100
TOTAL CAPITAL OUTLAY			**$ 21,751**

COVID-19

City of Hagerstown









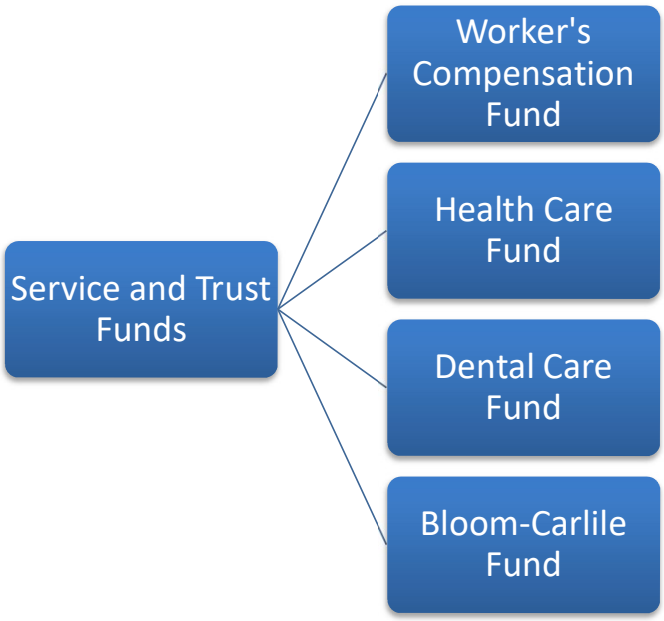
SERVICE AND TRUST FUNDS
SECTION 5

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SERVICE & TRUST FUND - COMBINING STATEMENT
FISCAL YEAR 2021/2022

ACCOUNT DESCRIPTION	WORKERS COMPENSATION	HEALTH CARE	DENTAL CARE	BLOOM-CARLILE	TOTAL
OPERATING REVENUES					
Premium Revenues	$ 1,660,104	$ 7,852,080	$ 453,746	$ -	$ 9,965,930
Prescription Rebates	-	439,988	-	-	439,988
Total Operating Revenues	**$ 1,660,104**	**$ 8,292,068**	**$ 453,746**	**$ -**	**$ 10,405,918**
OPERATING EXPENSES					
Medical and Dental Claims Expense	-	6,388,381	345,089	-	6,733,470
Claims Reserve, Stop Loss Reinsurance and Excess Insurance	1,504,979	399,127	5,000	-	1,909,106
Legal Fees, Administrative Expenses & Injury and Damage Awards	148,179	384,448	43,362	-	575,989
Health Savings Acct Contributions	-	49,400	-	-	49,400
Wellness Program	-	50,000	-	-	50,000
Audit Fees	318	318	317	-	953
OPEB Trust Contributions	-	650,000	-	-	650,000
Community Assistance Expenditures	-	-	-	4,600	4,600
Total Operating Expenses	**$ 1,653,476**	**$ 7,921,674**	**$ 393,768**	**$ 4,600**	**$ 9,973,518**
Operating Income (Loss)	**$ 6,628**	**$ 370,394**	**$ 59,978**	**$ (4,600)**	**$ 432,400**
NON OPERATING REVENUES (EXPENSES)					
Investment Earnings	1,000	6,140	1,770	200	9,110
Total Other Income (Expense)	**$ 1,000**	**$ 6,140**	**$ 1,770**	**$ 200**	**$ 9,110**
Net Income before Operating Transfers	**$ 7,628**	**$ 376,534**	**$ 61,748**	**$ (4,400)**	**$ 441,510**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers (to) - General Fund	-	(541,968)	-	-	(541,968)
Transfers (to) -Electric Fund	-	(53,356)	-	-	(53,356)
Transfers (to)- Water Fund	-	(83,255)	-	-	(83,255)
Transfers (to) -Wastewater Fund	-	(71,421)	-	-	(71,421)
Total Transfers From (To) Funds	**$ -**	**$ (750,000)**	**$ -**	**$ -**	**$ (750,000)**
Increase (Decrease) in Retained Earnings	**$ 7,628**	**$ (373,466)**	**$ 61,748**	**$ (4,400)**	**$ (308,490)**
Beginning Fund Balance	**1,633,238**	**5,327,874**	**692,450**	**85,076**	**7,738,638**
Ending Fund Balance	**$ 1,640,866**	**$ 4,954,408**	**$ 754,198**	**$ 80,676**	**$ 7,430,148**



WORKERS COMPENSATION FUND OVERVIEW
The Worker's Compensation fund was created in 1995. Effective July 1, 2015 the City transitioned from a traditional 100% coverage insurance to a self-insurance program which had been in place since September 1, 1998. The fund will continue to serve as a conduit to collect charges based on historical allocations from each fund and category of workers and will be used to pay actual medical claim costs, processing fees and premium of the insurance carrier.

HEALTH CARE FUND OVERVIEW
The Health Care fund was created in 2000 to manage the City's new self-insurance program for health care. Under this self-funded plan, the City pays a standard monthly administrative fee for each covered member and accepts claims risk up to a specific stop loss for each individual covered. Plan changes may occur during collective bargaining negotiations for future periods. In addition, there is a second level of insurance called the aggregate stop loss which assures that the City does not pay more than the maximum projected expenses. Administratively, all City departments are billed pre-established internal "insurance" rates for their department's employees, retirees and dependents as determined by our actuarial consultants, CBIZ. These billings represent funding sources for the Health Care Fund from which all health care related administrative and medical reimbursement costs are paid.

DENTAL CARE FUND OVERVIEW
The Dental Care fund was created in 2006 to manage the City's new self-insurance program for dental care. Under this self-funded plan, the City pays a standard monthly administrative fee for each covered member and processes claims up to a maximum $2,000 limit per covered individual, dependent upon type of plan chosen. Plan changes may occur during collective bargaining negotiations for future periods. Administratively, all City departments are billed pre-established internal "insurance" rates for their department's employees, retirees and dependents as determined by our actuarial consultants, CBIZ. These billings represent funding sources for the Dental Care fund from which all dental care related administrative and medical reimbursement costs are paid.

BLOOM-CARLILE TRUST FUND OVERVIEW
The Bloom-Carlile Trust fund was established to segregate funds received from the estates of S. Martin Bloom, Annie Fill Carlile and others from the general accounts of the City. The donors' intent was to establish a permanent endowment fund. The income earned on investment of the fund is being used to provide assistance to the poor and needy of Hagerstown.

The Washington County Community Action Council has been administering disbursement of these funds on a no-cost basis for the City since 1983. All funds are disbursed based on an agreed upon operating policy and are reviewed by the Clerk's Office for compliance with the program guidelines.

EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES BY TYPE					
Premium Revenues	$ 1,173,050	$ 1,645,233	$ 1,645,233	$ 1,660,104	0.9%
Interest Income from Investments	13,415	18,000	-	1,000	-94.4%
Total Revenues	**$ 1,186,465**	**$ 1,663,233**	**$ 1,645,233**	**$ 1,661,104**	**-0.1%**
EXPENDITURES BY TYPE					
Excess Insurance	170,960	179,609	179,609	179,609	0.0%
Claims Expense	1,232,811	1,312,735	1,312,744	1,325,370	1.0%
Administrative Expenses	35,963	60,000	60,123	60,000	0.0%
Audit Fees	308	348	308	318	-8.6%
Legal Fees	29,158	40,503	40,503	40,503	0.0%
Other Professional Services Fees	46,368	47,676	47,724	47,676	0.0%
Total Expenditures & Transfers	**$ 1,515,568**	**$ 1,640,871**	**$ 1,641,011**	**$ 1,653,476**	**0.8%**
Expenditures, net of Revenues	**$ 329,103**	**$ (22,362)**	**$ (4,222)**	**$ (7,628)**	**-65.9%**
Beginning Fund Balance	1,958,119	1,629,016	1,629,016	1,633,238	0.3%
Ending Fund Balance	**$ 1,629,016**	**$ 1,651,378**	**$ 1,633,238**	**$ 1,640,866**	**-0.6%**

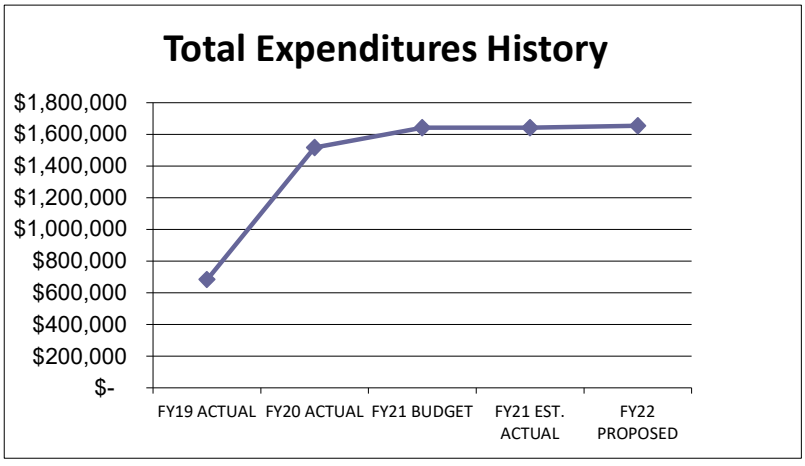
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total expenditures for FY21 estimated actual are anticipated to be slighty above the FY21 budget as a result of administrative and consulting fees. In addition, the revenue is anticipated to be lower for estimated actual FY21 compared to the adopted budget for FY21 due to the lack of interest earnings. The premium revenues reflect amounts charged to all other City funds and were established based on anticipated expenses.

Adopted FY21 to Proposed FY22

Total expenditures for FY22 are projected to be 0.8% higher than the FY21 budget, or $12.6K due to an anticipated increase in claims expense. Total funding/revenue will decrease slightly by 0.1% or $2.1K primarily resulting from extremely low interest rates.



EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES BY TYPE					
Premium Revenues-City	$ 6,523,505	$ 6,630,206	$ 6,526,055	$ 6,568,369	-0.9%
Premium Revenues-Employees	1,076,497	1,078,910	1,058,781	1,058,781	-1.9%
Premium Revenues-Retirees	219,688	209,000	224,930	224,930	7.6%
Stop Loss Reimbursement	12,784	-	-	-	0.0%
Prescription Rebates	322,821	370,000	217,791	439,988	18.9%
Interest from Investments	50,639	50,000	5,140	6,140	-87.7%
Total Revenues	**$ 8,205,934**	**$ 8,338,116**	**$ 8,032,697**	**$ 8,298,208**	**-0.5%**
EXPENDITURES BY TYPE					
Medical Claims Expense	5,553,211	6,909,622	5,381,827	6,388,381	-7.5%
Claims Reserve Expense	23,847	50,000	50,000	50,000	0.0%
Health Savings Acct Contributions	51,500	49,400	49,400	49,400	0.0%
Administrative Expenses	448,132	381,348	379,319	384,448	0.8%
Audit Fees	308	348	308	318	-8.6%
Stop Loss Reinsurance Expense	225,108	350,335	255,824	349,127	-0.3%
Wellness Program	45,348	50,000	50,000	50,000	0.0%
OPEB Trust Contributions	650,000	700,000	700,000	650,000	-7.1%
Total Expenditures	**$ 6,997,454**	**$ 8,491,053**	**$ 6,866,678**	**$ 7,921,674**	**-6.7%**
Transfers to General Fund	580,000	380,039	380,039	541,968	42.6%
Transfers to Electric Fund	63,562	27,709	27,709	53,356	92.6%
Transfers to Water Fund	94,513	40,302	40,302	83,255	106.6%
Transfers to Wastewater Fund	79,842	35,950	35,950	71,421	98.7%
Total Transfers	**$ 817,917**	**$ 484,000**	**$ 484,000**	**$ 750,000**	**55.0%**
Total Expenditures & Transfers	**$ 7,815,371**	**$ 8,975,053**	**$ 7,350,678**	**$ 8,671,674**	**-3.4%**
Expenditures, net of Revenues	**$ (390,563)**	**$ 636,937**	**$ (682,019)**	**$ 373,466**	**-41.4%**
Beginning Fund Balance	4,255,292	4,645,855	4,645,855	5,327,874	14.7%
Ending Fund Balance	**$ 4,645,855**	**$ 4,008,918**	**$ 5,327,874**	**$ 4,954,408**	**23.6%**

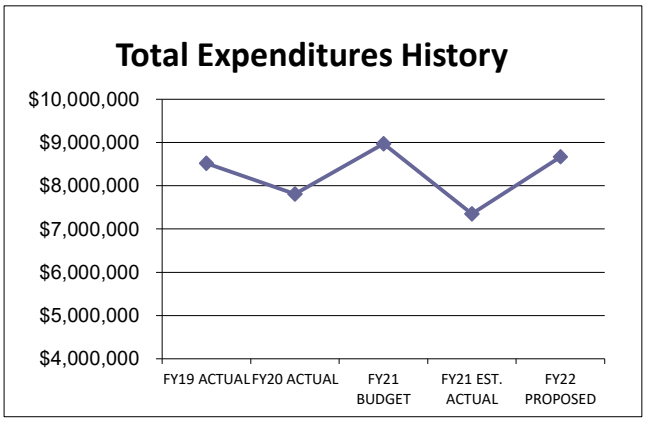
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

As a result of a decrease in medical claims expense and stop loss reinsurance expense, total expenditures are projected to be approximately 19.1% or $1.6M less than originally included in the budget. In the current year to date, the City has experienced lower actual paid claims than was anticipated when preparing the FY21 budget as a result of decreased utilization and shut downs in place during the Covid pandemic. The associated premium revenues charged and paid by the City remain in line with the FY21 budget.

Adopted FY21 to Proposed FY22

As a result of current trends for medical claims expense along with the decrease in OPEB Trust contributions, the expenditures for proposed FY22 are projected to be 6.7% or $569.4K lower than FY21 budget, excluding transfers to other funds. In spite of the decrease in expenses, revenues charged across all City funds in FY22 budget remain relatively flat overall when compared to the FY21 budget. In FY22, the budget includes a transfer from the health insurance fund to other city funds. This transfer represents a FY20 actual surplus which will be returned on a percentage allocation to the city funds that provided the funding originally and is consistent with the city's Fund Balance/Retained Earnings Policy. This transfer is not a normal recurring item.



EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES BY TYPE					
Premium Revenues-City	$ 193,206	$ 196,977	$ 193,682	$ 193,682	-1.7%
Premium Revenues-Employees	159,823	165,340	188,319	188,319	13.9%
Premium Revenues-Retirees	69,549	70,550	71,745	71,745	1.7%
Interest from Investments	6,613	7,000	770	1,770	-74.7%
Total Revenues	**$ 429,191**	**$ 439,867**	**$ 454,516**	**$ 455,516**	**3.6%**
EXPENDITURES BY TYPE					
Dental Claims Expense	270,792	359,739	359,739	345,089	-4.1%
Claims Reserve Expense	(3,324)	5,000	5,000	5,000	0.0%
Administrative Expenses	41,291	43,362	43,362	43,362	0.0%
Audit Fees	308	350	308	317	-9.4%
Total Expenditures & Transfers	**$ 309,067**	**$ 408,451**	**$ 408,409**	**$ 393,768**	**-3.6%**
Expenditures, net of Revenues	**$ (120,124)**	**$ (31,416)**	**$ (46,107)**	**$ (61,748)**	**96.5%**
Beginning Fund Balance	526,219	646,343	646,343	692,450	7.1%
Ending Fund Balance	**$ 646,343**	**$ 677,759**	**$ 692,450**	**$ 754,198**	**11.3%**

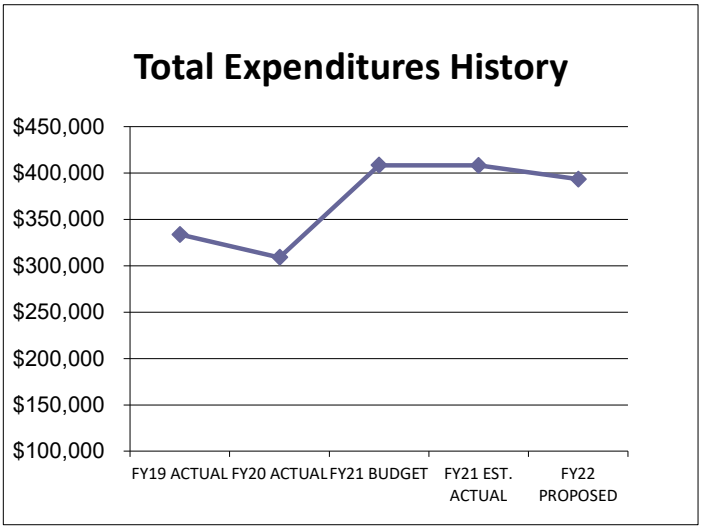
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

Total expenditures for FY21 estimated actual compared to FY21 budget are anticipated to be flat. Revenues increased over FY21 budget by 3.3% or $15.6K primarily due to higher premium contributions by employees due to an increase in participants than budgeted.

Adopted FY21 to Proposed FY22

The dental claims expenditures for proposed FY22 budget are expected to decrease by 4.1% or $14.7K from FY21 budget which decreases overall expenses by $14.7K. Additionally, the revenues and premiums charged are expected to increase by 3.6% or $15.6K as a result of the funding trends for participants currently enrolled in the dental insurance program.



EXPENDITURE AND REVENUE SUMMARY

	2019/20 ACTUAL	2020/21 BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED	2021/22 % CHANGE
REVENUES BY TYPE					
Interest Earned	$ 518	$ 200	$ 200	$ 200	0.0%
Total Revenues	**$ 518**	**$ 200**	**$ 200**	**$ 200**	**0.0%**
EXPENDITURES BY TYPE					
Utilities	4,576	4,600	4,600	4,600	0.0%
Total Expenditures & Transfers	**$ 4,576**	**$ 4,600**	**$ 4,600**	**$ 4,600**	**0.0%**
Expenditures, net of Revenues	**$ 4,058**	**$ 4,400**	**$ 4,400**	**$ 4,400**	**0.0%**
Beginning Fund Balance	93,534	89,476	89,476	85,076	-4.9%
Ending Fund Balance	**$ 89,476**	**$ 85,076**	**$ 85,076**	**$ 80,676**	**-5.2%**

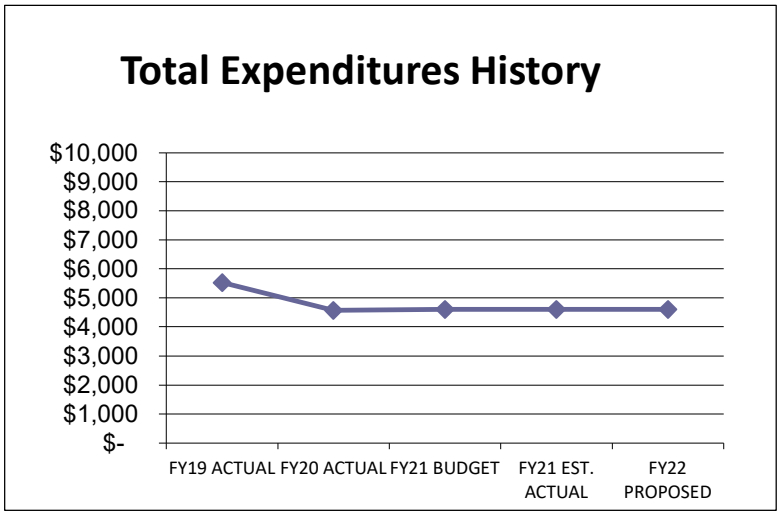
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY21 to Estimated Actual FY21

It is anticipated that we will need to appropriate about $4.4K from accumulated prior years earnings to cover the shortfall between FY21 interest earnings and FY21 expenses. This shortfall is a result of the amount pledged to the Community Action Council with the change made to this program to assist the poor and needy of Hagerstown. Finance will continue to monitor this fund to ensure that a long-term balance is maintained between interest earnings and total expenditures.

Adopted FY21 to Proposed FY22

For many years, the budget limited the pledge to the Community Action Council to the next year's anticipated interest earnings. This limitation withheld assistance to the poor and needy of Hagerstown in economic slumps when the need was the greatest. In addition, interest rates had declined over this same period of time which led to even less interest revenue being generated. Our FY22 budget continues to reflect our modification to treat this fund more as a flow of funds annuity with a steady annual stipend which will be continually replenished from investment earnings over a long-term time frame. Finance will monitor this fund so that a long-term balance between earnings and expenditures is maintained.



City Center

City of Hagerstown









FINANCIAL PROJECTIONS
SECTION 6

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ALL FUNDS PROJECTIONS
FISCAL YEAR 2022/2026
INTRODUCTION

This Section provides revenue, expenditure and capital outlay projections for the General Fund and City Utilities, as well as the City's Parking, Golf Course, Property Management, Stormwater Management, Health Insurance, and Dental Insurance Funds. These projections have been prepared to assist the Mayor and Council, City staff, and citizens in:

- Strategically planning for the future by using the FY2021/22 Proposed Budget as a baseline.
- Maintaining a broader view of the impact of the current budget process, fiscal policies, service levels, and Capital Improvement Plans.
- Enabling us to forecast the possible results of our current business plans and decisions to become more proactive in financial management and planning efforts.
- Reviewing and analyzing the impact of expected fiscal and economic trends on the City's financial condition.
- Reviewing the sufficiency of projected revenues in meeting projected expenditures.
- Analyzing the financial impact and affordability of the capital improvement programs.
- Reviewing the timing and amounts of needed debt financing and its fiscal impact.
- Determining the timing and magnitude of required revenue rate adjustments.

The projections are based on information available to staff as of March 1, 2021. Although every effort has been made to be realistic in developing these projections, it is important to note that revenues and expenditures rarely proceed in a totally predictable manner. These projections can, however, provide an important tool for the City's long-term financial planning.

- Percentages of projected changes are indicated in the column after the FY2021/22 Proposed Budget. Items without a percentage have been individually projected by year. An "S" indicates that there is a supporting schedule with more detail.
- The interest income revenue is projected to fluctuate across funds in FY2021/22 and future years as a result of declining interest market rates, interest rates adjustments made by the Federal Reserve System, and available cash balances in individual funds.
- The Wage & Benefits projections contain potential salary enhancements for FY2021/22 for all full-time employee groups. (See Section 1 for specific wage history trends by employee group). The projections include a combination of salary enhancements annually from FY2021/22 through FY2025/26. Additionally, the projections include savings associated with funded vacant positions in the General Fund; and anticipate funded vacancy savings to occur into the future through FY2025/26. The City has four collective bargaining union groups and all four of the groups have approved contracts in place that expire on June 30, 2022. All four of these contracts also have wage re-opener clauses.
- The overall average projected increase in employee benefits range from 3.8% to 5.4% primarily due to expected increases over the next several years in the City's Health, Workers Compensation, and Retirement Program costs. It is important to note that FY2021/22 includes a one-time potential distribution of the Health Insurance’s surplus from FY2019/20.
- Debt service includes current commitments to repay principal and interest on governmental obligations, as well as projected debt requirements identified in the capital improvement plan. Future debt costs are based on a 2.0% through 4.75% interest rate range over a 20, 25, or 30 year term and includes both City issued bonds and MDE issued bonds/loans.
- In addition to covering 100% of the claims and cost incurred for retired employees, the City makes annual contributions to a separate trust account for Other Post-Employment Benefits (OPEB). The annual amount to be contributed in FY2021/22 and all future projections through FY2025/26 is $650K.

- In general, total revenue growth (excluding the "NEEDED REVENUE SOURCE" amount) is projected to increase from $47.9 million in FY2022/23 to $49.4 million in FY2023/24. Due to several contributing factors, new and / or increased revenue sources are needed beginning in FY2022/23 to help offset estimates for future periods. The primary factors that impact the projections for FY2022/23 include:
    - Funding equipment and Capital Improvement Program with annual operating revenue
    - Minimal growth anticipated in existing City revenue sources
    - Preliminary projection of 5.2% increase for all salary and related benefits costs
    - Annual debt service requirements for infrastructure upgrades and improvements
    - Preliminary overall inflation factors on insurance, supplies, and maintenance contracts

- In FY2018/19, the city implemented a tiered tax rate for real estate. The property tax rate is proposed to remain at the current rates: $1.002 per $100 for real estate on all except Apartments; $1.032 per $100 for real estate on Apartments; and $2.505 per $100 for personal property. The annual Constant Yield certification from the State Department of Assessments & Taxation received in February 2021 reflects market value growth of 2.7% during the second year of the City's triennial assessment period. The total estimated property tax revenue represents 69.4% of current revenue sources in FY2021/22 and is important to cover existing city service levels, employer payroll costs (including wages and benefits), inflation increases on most expense categories, pay-go funds for capital infrastructure need, and annual debt service requirements. For future years, the projections include overall growth in property tax revenue in FY2022/23 through FY2025/26 to occur through increased assessed values; anticipated development growth; annexations; or other adjustments as needed to offset any market values decline.

- The County Tax Rebate was terminated by the County after the FY2009/10. It was replaced by a County Tax Rate differential provided directly to City property owners which started in 2010/11. The County rate in the City is currently $0.125 cents per $100 assessed value less than the outside City rate and is estimated to stay the same for 2021/22.

- From FY2020/21 to FY2021/22 budget, the overall City portion of Income & Other Taxes is expected to increase by 17.4% to reflect growth or a return to pre-COVID revenue levels for some categories of revenue.
    - The County implemented an increase in local income tax rate from 2.8% to 3.2% effective January 1, 2020 which will increase the amount of total dollars back to the City. It is difficult to anticipate the overall impact to the city's income tax revenue due to changes implemented by the State of Maryland including making unemployment income tax free for two years and increasing the amount of state credit amounts given for earned income tax credit for three years. It is anticipated that this income source will grow approximately 2.0% annually beginning in FY2022/23 through FY2025/26.
    - Highway User Revenue (HUR) directly in the General Fund is used to cover a portion of the annual debt service requirements for projects that had to be funded with bonds when HUR funding was drastically decreased by the state. The annual debt service requirements for HUR eligible projects is greater than the $100K that will be utilized as all remaining HUR funding is needed within planned capital projects for FY2021/22.
    - Admission and amusement tax reflects sporadic growth beginning in FY2023/24 through FY2025/26. In addition to the severe and immediate impact from the COVID pandemic, the city has lost its minor league baseball team and a major hotel and nightclub closed its doors. It is anticipated that there will be some new entertainment venues to emerge and a slow growth in this area over the next few fiscal years.
    - Hotel/motel room tax reflects a slow growth of 2.0% beginning in FY2022/23 through the future. This is another area that experienced an immediate impact from the pandemic.

- Most operating grant revenues and related expenditures are separately reflected in the Grants Fund. The large increase included in FY2020/21 was not anticipated. It reflects a total of one-time funding of $1.4M in CARES federal grant reimbursement dollars that covers a portion of first responders' base wages in public safety plus some personal protection equipment purchased for all general fund staffing. Beginning in FY2021/22, grant revenues reflect the recurring grant dollars that are received for police for school resource officers and DEA related overtime costs.

- Wage & Benefit projections include four collective bargaining union contracts and non-union employees. All four collective bargaining contracts have a clause for wage re-openers and the contracts currently all expire on June 30, 2022. As a result, the projections include a continuation of combined salary enhancements annually through FY2025/26. The projection includes savings associated with vacancies in funded positions that occur throughout the normal course of business. There is a schedule of unfunded positions in Schedule 1 for reference only; there are no dollars reflected in the FY2021/22 budget for unfunded positions and savings. The overall projected increases from FY2022/23 through FY2025/26 range from 4.1% to 5.1% increases as a result of continued salary enhancements.

- The overall average projected changes in employee benefits range from 4.2% to 5.4% primarily due to expected increases over the next several years in the City's Pension Contributions, and Health and Dental Program costs.

- Annual debt service expenditures represent 4.7% of all general fund expenditures in FY2021/22 budget, or $2.3 million. As reflected on the debt service schedule on page 12, annual debt service requirements are expected to fluctuate annually from FY2021/22 through FY2025/26 as the city continues to pay-off prior bonds and issue new bonds for infrastructure investments. The changes beginning in FY2022/23 through FY2025/26 are respectively <11.3%>, 11.5%, 24.3%, and 9.1%.The detail on each project that will be funded by future debt issues are reflected in Section 7, page 15. It is important to note that if all planned projects move forward as reflected, the City will be under its debt limit capacity in FY2025/26 as reflected in its Debt Management Policy.

- The remaining other expenditure categories are projected to increase based on a combination of historic trends and inflation factors.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
REVENUES										
Property Taxes	$ 29,270	$ 29,597	$ 29,049	$ 29,464	$ 30,263	S	$ 30,874	$ 32,057	$ 32,681	$ 33,259
Payments in Lieu of Taxes	2,778	2,802	2,776	2,784	2,783	S	2,785	2,788	2,790	2,792
Total property taxes	**32,048**	**32,399**	**31,825**	**32,248**	**33,046**		**33,659**	**34,844**	**35,471**	**36,051**
	8.0%	*1.1%*	*-1.8%*	*1.3%*	*3.8%*		*1.9%*	*3.5%*	*1.8%*	*1.6%*
Income Tax	2,747	2,838	2,487	2,487	2,800	2.0%	2,856	2,913	2,971	3,031
Highway User Revenues	-	275	80	80	100		143	143	143	145
Police / Fire Protection	814	772	780	767	770	0.5%	774	778	782	786
Admission Tax	361	183	150	100	125		125	175	195	205
Financial Corporations	34	34	34	34	34		34	34	34	34
Room Tax - Tourism Promotion	220	157	165	165	165	2.0%	200	204	208	212
Enterprise Zone Tax Credits	11	10	12	81	361		360	360	360	360
Total Income & Other Taxes	**4,187**	**4,269**	**3,708**	**3,714**	**4,355**		**4,492**	**4,607**	**4,693**	**4,773**
	14.1%	*2.0%*	*-11.4%*	*0.2%*	*17.4%*		*3.1%*	*2.6%*	*1.9%*	*1.7%*
Total Tax & Shared Revenues	**36,235**	**36,668**	**35,533**	**35,962**	**37,401**		**38,151**	**39,451**	**40,164**	**40,824**
	8.7%	*10.0%*	*-1.9%*	*1.2%*	*5.3%*		*2.0%*	*3.4%*	*1.8%*	*1.6%*
Refuse Service Fees	2,772	2,801	2,788	2,812	2,948	2.5%	3,022	3,097	3,175	3,254
Other Service Charges	822	371	690	469	580	2.0%	838	855	872	890
Residential Rental Licenses & Vacant Structures	674	635	785	775	790	2.0%	806	822	838	855
Cable TV Franchise	331	332	334	312	312	2.0%	318	325	331	338
Other Licenses & Permits	1,140	1,177	1,552	1,487	1,085	1.0%	793	801	809	817
Safe Speed for Students Program	767	743	795	1,186	975		950	900	850	850
Red Light Camera Program	144	132	150	145	150		150	150	200	200
Other Fines & Forfeitures	38	91	167	62	148	3.0%	152	157	162	167
Admin Allocation	1,998	1,998	1,998	1,998	1,998	0.0%	1,998	1,998	1,998	1,998
Interest	264	271	120	35	40		65	100	175	260
Rental Income	192	161	181	161	173		173	185	190	200
Grants	526	419	1,831	1,818	363	S	367	367	367	367
Other Revenues	757	788	529	520	669	S	165	165	165	165
NEEDED REVENUE SOURCE*	-	-	-	-	-		***2,671***	***2,503***	***3,531***	***4,405***
Total Other Revenues	**10,425**	**9,919**	**11,920**	**11,780**	**10,231**		**12,468**	**12,425**	**13,663**	**14,765**
Total Revenues	**46,660**	**46,587**	**47,453**	**47,742**	**47,632**		**50,620**	**51,876**	**53,827**	**55,589**
% Revenue Growth	*7.4%*	*7.2%*	*1.7%*	*0.6%*	*0.4%*		*6.3%*	*2.5%*	*3.8%*	*3.3%*
Appropriated Fund Balance to CIP Fund:Capital Expenditures	-	-	2,379	-	937		-	-	-	-
Total Other Funding Sources	**-**	**-**	**2,379**	**-**	**937**		**-**	**-**	**-**	**-**
Total Funding Sources	**$ 46,660**	**$ 46,587**	**$ 49,832**	**$ 47,742**	**$ 48,569**		**$ 50,620**	**$ 51,876**	**$ 53,827**	**$ 55,589**

FY23 projections currently estimate additional $2.7M in changes needed. This $2.7M reflects funding equipment and CIP transfers with annual operations, combined 0.7% minimal growth in current revenue sources, an overall preliminary estimate of 5.2% increase for all payroll related costs, annual debt service to fund priority projects, infrastructure and capital needs, and cover overall inflation factors on items such as insurance, supplies, and maintenance contracts.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
EXPENDITURES										
Salaries and Wages	$ 19,587	$ 20,144	$ 21,970	$ 21,453	$ 21,288	S	$ 22,370	$ 23,425	$ 24,425	$ 25,423
Fringe Benefits -										
Active Employees	8,011	8,233	9,097	8,736	8,867	S	9,359	9,747	10,149	10,562
Retirees	1,461	1,468	1,469	1,502	1,502	S	1,575	1,652	1,732	1,817
Total Wages & Benefits	**29,059**	**29,845**	**32,536**	**31,691**	**31,657**		**33,304**	**34,824**	**36,306**	**37,802**
	0.8%	*2.7%*	*9.0%*	*-2.6%*	*-2.7%*		*5.2%*	*4.6%*	*4.3%*	*4.1%*
Contracted Services	5,083	5,030	5,211	5,123	5,411	S	5,521	5,645	5,772	5,901
Advertising & Printing	202	147	242	217	224	2.0%	228	233	238	242
Rentals	107	108	115	114	116		115	115	115	115
Maintenance & Repairs	1,033	1,106	1,218	1,237	1,374		1,130	1,160	1,160	1,210
Vehicle Expenses	830	693	783	645	694	2.0%	708	722	736	751
Materials, Supplies & Utilities	2,031	1,789	2,017	2,046	2,120	3.0%	2,184	2,249	2,317	2,386
Professional Development	116	135	201	105	190		170	175	180	185
Communication	340	350	364	369	379		365	367	369	371
Wage & Overhead Allocation	(817)	(927)	(1,414)	(1,376)	(1,463)		(1,539)	(1,609)	(1,678)	(1,747)
Other General Expenditures	865	602	706	627	1,071		1,076	1,081	1,086	1,091
Insurance	202	254	307	302	307	5.0%	322	338	355	373
Unallocated Gen'l Expenditures	850	670	518	553	737		740	740	742	744
Capital Outlay - Non-CIP	191	156	191	187	187		189	209	214	224
Debt Service	2,533	2,950	2,436	2,205	2,273	S	2,016	2,248	2,795	3,050
Operating Transfers to Other Funds	973	1,260	1,326	1,326	1,237	S	1,326	1,330	1,389	1,389
Capital Transfers to CIP Fund	1,105	998	612	659	1,116		2,764	2,049	1,730	1,502
Fund Balance Transfers to CIP Fund	205	1,311	2,379	659	937		-	-	-	-
Fund Balance Trans for Invest Hag	2	-	-	-	-		-	-	-	-
Total Expenditures	**44,910**	**46,477**	**49,748**	**46,689**	**48,567**		**50,620**	**51,876**	**53,827**	**55,590**
% Expenditures Growth	*6.2%*	*3.5%*	*7.0%*	*-6.1%*	*-2.4%*		*4.2%*	*2.5%*	*3.8%*	*3.3%*
Surplus / (Deficit)	**$ 1,750**	**$ 110**	**$ 84**	**$ 1,053**	**$ 2**		**$ (0)**	**$ (0)**	**$ 0**	**$ (0)**
Real Estate Tax Rates: Excl Apts	**$ 1.002**	**$ 1.002**	**$ 1.002**	**$ 1.002**	**$ 1.002**		**$ 1.002**	**$ 1.002**	**$ 1.002**	**$ 1.002**
Change in Tax Rates	**$ 0.061**	**$ -**	**$ -**	**$ -**	**$ -**		**$ -**	**$ -**	**$ -**	**$ -**
Each penny on the real estate tax rate generates additional revenue of	**$ 262**	**$ 266**	**$ 263**	**$ 267**	**$ 273**		**$ 278**	**$ 290**	**$ 296**	**$ 302**
Personal Property Tax Rates	**$ 2.505**	**$ 2.505**	**$ 2.505**	**$ 2.505**	**$ 2.505**		**$ 2.505**	**$ 2.505**	**$ 2.505**	**$ 2.505**
Change in Tax Rates	**$ 0.153**	**$ -**	**$ -**	**$ -**	**$ -**		**$ -**	**$ -**	**$ -**	**$ -**
Each penny on the personal property tax rate generates additional revenue of	**$ 13**	**$ 13**	**$ 12**	**$ 12**	**$ 13**		**$ 13**	**$ 13**	**$ 13**	**$ 13**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
PROPERTY TAXES
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG% *	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Real Estate - Full Year Levy	**$ 26,281**	**$ 26,710**	**$ 26,500**	**$ 27,290**	**$ 28,449**		**$ 28,970**	**$ 30,094**	**$ 30,664**	**$ 31,218**
% Increase	***8.0%***	***1.6%***	***-0.8%***	***3.0%***	***7.4%***		***1.8%***	***3.9%***	***1.9%***	***1.8%***
Personal Property - UnInc	61	52	55	42	45	0.5%	45	45	46	46
Personal Property - Corp	3,283	3,160	2,955	3,000	3,160	0.5%	3,226	3,242	3,258	3,274
Homestead Tax Credit	(116)	(82)	(150)	(111)	(130)		(130)	(125)	(110)	(105)
Enterprise Zone Tax Credit Progra	(22)	(23)	(24)	(163)	(721)		(720)	(720)	(720)	(720)
Tax Exemption - Real Estate	(290)	(292)	(300)	(553)	(550)		(530)	(498)	(478)	(478)
Total Current Year's Levy	**29,197**	**29,525**	**29,036**	**29,505**	**30,253**		**30,861**	**32,039**	**32,660**	**33,235**
Reserve for Uncollect Taxes	(127)	(42)	(127)	(180)	(130)		(130)	(130)	(130)	(130)
Total Adj - Prior Yrs Levies	**(127)**	**(42)**	**(127)**	**(180)**	**(130)**		**(130)**	**(130)**	**(130)**	**(130)**
Current Years Levy	236	148	175	175	175		178	185	189	192
Total Interest on Delinq Tax	**236**	**148**	**175**	**175**	**175**		**178**	**185**	**189**	**192**
Tax Discounts/Allows - C/Yr	(36)	(34)	(35)	(36)	(35)		(36)	(37)	(38)	(38)
Total Tax Discounts/Allows	**(36)**	**(34)**	**(35)**	**(36)**	**(35)**		**(36)**	**(37)**	**(38)**	**(38)**
Total Property Taxes	**29,270**	**29,597**	**29,049**	**29,464**	**30,263**		**30,874**	**32,057**	**32,681**	**33,259**
% Increase	*8.7%*	*1.1%*	*-1.9%*	*1.4%*	*4.2%*		*2.0%*	*3.8%*	*1.9%*	*1.8%*
Hag Housing Authority	105	108	105	105	105	0.8%	106	107	108	108
Bethel Gardens	9	29	12	14	14	0.8%	14	14	14	14
Liberty Property	165	166	160	166	165	0.8%	166	168	169	170
CW Brooks Mid-Rise	9	9	9	9	9	0.8%	9	9	9	9
Electric Fund	532	532	532	532	532	0.0%	532	532	532	532
Water Fund	660	660	660	660	660	0.0%	660	660	660	660
Wastewater Fund	1,298	1,298	1,298	1,298	1,298	0.0%	1,298	1,298	1,298	1,298
Property Management Fund	-	-	-	-	-	0.0%	-	-	-	-
Total Pymts in Lieu of Taxes	**2,778**	**2,802**	**2,776**	**2,784**	**2,783**		**2,785**	**2,788**	**2,790**	**2,792**
% Increase	*0.8%*	*0.9%*	*-0.9%*	*0.3%*	*0.3%*		*0.1%*	*0.1%*	*0.1%*	*0.1%*
Total Property Taxes	**$ 32,048**	**$ 32,399**	**$ 31,825**	**$ 32,248**	**$ 33,046**		**$ 33,659**	**$ 34,844**	**$ 35,471**	**$ 36,051**
% Increase	*8.0%*	*1.1%*	*-1.8%*	*1.3%*	*3.8%*		*1.9%*	*3.5%*	*1.8%*	*1.6%*

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
ASSESSABLE BASE TABLE

	Total Assessable Base Values* (in millions)	Assessable Base - % Change from Prior Year	Real Estate Tax Rate	Real Estate Tax Rate -% Change from Prior Year	Real Estate and Property Tax Revenue (in thousands)	Property Taxes - % Change from Prior Year
Actual 2005/2006	1,843	12.4%	0.798	0.0%	16,123	10.5%
Actual 2006/2007	2,103	14.1%	0.798	0.0%	18,200	12.9%
Actual 2007/2008	2,297	9.2%	0.798	0.0%	19,742	8.5%
Actual 2008/2009	2,552	11.1%	0.788	-1.3%	21,676	9.8%
Actual 2009/2010	2,830	10.9%	0.788	0.0%	23,959	10.5%
Actual 2010/2011	2,881	1.8%	0.788	0.0%	24,132	0.7%
Actual 2011/2012	2,559	-11.2%	0.788	0.0%	21,386	-11.4%
Actual 2012/2013	2,634	2.9%	0.788	0.0%	22,216	3.9%
Actual 2013/2014	2,665	1.2%	0.788	0.0%	22,398	0.8%
Actual 2014/2015	2,542	-4.6%	0.898	14.0%	24,325	8.6%
Actual 2015/2016	2,618	3.0%	0.913	1.7%	25,586	5.2%
Actual 2016/2017	2,660	1.6%	0.913	0.0%	25,991	1.6%
Actual 2017/2018	2,660	0.0%	0.941	3.1%	26,857	3.3%
Actual 2018/2019: All	2,714	2.0%	1.002	6.5%	29,197	8.7%
Actual 2018/2019: Apts	*237*	*N/A* ***	*1.032*	*N/A*	*2,451*	*N/A*
Actual 2019/2020: All	*2,754*	1.5%	1.002	0.0%	29,525	1.1%
Actual 2019/2020: Apts	*184*	-22.6%	*1.032*	0.0%	*1,897*	-22.6%
Estimated 2020/2021: All	**2,762**	**0.3%**	**1.002**	**0.0%**	**29,505**	**-0.1%**
Estimated 2020/2021: Apts	*238*	*29.7%* ***	*1.032*	*0.0%*	*2,460*	*29.7%*
Proposed 2021/2022: All	**2,827**	**2.3%** **	**1.002**	**0.0%**	**30,253** **	**2.5%**
Proposed 2021/2022: Apts	*246*	*3.0%* ***	*1.032*	*0.0%*	*2,535*	*3.0%*
Projected 2022/2023: All	2,884	2.0%	1.002	0.0%	30,861	2.0%
Projected 2023/2024: All	3,001	4.0%	1.002	0.0%	32,039	3.8%
Projected 2024/2025: All	3,062	2.0%	1.002	0.0%	32,660	1.9%
Projected 2025/2026: All	3,118	1.8%	1.002	0.0%	33,236	1.8%

*The City chart above includes a calculated assessable base value for both real property and personal property and these values are reflected separately on the following page. The State Department of Assessment and Taxation provides annual Constant Yield notice information that inlcudes real property assessed value expected on July 1 only.

**The assessable base value per the February 2021 Constant Yield Notice memos reflect a combined expected real property assessed value of 2,719 which is an increase of 2.7% compared to current levels. The City chart above assumes a slightly lower average assessable base value which includes personal property values and offsetting increases for two Enterprise Zone developments that significantly increase credits. In addition, the chart above reflects the average value for all of FY21 and not just the value estimated to be on July 1.

***In addition, the city implemented a different tier tax rate for all Apartment classifications in FY19. The numbers and data for "All" include the Apartment classifications and are representative of total dollars and value to the city.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
ASSESSABLE BASE TABLE
(IN THOUSANDS)

	ACTUAL 2018/19	ACTUAL 2019/20	EST. ACTUAL 2020/21	PROPOSED BUDGET 2021/22	PROJECTED 2022/23
For Full Year Levy	$ 26,281	$ 26,710	$ 27,290	$ 28,449	$ 28,970
Enterprise Zone Tax Credit Program	(22)	(23)	(163)	(721)	(720)
Tax Exemption - Real Estate	(290)	(292)	(553)	(550)	(530)
Homestead Tax Credit Cap	(116)	(82)	(111)	(130)	(130)
Net Real Estate Taxes	**25,853**	**26,313**	**26,463**	**27,048**	**27,590**
	8.6%	1.8%	0.6%	2.2%	2.0%
Unincorporated Personal Property	61	52	42	45	45
Corporate Personal Property	3,283	3,160	3,000	3,160	3,226
Total Personal Property	**3,344**	**3,212**	**3,042**	**3,205**	**3,271**
	9.8%	-3.9%	-5.3%	5.4%	2.1%
Current Year's Levy	**$ 29,197**	**$ 29,525**	**$ 29,505**	**$ 30,253**	**$ 30,861**
	8.7%	1.1%	-0.1%	2.5%	2.0%
Real EstateTax Rate	**$ 1.002**	**$ 1.002**	**$ 1.002**	**$ 1.002**	**$ 1.002**
Real EstateTax Rate - Apartments Only	*$ 1.032*	*$ 1.032*	*$ 1.032*	*$ 1.032*	*$ 1.032*
Business Property Tax Rate	**$ 2.505**	**$ 2.505**	**$ 2.505**	**$ 2.505**	**$ 2.505**
Assessable Base					
Real Property	$ 2,580,140	$ 2,626,048	$ 2,641,018	$ 2,699,401	$ 2,753,497
	1.8%	0.017792906	0.6%	2.2%	2.0%
[(Net Real Estate Taxes / Tax Rate)/10)]					
Business Personal Property	133,493	128,224	121,437	127,944	130,579
	7.0%	-0.03947368	-5.3%	5.4%	2.1%
[Total Personal Property / Tax Rate]					
Total Assessable Base	**$ 2,713,633**	**$ 2,754,271**	**$ 2,762,455**	**$ 2,827,345**	**$ 2,884,076**
	2.0%	1.5%	0.3%	2.3%	2.0%

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
GRANT AND OTHER REVENUES
(IN THOUSANDS)

GRANT REVENUES

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Various Departments: Grants										
Event Grants	23	5	8	21	6		-	-	-	-
Arts & Entertainment Grants	-	4	-	2	-		-	-	-	-
CARES Grant Pass-thru from County	-	-	1,437	1,437	-		-	-	-	-
All Other Departmental Grants	3	-	-	-	-		-	-	-	-
Police Department: Grants										
DEA Reimbursed Overtime	32	35	30	18	18		18	18	18	18
HIDTA NTF Reimbursed Overtime	21	16	17	2	-		10	10	10	10
COPS Hiring Grants - 2012, 2014, and 2016	108	20	-	-	-		-	-	-	-
School Resource Officers Grant	339	339	339	339	339		339	339	339	339
Total Grant Revenues	**$ 526**	**$ 419**	**$ 1,831**	**$ 1,818**	**$ 363**		**$ 367**	**$ 367**	**$ 367**	**$ 367**

OTHER REVENUES

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Sale of Land & Other Property										
Fire & Police Dept Equipment	2	7	4	16	8		8	8	8	8
Other	43	25	1	-	-		7	7	7	7
Total Land Sale/Other	**45**	**32**	**5**	**16**	**8**		**15**	**15**	**15**	**15**
Contributions & Donations	36	29	50	19	37		40	40	40	40
Miscellaneous Revenues	111	87	60	74	53		80	80	80	80
Other Revenues	**147**	**116**	**110**	**93**	**90**		**120**	**120**	**120**	**120**
Transfers from CDBG Fund	16	28	30	27	29		30	30	30	30
Transfers from Health Ins Fund	537	580	380	380	542		-	-	-	-
Transfers from Capital Improvements Fund	12	32	4	4	-		-	-	-	-
Total Transfers from Other Funds	**565**	**640**	**414**	**411**	**571**		**30**	**30**	**30**	**30**
Total Other Revenues	**$ 757**	**$ 788**	**$ 529**	**$ 520**	**$ 669**		**$ 165**	**$ 165**	**$ 165**	**$ 165**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
SALARIES AND FRINGE BENEFITS
(IN THOUSANDS)

SALARIES AND WAGES

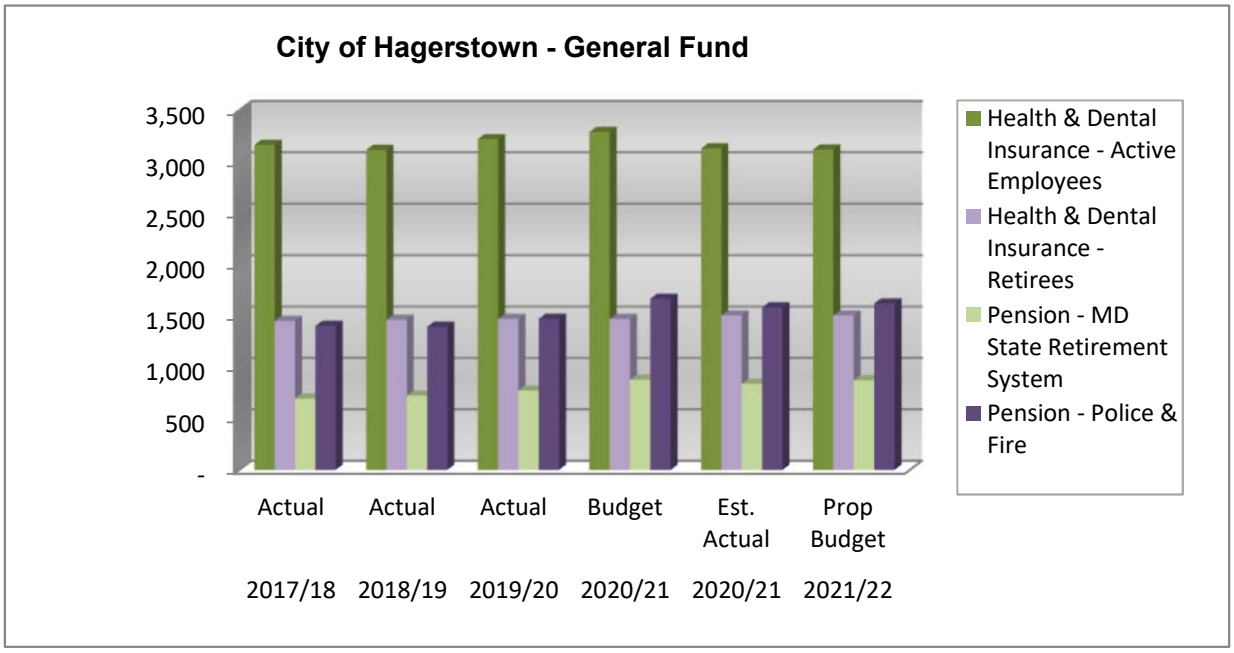
	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ. *4.600%*	2023/24 PROJ. *5.000%*	2024/25 PROJ. *4.500%*	2025/26 PROJ. *4.300%*
BASE WAGES										
Regular Wages-Salaried	$ 4,505	$ 4,822	$ 5,650	$ 5,675	$ 6,111		$ 6,392	$ 6,712	$ 7,014	$ 7,315
Regular Wages-Hourly	10,066	10,430	14,252	12,981	13,487		14,107	14,813	15,479	16,145
Regular Wages-Stipend	-	-	658	658	-		-	-	-	-
Sick Leave Pay	548	555	-	-	-		-	-	-	-
Holiday Pay	861	846	-	-	-		-	-	-	-
Vacation Pay	1,210	1,226	-	-	-		-	-	-	-
Compensatory Time Used	147	113	-	-	-		-	-	-	-
Personal Leave	189	210	-	-	-		-	-	-	-
Temporary & Seasonal	606	611	837	661	807	0.50%	811	815	819	823
Sick Pay - PT and Seasonal	14	16	1	10	9		5	6	7	8
Sick Pay - Federal COVID	-	4	-	20	-					
Vacation Pay on Termination	120	99	165	61	178		80	80	80	80
Unfunded Positions Savings	-	-	-	-	-		-	-	-	-
Additional Vacancy Savings	-	-	(712)	-	(300)		(275)	(275)	(275)	(275)
Total Base Wages	**18,266**	**18,932**	**20,851**	**20,066**	**20,292**		**21,121**	**22,151**	**23,124**	**24,097**
% Increase	*0.5%*	*3.6%*	*10.1%*	*-3.8%*	*-2.7%*		*4.1%*	*4.9%*	*4.4%*	*4.2%*
ADDITIONAL WAGES										
Overtime Pay	1,351	1,256	1,119	1,387	996	2.00%	1,250	1,275	1,300	1,326
Comp Time Earned	(30)	(44)	-	-	-		-	-	-	-
Total Additional Wages	**1,321**	**1,212**	**1,119**	**1,387**	**996**		**1,250**	**1,275**	**1,300**	**1,326**
% Increase	*12.0%*	*-8.3%*	*-7.7%*	*23.9%*	*-11.0%*		*25.5%*	*2.0%*	*2.0%*	*2.0%*
Total Wages	**$ 19,587**	**$ 20,144**	**$ 21,970**	**$ 21,453**	**$ 21,288**		**$ 22,370**	**$ 23,425**	**$ 24,425**	**$ 25,423**
% Increase	*1.2%*	*2.8%*	*9.1%*	*-2.4%*	*-3.1%*		*5.1%*	*4.7%*	*4.3%*	*4.1%*

FRINGE BENEFITS

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Active Employees										
Holiday/Vacation Buy Back	$ -	$ 8	$ -	$ -	$ -		$ -	$ -	$ -	$ -
Severance Incentive Pay	56	-	-	-	-		-	-	-	-
Sick Pay on Termination	91	82	182	65	196		130	130	130	130
Pension - Police & Fire	1,391	1,469	1,665	1,580	1,619		1,685	1,767	1,845	1,923
Pension - MD State	722	772	876	836	871		925	970	1,012	1,055
MD State Deficit Payment	194	204	214	214	225		236	248	260	273
Pension - 401(a) Plan	2	2	2	2	2		2	2	2	2
F.I.C.A. Taxes (7.65%)	1,455	1,482	1,508	1,573	1,462		1,711	1,792	1,868	1,945
Health Insurance	3,027	3,133	3,197	3,046	3,031	5.0%	3,183	3,342	3,509	3,684
Dental Insurance	86	85	90	81	86	1.0%	87	88	89	89
Life Insurance	29	30	33	33	33		34	36	38	39
Long-Term Disability	5	5	5	5	5		6	6	6	6
Workmans Compensation	796	812	1,138	1,138	1,149		1,162	1,164	1,188	1,211
Emply Discounted Parking	58	45	72	68	77		71	73	78	83
Unemployment Taxes	69	72	77	65	72		85	85	80	75
Employee Assistance Prog	10	10	13	10	10		13	13	14	14
HPD Housing Allowance	14	16	19	14	23		23	25	26	27
Employee Longevity	6	6	6	6	6		6	6	6	6
Total	**8,011**	**8,233**	**9,097**	**8,736**	**8,867**		**9,359**	**9,747**	**10,149**	**10,562**
% Increase	*-0.2%*	*2.8%*	*10.5%*	*-4.0%*	*-2.5%*		*5.5%*	*4.1%*	*4.1%*	*4.1%*
Retirees										
Health Insurance	1,413	1,419	1,420	1,452	1,452	5.0%	1,525	1,601	1,681	1,765
Dental Insurance	48	49	49	50	50	1.0%	51	51	52	52
Total	**1,461**	**1,468**	**1,469**	**1,502**	**1,502**		**1,575**	**1,652**	**1,732**	**1,817**
% Increase	*0.8%*	*0.5%*	*0.1%*	*2.2%*	*2.2%*		*4.9%*	*4.9%*	*4.9%*	*4.9%*
Total Fringe Benefits	**$ 9,472**	**$ 9,701**	**$ 10,566**	**$ 10,238**	**$ 10,369**		**$ 10,934**	**$ 11,398**	**$ 11,882**	**$ 12,379**
% Increase	*-0.1%*	*2.4%*	*8.9%*	*-3.1%*	*-1.9%*		*5.4%*	*4.2%*	*4.2%*	*4.2%*

GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2022/2026
EMPLOYER SHARE OF INSURANCE AND PENSION COSTS
(IN THOUSANDS)

	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Budget	2020/21 Est. Actual	2021/22 Prop Budget
Health & Dental Insurance - Active Employees	3,163	3,113	3,218	3,287	3,127	3,117
Health & Dental Insurance - Retirees	1,449	1,461	1,468	1,469	1,502	1,502
Pension - MD State Retirement System	695	722	772	876	836	871
Pension - Police & Fire	1,400	1,391	1,469	1,665	1,580	1,619
	6,707	6,687	6,927	7,297	7,045	7,109
	-1%	0%	4%	5%	-3%	-3%



GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2018 THROUGH FISCAL YEAR 2022
PENSIONS COSTS AS PERCENT OF SALARY

	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Budget	2020/21 Est. Actual	2021/22 Prop Budget
Retirement - State of MD Fund Employer	8.56%	9.00%	9.00%	10.24%	10.24%	10.57%
Retirement - State of MD Fund Employee	7.00%	7.00%	7.00%	N/A	7.00%	N/A
Retirement - Police/Fire Employer	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Retirement - Police/Fire Employee	7.00%	8.00%	8.00%	N/A	8.00%	N/A

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
CONTRACTED SERVICES AND OPERATING TRANSFERS
(IN THOUSANDS)

CONTRACTED SERVICES

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Medical Services	$ 80	$ 74	$ 58	$ 57	$ 62	2.0%	$ 63	$ 64	$ 65	$ 66
Grounds Services	226	293	214	247	256	2.0%	261	266	271	276
Miss Utility	4	4	5	5	5	0.0%	5	5	5	5
Contracted Staffing	13	10	33	18	32	2.0%	33	34	35	36
Other Contracted Services	1,727	1,700	1,794	1,840	1,888		1,914	1,952	1,991	2,031
Trash Collection	2,520	2,585	2,602	2,649	2,722	2.5%	2,790	2,860	2,932	3,005
Legal Fees	226	163	317	155	278	2.0%	284	290	296	302
Auditing	32	24	29	24	25	3.0%	26	27	28	29
Consulting	11	34	15	9	9	2.0%	9	9	9	9
Engineering	33	9	35	35	35	2.0%	36	37	38	39
Building Services	15	18	22	23	24	2.0%	24	24	24	24
Wellness Program	-	-	-	-	-		-	-	-	-
Safety Program	6	4	4	3	6	0.0%	6	6	6	6
Other Professional Services	190	112	83	58	69	2.0%	70	71	72	73
Total Contracted Services	**$ 5,083**	**$ 5,030**	**$ 5,211**	**$ 5,123**	**$ 5,411**		**$ 5,521**	**$ 5,645**	**$ 5,772**	**$ 5,901**
% Increase	*10.4%*	*-1.0%*	*3.6%*	*-1.7%*	*3.8%*		*2.0%*	*2.2%*	*2.2%*	*2.2%*

OPERATING TRANSFERS TO OTHER CITY FUNDS

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Economic Redevelopment Fund	$ 675	$ 976	$ 1,030	$ 1,030	$ 1,030		$ 1,050	$ 1,050	$ 1,100	$ 1,100
Golf Course Fund	273	273	272	272	200		251	255	264	264
Grant Fund	25	11	24	24	7		25	25	25	25
Total Operating Transfers	**$ 973**	**$ 1,260**	**$ 1,326**	**$ 1,326**	**$ 1,237**		**$ 1,326**	**$ 1,330**	**$ 1,389**	**$ 1,389**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
ANNUAL DEBT SERVICE REQUIREMENTS
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
2003/04 Pub Imprv Bonds									
Interest	$ 8	$ 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Principal ($1,395,000)	115	120	-	-	-	-	-	-	-
Issuance Costs	-	-	-	-	-	-	-	-	-
2004/2005 Public Fac Bonds									
Interest	21	10	-	-	-	-	-	-	-
Principal ($3,800,000)	309	318	-	-	-	-	-	-	-
2005/06 Pub Facilities Bonds									
Interest	77	56	35	35	12	-	-	-	-
Principal ($7,490,666)	571	594	613	613	639	-	-	-	-
2008/09 Pub Imprv Bonds									
Interest	18	6	-	-	-	-	-	-	-
Principal ($3,407,810)	394	413	-	-	-	-	-	-	-
2008/09 Pub Imprv BAB									
Interest	187	233	265	179	168	223	198	172	144
Principal ($5,074,007)	-	-	427	427	443	460	476	493	511
2012 Tote Loan									
Interest	10	3	-	-	-	-	-	-	-
Principal ($600,000)	64	190	-	-	-	-	-	-	-
2014 Pub Imprv Bonds									
Interest (2.50% over 15 years)	9	8	7	7	6	6	5	4	3
Principal ($428,427)	28	28	29	29	30	30	31	32	33
2015A Pub Imprv Bonds									
Interest (3.06% over 20 years)	88	84	80	80	75	71	66	61	58
Principal ($3,599,066 after reprogram)	130	135	141	141	150	157	164	173	182
Issuance Costs	-	-	-	-	-	-	-	-	-
2015B Pub Imprv Bonds									
Interest (3.89% over 20 years)	20	19	19	19	18	18	17	16	15
Principal ($650,000)	26	26	26	26	28	28	30	30	32
Issuance Costs	-	-	-	-	-	-	-	-	-
2017A Pub Imprv Bonds									
Interest (2.58% over 20 years)	127	122	116	116	110	103	94	87	81
Principal ($4,293,526)	147	151	162	162	169	177	185	196	203
Issuance Costs	1	1	1	1	1	1	1	1	1
2017B Pub Imprv Bonds									
Interest (3.45% over 20 years)	16	16	15	15	14	14	13	13	12
Principal ($500,000)	19	19	20	20	20	22	22	22	23
Issuance Costs	-	-	-	-	-	-	-	-	-
2018B Pub Imprv Bonds									
Interest (4.30% over 15 years)	*54*	*52*	*49*	*25*	*24*	*22*	*20*	*19*	*17*
Principal ($1,265,000 to $645,000)	*62*	*64*	*67*	*34*	*36*	*37*	*39*	*41*	*42*
Issuance Costs	-	-	-	-	-	-	-	-	-
2019A Pub Imprv Bonds									
Interest (2.98% over 15 years)	-	*93*	*87*	*87*	*81*	*76*	*70*	*64*	*58*
Principal ($3,105,000)	-	*186*	*189*	*189*	*192*	*195*	*198*	*201*	*204*
Issuance Costs	32	-	-	-	-	-	-	-	-
Interest & Issuance Costs	**668**	**706**	**674**	**564**	**509**	**534**	**484**	**437**	**389**
Principal	**1,865**	**2,244**	**1,674**	**1,641**	**1,707**	**1,106**	**1,145**	**1,188**	**1,230**
Subtotal Current Debt Service Issues	**$ 2,533**	**$ 2,950**	**$ 2,348**	**$ 2,205**	**$ 2,216**	**$ 1,640**	**$ 1,629**	**$ 1,625**	**$ 1,619**
2021 Pub Imprv Bonds (Future)									
Interest (4.0% over 20 years)	-	-	*88*	-	*57*	*110*	*110*	*110*	*110*
Principal ($4,212,000)	-	-	-	-	-	*241*	*241*	*241*	*241*
2022 Pub Imprv Bonds (Future)									
Interest (4.25% over 20 years)	-	-	-	-	-	*25*	*50*	*50*	*50*
Principal ($1,795,000)	-	-	-	-	-	-	*103*	*103*	*103*
2023 Pub Imprv Bonds (Future)									
Interest (4.50% over 25 years)	-	-	-	-	-	-	*115*	*230*	*230*
Principal ($9,638,500)	-	-	-	-	-	-	-	*397*	*397*
2024 Pub Imprv Bonds (Future)									
Interest (4.50% over 20 years)	-	-	-	-	-	-	-	*39*	*79*
Principal ($2,678,250)	-	-	-	-	-	-	-	-	*153*
2025 Pub Imprv Bonds (Future)									
Interest (4.75% over 20 years)	-	-	-	-	-	-	-	-	*68*
Principal ($4,386,250)	-	-	-	-	-	-	-	-	-
Total All Debt Service Issues									
Interest & Issuance Costs	**668**	**706**	**762**	**564**	**566**	**669**	**759**	**866**	**926**
Principal	**1,865**	**2,244**	**1,674**	**1,641**	**1,707**	**1,347**	**1,489**	**1,929**	**2,124**
Total All Debt Service Issues	**$ 2,533**	**$ 2,950**	**$ 2,436**	**$ 2,205**	**$ 2,273**	**$ 2,016**	**$ 2,248**	**$ 2,795**	**$ 3,050**
	17.3%	*23.2%*	*-3.8%*	*-9.5%*	*-6.7%*	*-11.3%*	*11.5%*	*24.3%*	*9.1%*

Note: It is anticipated that there will be no FY2020/21 bond issues for the General Fund.
Note: In FY2020/21, shift of applicable outstanding debt and annual debt service requirements from General Fund to Stormwater Management Fund related to Street Sweepers.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2022/2026
DEBT AFFORDABILITY

Fiscal Year	Total Taxable Assessed Value	Population	Governmental Outstanding Debt	Gov't Debt as Percentage of Total Taxable Assessed Value	Gov't Debt Per Capita	General Fund Debt Service as % of General Fund Operating Revenue
2006	1,843,026	38	9,837	0.53%	257	4.77%
2007	2,103,113	39	16,120	0.77%	413	4.73%
2008	2,297,063	40	14,835	0.65%	371	5.42%
2009	2,552,030	40	13,343	0.52%	333	5.16%
2010	2,830,482	40	20,457	0.72%	511	5.25%
2011	2,880,838	40	18,695	0.65%	471	6.41%
2012	2,559,162	40	17,460	0.68%	440	6.80%
2013	2,633,731	40	16,013	0.61%	404	5.31%
2014	2,665,127	40	15,168	0.57%	382	4.80%
2015	2,541,960	40	18,093	0.71%	448	4.44%
2016	2,618,007	40	16,622	0.63%	411	4.85%
2017	2,659,606	40	20,399	0.77%	504	5.15%
2018	2,659,872	40	19,902	0.75%	494	5.51%
2019	2,713,633	40	21,109	0.78%	525	5.49%
2020	2,754,271	40	18,841	0.68%	469	6.42%
Estimated 2020/21	2,762,455	40	17,175	0.62%	427	4.62%
Proposed 2021/22	2,827,345	40	19,656	0.70%	489	4.77%
Projected 2022/23	2,884,076	40	20,080	0.70%	499	3.98%
Projected 2023/24	3,000,611	40	28,207	0.94%	702	4.33%
Projected 2025/26	3,061,636	40	28,934	0.95%	720	5.19%
Projected 2025/26	3,118,061	40	31,172	1.00%	*775*	5.49%
City Debt Policy Guidelines				**10.00%**	**1,000**	**10.00%**

General Fund Financial Projections
Fiscal Year 2022/2026
General Fund Debt Capacity Limit: Debt per Capita

Fiscal Year	Total Taxable Assessed Value	Governmental Outstanding Debt	Population	Gov't Debt per Capita	Future Governmental Debt Issuances	Future Repayment Schedule
Future Bond Issuances included in Capital Improvement Program						
2019/20	2,754,271	18,841	40	469	-	-
Estimated 2020/21	2,762,455	17,175	40	427	-	1,665
Proposed Bud 2021/22	2,827,345	19,656	40	489	4,212	1,731
Projected 2022/23	2,884,076	20,080	40	499	1,795	1,371
Projected 2023/24	3,000,611	28,207	40	702	9,639	1,512
Projected 2024/25	3,061,636	28,934	40	720	2,678	1,951
Projected 2025/26	3,118,061	31,172	40	*775*	4,386	2,148
Subtotal Future Issuances					**22,710**	**10,379**
City Debt Policy Limit		**40,205**	**40**	**1,000**		

Additional General Fund Debt Issue Capacity

Over FY 2019/20 level	21,364
Beyond 5 year proposed projections	***9,033***

- Percentages of projected changes are indicated in the column following the FY2021/22 Proposed Budget column. Items without a percentage have been individually projected by year.

- Operating revenue across the utility funds includes a variety of sources: such as, service charges to customers, rental income from tenants, green fees to golf, and a stormwater fixed fee. Rate and/or premium increases are included for Water, Wastewater, and Parking Funds. Most of the other revenue increases included in the projections are based on increased utilization or increased customer base.

- Total operating expenses (excluding depreciation) are expected to increase for the following Enterprise Funds - Electric, Water, Parking, Golf, and Stormwater funds based on actual year to date trends occurring from the FY2020/21 budget to the proposed budget in FY2021/22. The overall operating expense increases range from a low of 1.3% in the Electric Fund to a high of 55.9% in the Stormwater Fund (as the program becomes fully implemented) which is specifically notated within each individual fund's assumption section that follows. The Wastewater and Property Management funds operating expenses are projected to decrease from the FY2020/21 budget to the proposed budget in FY2021/22 by 3.7% and 10.4%. The increases in all funds for future periods through FY2025/26 are based on trends specific within each fund.

- Depreciation expense is based on each fund's financial ability to invest in capital infrastructure and renovation projects. Depreciation expense is directly associated to each fund's capital investments through FY2025/26 and to fixed assets that have reached its useful life period. Specific details on each funds' capital projects are located in the Capital Improvement Program Section 7.

- The interest income rate is projected to continue to decline in FY2021/22 and slowly climb in future periods based on an anticipation of a slight rise in current market interest rates. Specifics on each individual fund are notated in the pages that follow and include a combination of current market conditions and cash balances within each fund.

- The debt service requirements vary by fund and are reflected in Interest Expense and Prinicipal Payments in all applicable funds. The future bond issue interest costs vary as some are City issued bonds and some are financed through Maryland Department of the Environment (MDE). Each issue may have different terms as well. In general, the projections for City issued governmental bonds are based on interest rates of 4.5% through 4.75% primarily for 20 and 25 year terms. Typically, MDE bond issues are low interest rates at 2.0% over primarily 20 year terms.

- Capital expenditures are taken directly from Section 7, Capital Improvement Program. Each department prepares and details a five year projection for all capital improvement projects. Non-CIP capital outlay expenditures have been estimated and added to the capital improvement projection amounts based on prior years' experience.

- The cash and short term investment balances at the beginning and end of each fiscal year are presented for each fund to assist in analyzing the cumulative impact of the annual surplus or deficit amounts on working capital.

- The HLD approved wholesale power contract extension with Energy Harbor Corporation is in effect through May 31, 2022 at a rate of $52.42/MWh. Additionally, there is a contract extension to cover the period from May 31, 2022 through May 31, 2024 with an anticipated decrease to the rates. The wholesale power rates will be locked through the end of each contract period unless a recalculation is required following changes to the Network Integrated Transmission Service or Renewable Energy Portfolio Standard.

- The increase in service charge revenue from FY2020/21 budget compared to FY2021/22 proposed budget is 1.8% or $426K. The majority of the increase can be associated with additional revenue from Industrial Customers. Service charge revenue in the Industrial category reflects an increase of $807K or 13.4% in the FY2021/22 proposed budget as a result in new and redevelopment of several parcels. Going forward, the projections for revenue from FY2022/23 through FY2025/26 will remain flat with no change as a result of the Purchase Power agreement in place and Public Service Commission regulations.

- The purchased power expense for FY2021/22 budget represents approximately 75.6% of total service revenue charges. The projections for the purchase power expense include an increase from FY2020/21 estimated actuals to proposed FY2021/22 budget. Just like the revenue projections for future years, the purchase power expense category remains flat beginning in FY2021/22 through FY2025/26.

- Operating expenses, excluding depreciation, are estimated to increase by 1.3% or $313K from the FY2020/21 budget compared to the proposed budget for FY2021/22. This increase is driven by purchased power costs paid to Energy Harbor Corporation for overall usage. Based on historical data trends, the future projections reflect annual increases of 0.5% from FY2022/23 through FY2025/26 in distribution and administrative costs.

- Depreciation expense for proposed FY2021/22 budget is 7.3% lower than current FY2020/21 budget. This decrease is a result of actual trends and investment in new capital projects and assets. Beginning in FY2022/23 through FY2025/26, it is anticipated that more capital equipment and infrastructure investments will be made which causes the following annual increases in the depreciation expenses: 2.7%, 1.9%, 4.8% and 2.3%.

- As a result of current market trends, the investment interest rate is assumed to remain low in FY2021/22. In addition, the interest received from a prior long term agreement with Cascades Tissue Group MD, LLC. ended in FY2020/21. Given the impact of these two factors, it is anticipated that total interest earned will decrease in FY2021/22 with an increase from FY2022/23 through FY2025/26 as interest rates are projected to rise.

- As reflected in our projections, all capital improvement projects and capital outlay expenditures will be covered by fund balance in the Electric Fund with the exception of the Burhans Village and Kilpatrick Woods projects, which will be partially funded by contributions from developers. There are no future debt issues in projections through FY2025/26.

- Based on the assumptions outlined above for flat revenue projections and increasing expenses, the net increase (decrease) in retained earnings is estimated to decline from an anticipated gain of $12K in FY2021/22 to a loss of <$386> in FY2022/23.

- The projections show the dividend affordability formula and its effect on the Electric Fund's cash balance. Per the City's Enterprise Fund Dividend Transfer policy, projections will be updated once FY2020/21 is closed and audited to determine if any transfer is possible.

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2022/26
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 ESTIMATED ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG %	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Operating Revenues										
Service Charges:										
Residential	$ 12,867	$ 12,307	$ 12,420	$ 12,292	$ 12,292	0.0%	$ 12,292	$ 12,292	$ 12,292	$ 12,292
Commercial	5,064	4,839	4,941	4,791	4,791	0.0%	4,791	4,791	4,791	4,791
Industrial	6,171	5,842	6,033	5,946	6,840	0.0%	6,840	6,840	6,840	6,840
Other Rates	967	868	853	789	750	0.0%	750	750	750	750
Total Service Charges	**25,069**	**23,856**	**24,247**	**23,818**	**24,673**		**24,673**	**24,673**	**24,673**	**24,673**
Other Operating Revenues	623	595	687	656	430		430	430	430	430
Total Operating Revenue	**25,692**	**24,450**	**24,934**	**24,474**	**25,103**		**25,103**	**25,103**	**25,103**	**25,103**
Operating Expenses										
Purchased Power	19,551	18,321	18,339	18,068	18,660	0.0%	18,660	18,660	18,660	18,660
Distribution	2,489	2,527	2,543	2,408	2,529	0.5%	2,541	2,554	2,567	2,579
General & Administration	3,273	3,145	3,256	3,288	3,263	0.5%	3,279	3,296	3,312	3,329
Depreciation	932	947	1,081	975	1,003		1,030	1,050	1,100	1,125
Total Operating Expenses	**26,245**	**24,940**	**25,219**	**24,739**	**25,454**		**25,510**	**25,559**	**25,639**	**25,693**
Operating Income (Loss)	**(553)**	**(490)**	**(285)**	**(265)**	**(351)**		**(407)**	**(457)**	**(536)**	**(590)**
Non-Operating Revenues (Expenses)										
Intergovernmental Revenue-Cares Act	-	-	-	7	-		-	-	-	-
Interest Earned	159	137	145	23	5		20	50	50	50
Interest/Bond Issuance Expense	(13)	(12)	(10)	(10)	(9)		(8)	(7)	(7)	(6)
Gain (loss) on Sale of Capital Assets	(47)	(32)	(10)	(19)	175		(10)	(10)	(10)	(10)
Total Non-Operating Revenue (Expense)	**99**	**93**	**125**	**1**	**171**		**2**	**33**	**33**	**34**
Net Income (Loss) Before Operating Transfers	**(454)**	**(396)**	**(160)**	**(264)**	**(180)**		**(405)**	**(424)**	**(503)**	**(557)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(4)	(58)	(17)	(17)	(12)		(31)	(29)	(31)	(29)
Transfers from Health Insurance Fund	58	64	28	28	53		-	-	-	-
Total Transfers From (To) Funds	54	5	11	11	42		(31)	(29)	(31)	(29)
Capital Contributions										
Non-Cash Developer Contributions	142	15	200	90	150		50	50	50	50
Capital Contributions	**142**	**15**	**200**	**90**	**150**		**50**	**50**	**50**	**50**
Increase (Decrease) in Retained Earnings	**(259)**	**(376)**	**51**	**(163)**	**12**		**(386)**	**(403)**	**(484)**	**(536)**
Adjust to a Cash Flow Basis										
Depreciation	932	947	1,081	975	1,003		1,030	1,050	1,100	1,125
Current Principal Payments on Debt	(42)	(43)	(45)	(45)	(47)		(18)	(19)	(20)	(21)
Non-Cash Developer Contributions	(142)	(15)	(200)	(90)	(150)		(50)	(50)	(50)	(50)
Changes in Working Capital	530	(203)	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**1,278**	**686**	**836**	**840**	**805**		**962**	**981**	**1,030**	**1,054**
Funds Available for Capital Outlay	1,020	310	887	677	817		576	579	547	519
Capital Outlay	1,030	1,129	1,493	874	1,292		1,291	1,426	1,886	1,671
Cash After Capital Outlay	**(10)**	**(819)**	**(606)**	**(197)**	**(475)**		**(715)**	**(847)**	**(1,339)**	**(1,152)**
Additional Funding:										
City Bond Financing	-		-	-	-		-	-	-	-
Net Surplus (Deficit)	**$ (10)**	**$ (819)**	**$ (606)**	**$ (197)**	**$ (475)**		**$ (715)**	**$ (847)**	**$ (1,339)**	**$ (1,152)**
Beginning Cash Balance	$ 9,901	$ 9,890	$ 9,071	$ 9,071	$ 8,875		$ 8,400	$ 7,685	$ 6,837	$ 5,498
Ending Cash Balance	$ 9,890	$ 9,071	$ 8,465	$ 8,875	$ 8,400		$ 7,685	$ 6,837	$ 5,498	$ 4,346
Unrestricted Cash Balance, Beginning	$ 6,356	$ 6,323	$ 5,481	$ 5,481	$ 5,285		$ 4,810	$ 4,068	$ 3,193	$ 1,827
Unrestricted Cash Balance, Ending	$ 6,323	$ 5,481	$ 4,875	$ 5,285	$ 4,810		$ 4,068	$ 3,193	$ 1,827	$ 647
Restricted Cash Balance, Beginning	$ 3,545	$ 3,567	$ 3,590	$ 3,590	$ 3,590		$ 3,590	$ 3,617	$ 3,644	$ 3,671
Restricted Cash Balance, Ending	$ 3,567	$ 3,590	$ 3,590	$ 3,590	$ 3,590		$ 3,617	$ 3,644	$ 3,671	$ 3,699
Dividend Affordability Formula										
Operating & Maintenance Expenses	$ 25,313	$ 23,993	$ 24,138	$ 23,764	$ 24,451		$ 24,480	$ 24,509	$ 24,539	$ 24,568
Reserved Retained Earnings (2 Months)	$ 4,219	$ 3,999	$ 4,023	$ 3,961	$ 4,075		$ 4,080	$ 4,085	$ 4,090	$ 4,095
Cash in Excess of Reserve after Dividend	$ 2,104	$ 1,482	$ 852	$ 1,324	$ 735		$ (12)	$ (892)	$ (2,263)	$ (3,448)

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2022/26
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 ESTIMATED ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG %	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Vehicles-C0090	$ 291	$ 124	$ 60	$ 30	$ 30		$ 280	$ 180	$ 215	$ 250
Telemetry Equipment-C0111	2	-	15	5	5		15	5	5	5
Central Substation-C0118	-	-	-	-	-		-	200	500	200
Buildgin Security Improvements - C0178	18	78	50	-	25		50	50	50	-
Wesel Boulevard-C0220	-	-	192	158	35		25	-	-	-
System Reconductoring-C0259	-	15	50	39	188		50	50	50	50
Pedestrian Lights-C0388	-	-	-	-	-		-	100	100	-
SCADA System-C0441	7	9	5	8	5		5	5	5	5
Underground Replacement-C0540	33	30	25	13	13		13	13	13	13
Building & Site Improvements-C0542	42	17	25	5	25		25	25	25	25
Bulldog Substation- C0544	-	-	-	-	-		-	-	-	50
Street Light Replacement-C0546	13	10	10	3	10		10	10	10	10
Kilpatrick Woods - C0550	-	-	126	-	226		25	-	-	-
273 E. Memorial Blvd -C0552			100	100	5		-	-	-	-
A&E District Upgrades-C0591	102	18	4	-	-		-	-	-	-
Test Equipment-C0609	7	9	25	1	40		20	20	20	20
Substation Controls - C0616			-	-	25		25	25	25	25
Burhans Village - C0707	-	-	34	-	59		5	-	-	-
Substation Breaker Replacement-C0776	-	65	60	25	25		60	60	60	60
Engineering Software - C0777	9	-	-	-	-		-	-	-	-
Substation Upgrades - C0778	58	121	25	25	25		-	-	125	275
Spare Regulators-C0797	-	47	60	35	45		45	45	45	45
Wildlife Protection-C0802	-	-	10	3	10		10	10	10	10
Feeder Coordination-C0833	-	14	25	5	20		20	20	20	20
Circuit Upgrades-C0842	-	-	80	-	-		150	150	150	150
Other - Non-Specific	448	574	513	422	478		459	459	459	459
Total Capital Outlay	**$ 1,030**	**$ 1,129**	**$ 1,493**	**$ 874**	**$ 1,292**		**$ 1,291**	**$ 1,426**	**$ 1,886**	**$ 1,671**

- Total service charge revenue reflects the five-year rate schedule adopted on March 26, 2019. The five-year rate schedule was based on a cost of service study; and, the rate schedule is effective from July 1, 2019 through June 30, 2024.The projections reflect a 3.0% average increase in the FY2021/22 proposed budget. Additionally, the projections from FY2022/23 for all future periods include a 3.0% annual rate increase as approved through FY2023/24 and estimated to remain at the same rate through FY2025/26.

- Total operating expenses (excluding depreciation) increased by 3.5% from the FY2020/21 budget compared to the proposed budget for FY2021/22. Primarily this reflects an increase in chemicals within “Pumping & Water Treatment” and changes in salary allocations associated with meter reading and transition of billing in the “General and Administration” category. Based on historical trends, the projections include increases in future periods with the overall estimated increase for each period from FY2022/23 through FY2025/26 at 1.5% annually in the “Source of Supply” and “Selling, General & Administration” categories and 2.0% in “Pumping & Water Treatment” and “Transmission & Distribution”.

- Depreciation expense will fluctuate as a result of capital improvement upgrades, infrastructure investments, and assets reaching the end of its useful life. It is estimated that depreciation expense will decrease from FY2020/21 budget to FY2021/22 budget by 1.2%. Based on the amount of investments in capital projects, the trend reflects increases in future periods. In the four years from FY2022/23 through FY2025/26 the increase in expense is projected to be 1.5%, 3.8%, 8.5%, and 10.1%.

- Given the recent movement by the Federal Reserve and lower interest rates, it is anticipated that there will be a decline in investment earnings in FY2021/22 from FY2020/21 budget. Growth in investment earnings in FY2022/23 over proposed FY2021/22 are anticipated to be higher as interest rates rise. It is projected to remain flat in future periods beyond FY2022/23 as a result of a combination of continuing current market trends and utilizing some existing cash balances to cover expenses.

- The projection incorporates benefit charge funds. Benefit charge funds are intended to be used for growth related capital projects and debt service from prior year growth related projects. From our current FY2020/21 budget to proposed FY2021/22 budget, benefit charges are estimated to decrease from $752K to $502K due to timing of housing and commercial development projects. All of the projections from FY2022/23 through FY2025/26 are anticipated to remain at the same rate of $500K annually.

- The projections for Maryland Department of the Environment (MDE) Loan Program Bond financing reflected in years FY2022/23 through FY2025/26 include a low interest rate at 2.0% for a twenty year term. In addition, MDE bonds include an administrative fee of 5.0% of debt service issued annually. The prior MDE bond financing for the R.C. Willson Plant upgrades includes loan forgiveness of $1.5 million which will occur in FY2022/23.

- Based on the assumptions outlined above for revenue growth, increasing expenses, and additional future grants, the net increase (decrease) in retained earnings is estimated to grow from an anticipated gain of $124K in FY2021/22 to a gain of $1.5M in FY2022/23.

- Due to current projections for benefit charges, the cost of service rate study recommends that an allocation of cash be reserved as restricted cash for use in future years. This allocation would cover a portion of annual service charges for future system repairs, renewal, and replacement.

- The ending total cash balance projection will decrease from $12.2M in FY2021/22 to $5.5M in FY2025/26 primarily as a result of significant capital projects and annual debt service requirements scheduled in future periods.

WATER FUND PROJECTIONS
FISCAL YEAR 2022/26
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Operating Revenues										
Service Charges										
Metered City Water	$ 2,284	$ 2,410	$ 2,408	$ 2,465	$ 2,539	3.0%	$ 2,615	$ 2,694	$ 2,774	$ 2,858
Metered County Water	8,702	9,018	8,950	9,139	9,378	3.0%	9,659	9,949	10,248	10,555
Total Service Charges	**10,986**	**11,428**	**11,358**	**11,604**	**11,917**		**12,275**	**12,643**	**13,022**	**13,413**
Other Operating Revenues	961	1,198	871	864	865		865	865	865	865
Total Operating Revenue	**11,947**	**12,626**	**12,229**	**12,468**	**12,782**		**13,140**	**13,508**	**13,887**	**14,278**
Operating Expenses										
Source of Supply	45	77	53	53	61	1.5%	62	63	64	65
Pumping & Water Treatment	3,205	3,341	3,783	3,681	3,867	2.0%	3,944	4,023	4,103	4,185
Transmission & Distribution	2,154	2,146	2,396	2,246	2,419	2.0%	2,467	2,516	2,567	2,618
Selling, General & Administration	3,028	2,517	2,726	2,636	2,928	1.5%	2,972	3,017	3,062	3,108
Total Operating Expenses	**8,432**	**8,081**	**8,958**	**8,616**	**9,275**		**9,445**	**9,619**	**9,796**	**9,976**
Cash Operating Income (Loss)	**3,515**	**4,545**	**3,272**	**3,852**	**3,507**		**3,694**	**3,889**	**4,091**	**4,301**
Depreciation	3,329	3,609	3,938	3,817	3,892		3,950	4,100	4,450	4,900
Operating Income (Loss)	**186**	**936**	**(666)**	**35**	**(385)**		**(256)**	**(211)**	**(359)**	**(599)**
Non-Operating Revenues (Expenses)										
Intergovernmental Revenue-Cares Act	-	-	-	7	-		-	-	-	-
Interest Earned	98	80	40	8	8		40	40	40	40
Premium on Bonds	11	4	4	4	4		4	4	4	4
Interest/Bond Issuance Expense	(483)	(472)	(447)	(467)	(427)		(399)	(398)	(500)	(657)
Gain (Loss) on Sale of Capital Assets	43	11	10	0	0		10	10	10	10
Total Non-Operating Revenue (Expense)	**(331)**	**(376)**	**(393)**	**(448)**	**(415)**		**(344)**	**(344)**	**(446)**	**(603)**
Net Income (Loss) Before Operating Transfers	**(145)**	**560**	**(1,060)**	**(413)**	**(800)**		**(600)**	**(555)**	**(804)**	**(1,201)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(4)	(58)	(29)	(17)	(12)		(56)	(29)	(31)	(29)
Transfers from Health Insurance Fund	86	95	40	40	83		-	-	-	-
Total Transfers From (To) Other Funds	**82**	**36**	**11**	**24**	**72**		**(56)**	**(29)**	**(31)**	**(29)**
Capital Contributions										
Benefits Charges	599	1,015	752	652	502		500	500	500	500
Grants in Aid of Construction	429	1,338	-	-	-		-	1,000	-	-
MDE Loan Forgiveness	-		-	-	-		1,500	-	-	-
Non Cash Developer Contributions	976	1,222	350	350	350		175	650	275	2,400
Capital Contributions	**2,004**	**3,576**	**1,102**	**1,002**	**852**		**2,175**	**2,150**	**775**	**2,900**
Increase (Decrease) in Retained Earnings	**1,941**	**4,172**	**54**	**613**	**124**		**1,519**	**1,566**	**(60)**	**1,670**
Adjust to a Cash Flow Basis										
Add Back Depreciation	3,329	3,609	3,938	3,817	3,892		3,950	4,100	4,450	4,900
Changes in Working Capital	2,065	(1,014)	-	-	-		-	-	-	-
Principal Payments on Long-term Debt	(1,773)	(1,756)	(1,788)	(1,788)	(1,692)		(1,691)	(1,750)	(2,022)	(2,763)
Non-Cash Developer Contributions	(976)	(1,222)	(350)	(350)	(350)		(175)	(650)	(275)	(2,400)
MDE Loan Forgiveness	-		-	-	-		(1,500)	-	-	-
Total Adjustments to Retained Earnings	**2,645**	**(383)**	**1,800**	**1,679**	**1,850**		**584**	**1,700**	**2,153**	**(263)**
Cash Available for Capital Outlay	**4,586**	**3,789**	**1,853**	**2,291**	**1,974**		**2,102**	**3,266**	**2,093**	**1,407**
Capital Outlay										
Non-Growth Related	4,691	2,621	3,741	1,588	2,633		3,214	8,253	18,282	14,261
Growth Related	1,413	1,381	604	93	132		237	782	1,218	3,340
Total Capital Outlay	**6,104**	**4,002**	**4,345**	**1,681**	**2,765**		**3,450**	**9,035**	**19,500**	**17,600**
Cash After Capital Outlay	**(1,518)**	**(213)**	**(2,492)**	**610**	**(791)**		**(1,348)**	**(5,769)**	**(17,407)**	**(16,193)**
Additional Funding										
MDE Bond Financing	931	73	1,500	-	-		500	4,500	16,300	12,800
City Bond Financing	-	-	200	-	-		-	-	-	-
Total Additional Funding	**931**	**73**	**1,700**	**-**	**0**		**500**	**4,500**	**16,300**	**12,800**
Net Surplus (Deficit)	**$ (587)**	**$ (140)**	**$ (792)**	**$ 610**	**$ (791)**		**$ (848)**	**$ (1,269)**	**$ (1,107)**	**$ (3,393)**
Beginning Cash Balance	$ 13,062	$ 12,475	$ 12,335	$ 12,335	$ 12,946		$ 12,154	$ 11,307	$ 10,038	$ 8,931
Ending Cash Balance	$ 12,475	$ 12,335	$ 11,543	$ 12,946	$ 12,154		$ 11,307	$ 10,038	$ 8,931	$ 5,538
Unrestricted Cash Balance - Beginning	$ 8,308	$ 7,639	$ 7,147	$ 7,147	$ 7,624		$ 6,870	$ 6,084	$ 4,923	$ 3,958
Unrestricted Cash Balance - Ending	$ 7,639	$ 7,147	$ 6,566	$ 7,624	$ 6,870		$ 6,084	$ 4,923	$ 3,958	$ 736
Restricted Cash Balance - Beginning	$ 4,754	$ 4,836	$ 5,188	$ 5,188	$ 5,322		$ 5,285	$ 5,223	$ 5,115	$ 4,973
Restricted Cash Balance - Ending	$ 4,836	$ 5,188	$ 4,977	$ 5,322	$ 5,285		$ 5,223	$ 5,115	$ 4,973	$ 4,802
Dividend Affordability Formula:										
Operating & Maintenance Expenses	$ 8,432	$ 8,081	$ 8,958	$ 8,616	$ 9,275		$ 9,445	$ 9,619	$ 9,796	$ 9,976
Reserved Retained Earnings (2 Months)	$ 1,405	$ 1,347	$ 1,493	$ 1,436	$ 1,546		$ 1,574	$ 1,603	$ 1,633	$ 1,663
Cash in Excess of Reserve after Dividend	$ 6,234	$ 5,800	$ 5,074	$ 6,188	$ 5,324		$ 4,510	$ 3,320	$ 2,326	$ (927)

WATER FUND PROJECTIONS
FISCAL YEAR 2022/26
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Water Vehicles-C0117	$ 634	$ 188	$ 260	$ -	$ 185		$ 325	$ 300	$ 235	$ 305
R.C. Willson Plant Improvements-C0166	768	1,100	615	450	750		200	200	200	200
Willson Transmission Main-C0167	53	447	220	130	220		220	900	8,700	8,700
Edgemont Reservoir Improvements-C0168	383	192	1,650	100	200		1,650	5,650	5,550	1,800
Risk and Resiliency/Security-C0322	-	-	50	50	325		125	50	50	25
Zone 3 Standpipe-C0323	-	-	25	-	-		-	-	-	100
Breichner WTP Improvements-C0405	-	-	120	-	20		20	520	3,400	3,100
Administrative/Engineering Equip.-C0648	-	-	10	10	10		10	10	10	10
Pump Station Improvements-C0651	795	16	95	95	145		250	725	350	2,375
DIstribution Services-C0653	1,345	745	425	200	325		325	325	325	325
Distribution System Rehabilitation-C0709	406	1,291	650	400	400		225	230	245	260
R.C. Willson Plant - Phase IV-C0740	-	-	-	-	-		-	-	-	-
Water System SCADA Improvements-C0820	30	10	225	246	185		100	125	435	400
R.C.Willson Traveling Screen ReplacementC0863	1,492	13	-	-	-		-	-	-	-
Transmission and Distributions	199	-	-	-	-		-	-	-	-
Total Capital Outlay	**$ 6,104**	**$ 4,002**	**$ 4,345**	**$ 1,681**	**$ 2,765**		**$ 3,450**	**$ 9,035**	**$ 19,500**	**$ 17,600**
Schedule B - Capital Outlay Detail										
Capital Outlay										
Non-Growth Related										
Cash Funded										
Water Vehicles-C0117	$ 634	$ 188	$ 260	$ -	$ 185		$ 325	$ 300	$ 235	$ 305
R.C. Willson Plant Improvements-C0166	576	90	311	405	675		180	180	180	180
Willson Transmission Main-C0167	42	402	176	117	198		198	360	630	630
Edgemont Reservoir Improvements-C0168	383	192	150	100	200		1,150	650	550	300
Risk and Resiliency/Security-C0322	-	-	50	50	325		125	50	50	25
Zone 3 Standpipe-C0323	-	-	25	-	-		-	-	-	-
Breichner WTP Improvements-C0405	-	-	120	-	20		20	520	400	100
Administrative/Engineering Equip.-C0648	-	-	8	9	8		8	8	8	8
Pump Station Improvements-C0651	376	14	86	86	131		68	68	68	68
DIstribution Services-C0653	568	499	325	200	325		325	325	325	325
Distribution System Rehabilitation-C0709	406	315	400	400	400		225	230	245	260
Water System SCADA Improvements-C0820	24	9	180	221	167		90	113	122	90
R.C.Willson Traveling Screen Rep -C0863	458	12	-	-	-		-	-	-	-
Total Cash Funding	**3,467**	**1,721**	**2,091**	**1,588**	**2,633**		**2,714**	**2,803**	**2,812**	**2,291**
Grants - State MDE										
R.C. Willson Plant Improvements-C0166	-	900	-	-	-		-	-	-	-
Edgemont Reservoir Improvements-C0168			-	-	-		-	1,000	-	-
Pump Station Improvements-C0651	89	-	-	-	-		-	-	-	-
R.C.Willson Traveling Screen Rep -C0863	297	-	-	-	-		-	-	-	-
Total Grants in Aid of Construction	**386**	**900**	-	-	-		-	**1,000**	-	-
MDE Bond Funded										
Willson Transmission Main-C0167	-	-	-	-	-		-	450	7,200	7,200
Edgemont Reservoir Improvements-C0168	-	-	1,500	-	-		500	4,000	5,000	1,500
Breichner WTP Improvements-C0405	-	-	-	-	-		-	-	3,000	3,000
Pump Station Improvements-C0651	250	-	-	-	-		-	-	-	-
Water System SCADA Improvements-C0820	-	-	-	-	-		-	-	270	270
R.C.Willson Traveling Screen Rep-C0863	588	-	-	-	-		-	-	-	-
Total MDE Bond Funding	**838**	-	**1,500**	-	-		**500**	**4,450**	**15,470**	**11,970**
Benefit Charge Advance(MDE Bond Funding)										
Water System SCADA Improvements-C0820	-		-	-	-		-	-	-	-
Total Benefit Charge Advance(MDE Funding)	-	-	-	-	-		-	-	-	-
City Bond Funded (Benefit Charge Advance)										
R.C. Willson Plant Improvements-C0166			150	-	-		-	-	-	-
Total City Bond Funding	-	-	**150**	-	-		-	-	-	-
Total Non-Growth Related Capital Outlay	**4,691**	**2,621**	**3,741**	**1,588**	**2,633**		**3,214**	**8,253**	**18,282**	**14,261**

WATER FUND PROJECTIONS
FISCAL YEAR 2022/26
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Growth Related										
Grants - State MDE										
R.C. Willson Plant Improvements-C0166	$ -	$ 100	$ -	$ -	$ -		$ -	$ -	$ -	$ -
Pump Station Improvements-C0651	10	-	-	-	-		-	-	-	-
R.C.Willson Traveling Screen Rep-C0863	33	-	-	-	-		-	-	-	-
Total Grants in Aid of Construction	**43**	**100**	**0**	**0**	**0**		**0**	**0**	**0**	**0**
Contributions by Developers										
DIstribution Services-C0653	778	246	100	-	-		-	-	-	-
Zone 3 Standpipe-C0323	-	-	-	-	-		-	-	-	100
New Pump Stations -C0651	-	-	-	-	-		175	650	275	2,300
Distribution System Rehabilitation-C0709	-	976	250	-	-		-	-	-	-
Transmissions and Distributions	199	-	-	-	-		-	-	-	-
Total Contributions by Developers	**976**	**1,222**	**350**	**0**	**0**		**175**	**650**	**275**	**2,400**
Benefit Charges/Restricted Cash Funded										
R.C. Willson Plant Improvements-C0166	192	10	104	45	75		20	20	20	20
Willson Transmission Main-C0167	11	45	44	13	22		22	40	70	70
Administrative/Engineering Equip.-C0648	-	-	2	1	2		2	2	2	2
Pump Station Improvements-C0651	42	2	10	10	15		8	8	8	8
Water System SCADA Improvements-C0820	6	1	45	25	19		10	13	14	10
R.C.Willson Traveling Screen Rep-C0863	51	1	-	-	-		-	-	-	-
Total Benefit Charge Funded	**301**	**59**	**204**	**93**	**132**		**62**	**82**	**113**	**110**
MDE Bond Funded										
Willson Transmission Main-C0167	-	-	-	-	-		-	50	800	800
Pump Station Improvements-C0651	28	-	-	-	-		-	-	-	-
Water System SCADA Improvements-C0820	-	-	-	-	-		-	-	30	30
R.C.Willson Traveling Screen Rep-C0863	65	-	-	-	-		-	-	-	-
Total MDE Bond Funding	**93**	**-**	**-**	**-**	**-**		**-**	**50**	**830**	**830**
City Bond Funded (Benefit Charge Advance)										
R.C. Willson Plant Improvements-C0166	-	-	50	-	-		-	-	-	-
Total City Bond Funding	**-**	**-**	**50**	**-**	**-**		**-**	**-**	**-**	**-**
Total Growth Related Capital Outlay	**1,413**	**1,381**	**604**	**93**	**132**		**237**	**782**	**1,218**	**3,340**
Total Capital Outlay	**$ 6,104**	**$ 4,002**	**$ 4,345**	**$ 1,681**	**$ 2,765**		**$ 3,450**	**$ 9,035**	**$ 19,500**	**$ 17,600**

- Total service charge revenue reflects the five-year rate schedule adopted on March 26, 2019. The five-year rate schedule was based on a cost of service study; and, the rate schedule is effective from July 1, 2019 through June 30, 2024. The projections reflect a 2.0% average increase in the FY2021/22 proposed budget. Additionally, the projections from FY2022/23 for all future periods include a 2.0% annual rate increase as approved and estimated for FY2024/25 and FY2025/26. Beginning in FY2022/23, the County is taking over treatment of some accounts in the joint service area. As a result, “Metered Joint Sewer” revenues are reduced by 50% and then the 2.0% rate increase is applied.

- Total operating expenses (excluding depreciation) decreased by 3.7% from the FY2020/21 budget compared to the proposed budget for FY2021/22. The majority of this decrease is reflected in the “Selling, General and Administration” category as a result of lower than anticipated salary and wages, fringe benefit costs, and changes in salary allocations associated with meter reading and transition of billing. In addition, in the “Plant Expenses” category, expenses are anticipated to be down in salary and wages, fringe benefit costs, electric and gas charges to run plant operations, and in chemical costs. Overall estimated expenses are projected to increase from FY2022/23 to FY2025/26 by 1.5% annually in the “Plant Expenses” and “Selling, General & Administration” categories and 2.0% in both the “Laboratory Expenses” and “Collection Systems”.

- Depreciation expense will fluctuate as a result of capital improvement upgrades, infrastructure investments, and assets reaching the end of its useful life. It is estimated that depreciation expense from the proposed FY2021/22 budget will decrease by 11.0% from the current FY2020/21 budget as a result of deferment or timing of infrastructure completion. It is anticipated that depreciation expense will increase in future years as the City invests in various capital projects. In the four years from FY2022/23 through FY2025/26 the estimated increases in expense reflect growth of 1.4%, 3.1%, 1.5%, and 1.5%.

- Given the recent movement by the Federal Reserve and lower interest rates, combined with a decline in cash balances, it is anticipated that there will be a decline in investment interest earnings in FY2022/23 over proposed FY2021/22. Investment earnings are expected to increase starting in FY2024/25 based on future cash balance projections.

- Benefit charges are the primary source of funding for capacity growth needs and related capital projects. Benefit charges are also utilized to pay for debt service related to prior year capacity related capital projects. In the current year, revenues from benefit charges have decreased due to the economy and timing of new development. From our current FY2020/21 budget to the proposed FY2021/22 budget, benefit charges are estimated to decrease by $100K to $500K. All of the projections from FY2022/23 through FY2025/26 are anticipated at $500K annually.

- The projections for Maryland Department of the Environment (MDE) Loan Program Bond financing reflected in years FY2022/23 through FY2024/25 include a low interest rate at 2.0% for a twenty year term. In addition, MDE bonds include an administrative fee of 5.0% of debt service issued annually. The bonds marked as City bonds have a range in interest rates from 4.50% to 4.75% over 20 years.

- Based on the various estimations mentioned above for both revenues and expenses, our net increase (decrease) in retained earnings is estimated to decrease from an anticipated gain of $1.6M in FY2021/22 to a gain of $145K in FY2025/26.

- Due to current projections for benefit charges, the cost of service rate study recommends that an allocation of cash be reserved as restricted cash for use in future years. This allocation would cover a portion of annual service charges for future system repairs, renewal, and replacement

- The ending total cash balance projections reflect an increase from $5.5M in FY2021/22 to $5.8M in FY2025/26 as a result of higher annual revenue amounts while annual expenses decrease for operating, debt service requirements, and capital project costs.

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2022/26
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Operating Revenues										
Service Charges										
Metered City Sewer	$ 7,157	$ 7,386	$ 7,548	$ 7,471	$ 7,616	2.0%	$ 7,768	$ 7,924	$ 8,082	$ 8,244
Metered County Sewer	3,533	3,470	3,468	3,501	3,571	2.0%	3,642	3,715	3,790	3,865
Metered Joint Sewer	2,438	2,521	2,508	2,557	2,609	2.0%	1,331	1,357	1,384	1,412
Low -Pressure System Charge	106	106	106	106	106	0.0%	106	106	106	106
Total Service Charges	**13,234**	**13,483**	**13,630**	**13,635**	**13,902**		**12,847**	**13,102**	**13,362**	**13,627**
Other Operating Revenues	796	309	362	134	230		300	300	300	300
Grants - Operations	240	240	240	240	240		240	240	240	240
Total Operating Revenue	**14,270**	**14,032**	**14,232**	**14,009**	**14,372**		**13,387**	**13,642**	**13,902**	**14,167**
Operating Expenses										
Plant Expenses	5,229	5,348	5,098	4,818	4,912	1.5%	4,986	5,060	5,136	5,213
Laboratory Expenses	270	289	274	247	302	2.0%	308	314	320	327
Collection Systems	1,514	1,554	1,531	1,584	1,565	2.0%	1,597	1,629	1,661	1,694
Selling, General & Administration	3,569	4,142	3,852	3,371	3,583	1.5%	3,636	3,691	3,746	3,803
Total Operating Expenses	**10,582**	**11,333**	**10,755**	**10,021**	**10,362**		**10,526**	**10,694**	**10,864**	**11,037**
Cash Operating Income (Loss)	**3,688**	**2,699**	**3,477**	**3,988**	**4,010**		**2,861**	**2,948**	**3,038**	**3,130**
Depreciation	3,153	2,762	3,546	2,869	3,156		3,200	3,300	3,350	3,400
Operating Income (Loss)	**535**	**(63)**	**(69)**	**1,119**	**854**		**(339)**	**(352)**	**(312)**	**(270)**
Non-Operating Revenues (Expenses)										
Intergovernmental Revenue - CARES Act	-	-	-	5	-		-	-	-	-
Interest Earned	111	46	40	3	3		2	2	10	10
Premium on Bonds	9	4	4	4	4		4	4	4	4
Interest/Bond Issuance Expense	(348)	(340)	(438)	(312)	(287)		(266)	(260)	(255)	(221)
Gain (Loss) on Sale of Capital Assets	15	19	1	8	8		-	-	-	-
Total Non-Operating Revenues (Expenses)	**(213)**	**(270)**	**(393)**	**(292)**	**(271)**		**(260)**	**(254)**	**(241)**	**(207)**
Net Income (Loss) Before Operating Transfers	**322**	**(333)**	**(462)**	**827**	**583**		**(599)**	**(605)**	**(552)**	**(476)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(4)	(58)	(17)	(17)	(12)		(31)	(29)	(31)	(29)
Transfer from Health Insurance Fund	76	80	36	36	71		-	-	-	-
Total Transfers From (To) Funds	**72**	**22**	**19**	**19**	**60**		**(31)**	**(29)**	**(31)**	**(29)**
Capital Contributions										
Benefits Charges	534	1,228	600	580	500		500	500	500	500
Grants- Capital	81	-	700	-	200		-	-	-	-
Developers Contributions	317	219	250	250	250		150	850	150	150
Total Capital Contributions	**933**	**1,447**	**1,550**	**830**	**950**		**650**	**1,350**	**650**	**650**
Increase (Decrease) in Retained Earnings	**1,327**	**1,135**	**1,107**	**1,676**	**1,592**		**20**	**716**	**67**	**145**
Adjust Retained Earnings to a Cash Flow Basis										
Add Back Depreciation	3,153	2,762	3,546	2,869	3,156		3,200	3,300	3,350	3,400
Changes in Working Capital	2,919	(1,500)	-	-	-		-	-	-	
Principal Payment on Current Long-Term Debt	(1,814)	(1,845)	(1,715)	(1,457)	(1,483)		(1,391)	(1,441)	(1,510)	(1,206)
Non-Cash Developer Contributions	(317)	(219)	(250)	(250)	(250)		(150)	(850)	(150)	(150)
Total Adjustments to Retained Earnings	**3,941**	**(802)**	**1,581**	**1,162**	**1,423**		**1,659**	**1,009**	**1,690**	**2,044**
Cash Available for Capital Outlay	**5,268**	**334**	**2,688**	**2,838**	**3,016**		**1,678**	**1,725**	**1,756**	**2,189**
Capital Outlay										
Non-Growth Related	4,144	3,263	2,901	1,013	1,989		1,797	2,272	1,142	1,067
Growth Related	2,019	1,471	3,084	435	603		905	1,490	740	240
Total Capital Outlay	**6,163**	**4,735**	**5,985**	**1,448**	**2,592**		**2,702**	**3,762**	**1,882**	**1,307**
Cash After Capital Outlay	**(894)**	**(4,400)**	**(3,297)**	**1,390**	**424**		**(1,024)**	**(2,037)**	**(126)**	**882**
MDE Bond Financing	-	-	2,575	-	-		500	500	500	-
City Bond Financing	-	-	5,530	-	-		-	700	200	200
Total Additional Funding	**-**	**-**	**8,105**	**-**	**-**		**500**	**1,200**	**700**	**200**
Net Surplus (Deficit)	**$ (894)**	**$ (4,400)**	**$ 4,808**	**$ 1,390**	**$ 424**		**$ (524)**	**$ (837)**	**$ 574**	**$ 1,082**
Total Cash Balance - Beginning	$ 8,980	$ 8,086	$ 3,686	$ 3,686	$ 5,076		$ 5,500	$ 4,976	$ 4,139	$ 4,713
Total Cash Balance - Ending	$ 8,086	$ 3,686	$ 8,495	$ 5,076	$ 5,500		$ 4,976	$ 4,139	$ 4,713	$ 5,795
Unrestricted Cash Balance - Beginning	$ 7,918	$ 6,868	$ 2,462	$ 2,462	$ 3,734		$ 4,187	$ 3,680	$ 2,660	$ 2,988
Unrestricted Cash Balance - Ending	$ 6,868	$ 2,462	$ 7,265	$ 3,734	$ 4,187		$ 3,680	$ 2,660	$ 2,988	$ 3,799
Restricted Cash Balance &R's - Beginning	$ 1,062	$ 1,217	$ 1,223	$ 1,223	$ 1,342		$ 1,313	$ 1,297	$ 1,479	$ 1,725
Restricted Cash Balance & 3R's - Ending	$ 1,217	$ 1,223	$ 1,230	$ 1,342	$ 1,313		$ 1,297	$ 1,479	$ 1,725	$ 1,996
Dividend Affordability Formula:										
Operating & Maintenance Expenses	$ 10,582	$ 11,333	$ 10,755	$ 10,021	$ 10,362		$ 10,526	$ 10,694	$ 10,864	$ 11,037
Reserved Retained Earnings (2 Months)	$ 1,764	$ 1,889	$ 1,793	$ 1,670	$ 1,727		$ 1,754	$ 1,782	$ 1,811	$ 1,839
Cash in Excess of Reserve after Dividend	$ 5,104	$ 573	$ 5,472	$ 2,064	$ 2,460		$ 1,925	$ 878	$ 1,177	$ 1,960

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2022/26
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Sewer Vehicles-C0004	$ 229	$ 165	$ 525	$ 40	$ 165		$ 540	$ 800	$ 120	$ 45
Manhole Raising-C0267	-	-	25	3	25		25	25	25	25
Pump Station Improvements-C0299	68	37	75	10	75		75	75	75	75
Collection System Rehabilitation-C0327	53	79	400	200	400		400	1,600	400	400
East End Pump Station-C0565	-	-	1,575	-	-		575	500	500	-
WWTP Equipment-C0584	167	14	250	250	350		250	250	250	250
Buildings & Structures-C0585	134	227	100	-	-		25	25	25	25
WWTP - Phase III - Disinfection-C0657	21	-	50	50	60		20	20	20	20
WWTP/Phase V/Solids Processing-C0711	-	97	100	-	-		-	-	-	-
Synagro Facility Upgrade Improvements-C0712	4,613	3,667	-	486	450		300	-	-	-
Collection System Equipment-C0713	-	17	80	80	80		80	80	80	80
Laboratory Equipment-C0745	-	-	150	-	100		10	10	10	10
Grinder Pump Replacement-C0767	25	63	100	60	112		112	112	112	112
SSES City Wide-C0800	536	149	1,960	20	460		100	100	100	100
Eliminate Pump Station #12-C0832	-	-	330	-	50		25	-	-	-
New Laterals-C0834	317	219	265	250	265		165	165	165	165
Total Capital Outlay	**$ 6,163**	**$ 4,735**	**$ 5,985**	**$ 1,448**	**$ 2,592**		**$ 2,702**	**$ 3,762**	**$ 1,882**	**$ 1,307**
Schedule B - Capital Outlay Detail										
Capital Outlay Non-Growth Related										
Cash Funded										
Sewer Vehicles-C0004	229	165	525	40	165		540	800	120	45
Manhole Raising-C0267	-	-	25	3	25		25	25	25	25
Pump Station Improvements-C0299	51	28	56	8	56		56	56	56	56
Collection System Rehabilitation-C0327	26	40	100	180	360		360	180	180	180
WWTP Equipment-C0584	86	14	250	250	350		250	250	250	250
Buildings & Structures-C0585	134	227	100	-	-		25	25	25	25
WWTP Phase III Disinfection-C0657	15	-	35	35	42		14	14	14	14
WWTP/Phase V/Solids Processing-C0711	-	68	70	-	-		-	-	-	-
Synagro Facility Upgrade Improvements-C0712	3,229	2,567	-	340	315		210	-	-	-
Collection System Equipment-C0713	-	17	80	80	80		80	80	80	80
Laboratory Equipment-C0745	-	-	150	-	100		10	10	10	10
Grinder Pump Replacement-C0767	25	63	100	60	112		112	112	112	112
SSES City Wide-C0800	268	75	130	18	234		90	90	90	90
Total Cash Funding	**4,063**	**3,263**	**1,621**	**1,013**	**1,889**		**1,797**	**1,642**	**962**	**887**
Grants in Aid of Construction										
WWTP Equipment-C0584	81	-	-	-	-		-	-	-	-
SSES City Wide-C0800	-	-	350	-	100		-	-	-	-
Total Grant in Aid of Construction	**81**	**-**	**350**	**-**	**100**		**-**	**-**	**-**	**-**
Contributions by Developers										
Collection System Rehabilitation-C0327	-	-	-	-	-		-	-	-	-
Total Developer Contributions	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
MDE Bond Funded										
SSES City Wide-C0800	-	-	500	-	-		-	-	-	-
Total MDE Bond Funding	**-**	**-**	**500**	**-**	**-**		**-**	**-**	**-**	**-**
City Bond Funded										
Collection System Rehabilitation-C0327	-	-	100	-	-		-	630	180	180
Grinder Pump Replacement-C0767	-	-	330	-	-		-	-	-	-
Total City Bond Funding	**-**	**-**	**430**	**-**	**-**		**-**	**630**	**180**	**180**
Total Non-Growth Related Capital Outlay	**4,144**	**3,263**	**2,901**	**1,013**	**1,989**		**1,797**	**2,272**	**1,142**	**1,067**

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2022/26
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Growth Related										
Grants in Aid of Construction										
SSES City Wide-C0800	-	-	350	-	100		-	-	-	-
Total Grants in Aid of Construction			**350**	**-**	**100**		**-**	**-**	**-**	**-**
Contributions by Developers										
Collection System Rehabilitation-C0327	-	-	-	-	-		-	700	-	-
Trunk Lines and Laterals -C0834	317	219	250	250	250		150	150	150	150
Total Developer Contributions	**317**	**219**	**250**	**250**	**250**		**150**	**850**	**150**	**150**
Benefit Charges/Restricted Cash Funded										
Pump Station Improvements-C0299	17	9	19	3	19		19	19	19	19
Collection System Rehabilitation-C0327	26	40	100	20	40		40	20	20	20
East End Pump Station-C0565	-	-	-	-	-		75	-	-	-
WWTP - Phase III - Disinfection-C0657	6	-	15	15	18		6	6	6	6
WWTP/Phase V/Solids Processing-C0711	-	29	30	-	-		-	-	-	-
Synagro Facility Upgrade Improvements-C0712	1,384	1,100	-	146	135		90	-	-	-
SSES City Wide-C0800	268	75	130	2	26		10	10	10	10
	-	-	15	-	15		15	15	15	15
Total Benefit Charge Funding	**1,702**	**1,253**	**309**	**185**	**253**		**255**	**70**	**70**	**70**
MDE Bond Funded										
East End Pump Station-C0565	-	-	1,575	-	-		500	500	500	-
SSES City Wide-C0800	-	-	500	-	-		-	-	-	-
Total MDE Bond Funding	**-**	**-**	**2,075**	**-**	**-**		**500**	**500**	**500**	**-**
City Bond Funded										
Collection System Rehabilitation-C0327	-	-	100	-	-		-	70	20	20
Total City Bond Funding	**-**	**-**	**100**	**-**	**-**		**-**	**70**	**20**	**20**
Total Growth Related Capital Outlay	**2,019**	**1,471**	**3,084**	**435**	**603**		**905**	**1,490**	**740**	**240**
Total Capital Outlay	**$ 6,163**	**$ 4,735**	**$ 5,985**	**$ 1,448**	**$ 2,592**		**$ 2,702**	**$ 3,762**	**$ 1,882**	**$ 1,307**

- Parking rates were last increased on July 1, 2020. Rates for the parking decks and parking lots have been approved by Mayor & Council to increase on July 1, 2021. Both parking deck and parking lot monthly rates will increase by $2 in FY2021/22. Current parking deck rates are $68/month or maximum $8.00/day; after hours is $2 from 4 PM to 6 AM weekdays and Saturdays, Sundays are free. Parking lot rates are $54/month. Future revenues do include an estimate for increased usage and rates combined for overall totals that range from 1.5% to 2.5% annually beginning in FY2022/23 through FY2025/26. Parking deck coupons have been replaced with online validations.

- Based on an economic study by Urban Partners in 2014, a future need for a third parking deck may occur through the development of new retail office space in the downtown (Catalyst Project #1). The projections include the assumption that this third parking deck would be completed and operational beginning in FY2025/26. The revenue calculation is based on utilization of 180 available spaces in the new deck. Additionally, new parking deck expenses and fees are included in the projections and are based on average expenditure trends reflected in our existing two decks. With the inclusion of a third parking deck, it is anticipated that there will be an increase in the deficit in FY2024/25 and will begin to deplete the Parking Fund cash balances starting in FY2024/25 with projected cash deficits of $63K and $535K in FY2024/25 and FY2025/26.

- Total operating expenses (excluding depreciation) increased by 6.1% from the FY2020/21 budget compared to the budget proposed for FY2021/22. Primarily, this increase is reflected in wages and benefits as a result planned salary enhancements. Based on historical trends, the projections will include increases in future periods. The overall increase for all future periods through FY2024/25 is estimated to average 3.0% annually, excluding third parking deck costs. With the inclusion of a third parking deck, the increase in FY2025/26 is estimated to be 31.7%.

- Depreciation expense is expected to increase from FY2020/21 to FY2021/22 budget by 5.1% or $15K as a result of infrastructure spending in FY21 for upgrades to the parking deck which will result in a full year of depreciation expense in FY22. FY23 is projected to see an increase in depreciation expense of 3% over FY22 as a result of a vehicle and improvements to the deck and parking lots. Further, we anticipate that depreciation will increase significantly in FY2023/24 (8.5%) and FY2024/25 (76.2%) based upon projected completion of a third parking deck (#56-C0173 in CIP Section 7). Last, depreciation expense is estimated to become relatively flat in FY2025/26 with an estimated increase of 0.2%.

- Given the recent movement by the Federal Reserve and lower interest rates, it is projected that interest earnings will remain low in FY2021/22. With the forecasted projections of future cash balances combined with an anticipation of rising interest rates, it is anticipated that investment earnings will grow in FY2022/23 and beyond before declining in FY2025/26 with the anticipated reduction to the cash balance.

- The future bond interest rates for the new parking deck are estimated at a rate of 4.75% over 25 years. Our projections include City issued governmental bonds to fund the construction of the third parking deck. The debt service impact is reflected in our interest expense and principal repayment figures.

- Based on the assumptions outlined above for both revenues and increasing expenses, our net increase (decrease) in retained earnings is estimated to decline from an anticipated loss of <$271.6K> in FY2020/21 to a loss of <$716.0K> in FY2025/26 due to significant increases in depreciation and debt service expenses for a third parking deck.

PARKING FUND PROJECTIONS
FISCAL YEAR 2022/2026
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Operating Revenues										
Parking Deck Revenues										
University District Parking Deck										
Parking Deck Permits	$ 214	$ 163	$ 230	$ 149	$ 160	$ 0	$ 164	$ 168	$ 172	$ 177
Parking Deck Fees	59	45	65	17	35	2.5%	51	52	53	55
Downtown Promotions	3	2	2	-	1	0.0%	1	1	1	1
General Free Parking	(38)	(11)	(25)	(2)	(3)	1.5%	(3)	(3)	(3)	(3)
Validations	31	20	29	8	15	1.5%	15	15	16	16
Arts & Entertainment Parking Deck										
Parking Deck Permits	110	75	115	100	100	2.5%	103	105	108	110
Parking Deck Fees	68	49	65	40	45	2.5%	61	63	64	66
PEP Parking Discount	(2)	(1)	-	(0)	-	1.5%	-	-	-	-
Parking Deck III										
Parking Deck Fees	-	-	-	-	-		-	-	-	135
Total Parking Deck Revenue	**445**	**341**	**481**	**312**	**354**		**393**	**402**	**412**	**557**
Parking Meter & Lot Revenues										
Street Meters	109	79	113	54	78	1.5%	94	96	97	98
Free Parking	(3)	(2)	(3)	(3)	(3)	0.0%	(3)	(3)	(3)	(3)
Market House Lot	42	43	43	41	42	1.5%	42	43	44	44
Church Street Lot	52	35	52	52	52	1.5%	52	53	54	55
Rochester Lot	14	4	7	5	5	1.5%	6	6	6	6
Central Lot	99	73	100	73	71	1.5%	72	73	74	75
Antietam St. Lot	22	16	23	13	15	1.5%	15	15	16	16
Bryan Centre Lot	1	0	1	0	0	0.0%	0	0	0	0
Departmental Charges	42	24	39	32	32	1.5%	32	33	33	34
Total Parking Meter & Lot Revenue	**378**	**272**	**373**	**267**	**292**		**311**	**316**	**320**	**325**
Parking Enforcement	**165**	**85**	**186**	**87**	**87**	1.5%	**108**	**109**	**111**	**113**
Other Operating Revenues										
Other Revenues	-	8	-	-	-		-	-	-	-
Total Other Operating Revenue	**0**	**8**	**0**	**0**	**0**		**0**	**0**	**0**	**0**
Total Operating Revenue	**988**	**706**	**1,039**	**665**	**732**		**811**	**827**	**844**	**995**
Operating Expenses										
University District Parking Deck	123	145	145	146	148	3.5%	153	158	164	169
Arts & Entertainment Parking Deck	166	208	198	221	209	3.5%	216	224	232	240
Parking Deck III	-	-	-	-	-	3.5%	-	-	-	205
Parking Lots	176	175	187	196	209	2.5%	214	219	225	230
Parking Enforcement Expenses	77	74	85	85	88	2.5%	90	92	94	97
Total Operating Expense	**541**	**601**	**615**	**648**	**653**		**673**	**693**	**714**	**941**
Cash Operating Income (Loss)	**447**	**105**	**424**	**17**	**79**		**139**	**134**	**129**	**54**
Depreciation	238	256	273	268	287		296	321	565	566
Operating Income (Loss)	**209**	**(152)**	**151**	**(252)**	**(208)**		**(157)**	**(187)**	**(436)**	**(512)**
Non-Operating Revenue (Expense)										
Intergovernmental Revenue-Cares Act	-	-	-	1	-		-	-	-	-
Interest Earned	24	16	12	2	2		16	16	17	12
Premium on Bonds	2	0	0	0	0		0	0	0	0
Interest/Bond Issuance Expense	(32)	(22)	(37)	(19)	(16)		(15)	(22)	(122)	(212)
Gain (loss) on Sale of Capital Assets	(53)	-	-	-	-		-	-	-	-
Total Non-Operating Revenue (Expense)	**(59)**	**(6)**	**(25)**	**(16)**	**(14)**		**2**	**(6)**	**(105)**	**(201)**
Net Income (Loss) Before Operating Transfers	**149**	**(157)**	**126**	**(268)**	**(222)**		**(156)**	**(192)**	**(541)**	**(712)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	-	(10)	(3)	(3)	(2)		(4)	(4)	(4)	(4)
Total Transfers From (To) Other Funds	**-**	**(10)**	**(3)**	**(3)**	**(2)**		**(4)**	**(4)**	**(4)**	**(4)**
Increase (Decrease) in Retained Earnings	**149**	**(168)**	**123**	**(272)**	**(224)**		**(160)**	**(196)**	**(545)**	**(716)**

PARKING FUND PROJECTIONS
FISCAL YEAR 2022/2026
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Adjust to a Cash Flow Basis										
Add Back Depreciation	$ 238	$ 256	$ 273	$ 268	$ 287		$ 296	$ 321	$ 565	$ 566
Changes in Working Capital	84	58	-	-	-		-	-	-	-
Prin. Pay on Current Long-Term Debt.	(203)	(216)	(66)	(66)	(69)		(31)	(33)	(63)	(366)
Total Adjustments to Retained Earnings	**119**	**98**	**207**	**202**	**218**		**264**	**288**	**502**	**201**
Cash Available for Capital Outlay	**268**	**(70)**	**329**	**(70)**	**(6)**		**105**	**92**	**(43)**	**(515)**
Capital Outlay										
Parking Facilities 3rd Parking Deck - C0173	-	-	700	-	-		-	700	7,301	-
Upgrades to Parking Decks - C0749	34	-	165	137	15		15	15	10	10
Vehicles/Equipment - C0829	-	-	-	-	-		35	-	-	-
Parking Lot Improvements - C0857	43	22	15	-	10		80	10	10	10
Total Capital Outlay	**76**	**22**	**880**	**137**	**25**		**130**	**725**	**7,321**	**20**
Cash After Capital Outlay	**192**	**(92)**	**(551)**	**(207)**	**(31)**		**(25)**	**(633)**	**(7,364)**	**(535)**
Additional Funding										
Bond Financing	-	-	1,367	-	-		-	700	7,301	-
Total Additional Funding	**-**	**-**	**1,367**	**-**	**-**		**-**	**700**	**7,301**	**-**
Net Surplus (Deficit)	**$ 192**	**$ (92)**	**$ 816**	**$ (207)**	**$ (31)**		**$ (25)**	**$ 67**	**$ (63)**	**$ (535)**
Beginning Cash Balance	$ 1,380	$ 1,572	$ 1,480	$ 1,480	$ 1,274		$ 1,243	$ 1,217	$ 1,284	$ 1,221
Ending Cash Balance	$ 1,572	$ 1,480	$ 2,297	$ 1,274	$ 1,243		$ 1,217	$ 1,284	$ 1,221	$ 686

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2022/2026
ASSUMPTIONS

- The last rate increases implemented at the Golf Course became effective January 1, 2021. There are no other rate increases included in the projections through FY2025/26. It is anticipated that the increase in use of the Golf Course in FY21 during the Covid-19 pandemic will return to historical levels in FY22. Offsetting the decline in golf charges is a one time Highway User Income to fund golf course improvements. As a result, the operating revenue proposed in the FY2021/22 budget anticipates a net <4.5%> decrease compared to estimated actuals for FY2020/21. Flat to small revenue growth is anticipated annually in FY2022/23 through FY2025/26. The changes to operating revenue for each of the respective periods beginning in FY2022/23 are as follows: 1.0%, 3.5%, 0.1%, and 3.5%.

- Total operating expense (excluding depreciation) increased by 1.3% from current FY2020/21 budget to proposed FY2021/21 budget. Salaries, wages and benefits collectively increased by the same 1.3% from FY2020/21 budget to proposed FY2021/22 budget. Beginning in FY2022/23 through FY2025/26, the change in total expenses range annually from 2.7%, 3.3%, 3.2%, and 3.1% respectively. The increase reflects annual salary enhancements and associated benefits of 3.8% for FY2022/23; 3.2% in FY2023/24 and FY2024/25; and 3.3% in FY2025/26. In addition, several expense categories (Material, Supplies, & Utilities; Maintenance & Repairs; Vehicle Operating Expenses; and Contracted Services) are anticipated to increase based on historical trends and inflation factors.

- Depreciation expense is a reflection of investment in capital infrastructure and renovation. Therefore, the projections for depreciation reflect an increase of 55.0% or $23K from FY2020/21 to FY2021/22 budget. This increase is due to further purchases of vehicles for the golf course and for course improvements. The four remaining periods from FY2022/23 through FY2025/26 are anticipated to increase by 12.0%, 12.8%, 9.7% and 7.7% respectively.

- As a result of decreases in the Federal Reserve, it is anticipated that annual interest earned will be no more than $1K despite the increase in cash balances within the Golf Course fund through FY2025/26.

- The Golf Course currently has no debt service and is not estimated to incur any through FY2025/26.

- Currently, the Golf Course receives a subsidy from the General Fund. It will be necessary to continue this subsidy through FY2025/26 based on the projections and trends. The proposed budget for FY2021/22 includes a subsidy of $200K down from $272K in the FY2020/21 budget due to an anticipated increase in retained earnings in FY21 of $70K. FY2022/23 reflects an increase to the subsidy of $51K as a result of planned improvements. In the remaining future projections from FY2023/24 through FY2025/26, annual stipend requirements from the General Fund are estimated at $255K, $264K, and $264K respectively.

- Based on the assumptions outlined above for revenues, increasing expenses, and the subsidy received by the General Fund, the net surplus (deficit) in is estimated to remain at zero for future periods to not deplete the projected FY22 cash balance.

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2022/2026
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Operating Revenues										
Green Fees	$ 107	$ 131	$ 106	$ 165	$ 137		$ 141	$ 145	$ 150	$ 154
Cart Rentals	66	81	70	100	90		93	93	93	93
Tournaments & Specials	7	9	6	12	10		10	10	10	10
State Shared:Highway User Income	-	-	-	-	30		-	-	-	-
Other Revenues	20	23	22	34	30		25	31	26	32
Total Operating Revenues	**200**	**243**	**203**	**311**	**297**		**269**	**279**	**279**	**289**
Operating Expenses										
Salaries & Wages	183	185	184	187	189		194	200	206	212
Wage & O/H Allocation	-	-	-	-	-		-	-	-	-
Fringe Benefits	102	110	109	107	108		114	118	123	127
Materials, Supplies, & Utilities	57	57	74	74	75	3.0%	77	80	82	85
Maintenance & Repairs	1	4	2	3	3	2.0%	3	3	3	3
Vehicle Operating Expenses	17	15	19	17	17	1.5%	17	17	18	18
Advertising & Printing	14	9	12	10	11		12	13	13	14
Machinery & Equipment Rentals	14	16	17	17	17		17	17	18	18
Contracted Services	15	36	20	32	23	2.5%	23	24	25	26
Other General Expenses	9	18	11	13	13		10	11	11	12
Insurance	2	2	3	3	3		3	3	3	3
Communication Expenses	1	1	1	1	1		1	1	1	1
Operating Capital Expenditures	2	1	-	1	-		1	1	1	1
Depreciation	36	40	42	49	66		73	83	91	98
Total Operating Expenses	**454**	**493**	**495**	**513**	**524**		**545**	**571**	**595**	**617**
Operating Income (Loss)	**(254)**	**(249)**	**(292)**	**(202)**	**(228)**		**(276)**	**(292)**	**(316)**	**(328)**
Non-Operating Revenues (Expense)										
Intergovernmental Revenue-CARES Act	-	-	-	-	-		-	-	-	-
Interest Earned	1	1	-	-	-		1	1	1	1
Total Non-Operating Revenue (Expense)	**1**	**1**	**-**	**-**	**-**		**1**	**1**	**1**	**1**
Transfers From (To) Other Funds										
Transfers from General Fund	273	273	272	272	200		251	255	264	264
Total Transfers From (To) Other Funds	**273**	**273**	**272**	**272**	**200**		**251**	**255**	**264**	**264**
Increase (Decrease) in Retained Earnings	**20**	**24**	**(20)**	**70**	**(27)**		**(24)**	**(36)**	**(51)**	**(63)**
Adjust to Cash Flow Basis										
Add Back Depreciation	36	40	42	49	66		73	83	91	98
Changes in Working Capital	2	-	-	-	-		-	-	-	-
Total Adjustment to Retained Earnings	**38**	**40**	**42**	**49**	**66**		**73**	**83**	**91**	**98**
Cash Available for Capital Outlay	**58**	**64**	**22**	**119**	**39**		**49**	**47**	**40**	**35**
Capital Outlay										
Vehicle/Equipment Replace - C0395	16	35	35	35	38		37	47	40	35
Golf Course Improvements - C0825	-	-	-	-	60		12	-	-	-
Total Capital Outlay	**16**	**35**	**35**	**35**	**98**		**49**	**47**	**40**	**35**
Net Surplus (Deficit)	**$ 42**	**$ 29**	**$ (13)**	**$ 84**	**$ (59)**		**$ (0)**	**$ 0**	**$ 0**	**$ (0)**
Beginning Cash	$ 27	$ 69	$ 99	$ 99	$ 182		$ 123	$ 123	$ 123	$ 123
Ending Cash	$ 69	$ 99	$ 86	$ 182	$ 123		$ 123	$ 123	$ 123	$ 123
Self Supporting Level	44.1%	49.3%	41.0%	60.6%	56.7%		49.3%	48.9%	46.9%	46.8%

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2022/2026
ASSUMPTIONS

- Overall, rental revenue projections are estimated to increase by 1.3% or $4.3K from FY2020/21 budget to FY2021/22 budget. The FY2021/22 budget includes all current leases. The budget also reflects continued annual occupancy of the four artist loft apartments (38 N. Potomac Street). At this time, there are two areas that remain occupied for just a $1.00 per year or for no cost (Fire Police Headquarters on Valley Road and City of Hagerstown Police Auxiliary). Additionally, the following rent contracts have expiration dates over the future projections through FY2025/26 as follows: Dept. of Labor, Licensing & Regulation (2-6 N Potomac St. 1st Floor) expires in July 2022; Maryland Watch Works (14 N Potomac St., Suite B-3) expires in 2023; and, NIST (14 N. Potomac St.) expires in 2025.

- Total operating expenses (excluding depreciation) are expected to decrease by 10.3% from FY2020/21 budget compared to the FY2021/22 budget. Primarily, this decrease is a result of a reduction in part-time staffing, and the resulting decrease in salary and benefit costs. The overall estimated increase for each consecutive year from FY2022/23 to FY2025/26 is 2.0%.

- Depreciation expense is expected to increase slightly by 0.7% from the FY2020/21 budget to the proposed FY2021/22 budget. Further, it is estimated that depreciation will increase significantly by 13.7% in FY2022/23 due to improvement projects at the Alms House, Elizabeth Hager Center, and 36-40 North Potomac Street. After that, it is expected that depreciation will increase annually by 0.6% from FY2023/24 through FY2025/26.

- The investment interest amount is assumed to remain flat with no overall growth calculated as a result of anticipated cash balances within this fund. Currently, there is a long-term lease in place with Antietam Fire Company which accrues interest and is primarily the amount reflected in this line item.

- Interest expense for FY2021/22 will stay flat to the FY2020/21 budget at $4K. At this time, there are no additional future bond issues. As a result, interest expense remains flat through FY2025/26.

- Based on the assumptions outlined above for both revenues and expenses, our net increase (decrease) in retained earnings is estimated to decline from an anticipated loss of <$129K> in FY2020/21 estimated actual to a loss of <$112K> in FY2021/22.

- The ending total cash balance is projected to be a negative balance of <$103K> beginning with the FY2021/22 budget. This negative cash balance is a result of multiple factors: higher annual operating expenditures over rental income and capital improvement projects at the Elizabeth Hager Center, 60 W Washington Street, and 36-40 N Potomac Street.

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2022/2026
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Operating Revenues										
Rent - 2-6 N Potomac Street, 1st Floor	$ 162	$ 148	$ 167	$ 167	$ 167		$ 14	$ -	$ -	$ -
Rent - 14 N Potomac Street, Suite 200A/B	48	34	28	36	36		36	37	37	24
Rent - 6 N Potomac Street	19	18	20	11	-		-	-	-	-
Rent - 14 N Potomac Street, Suite B-3	18	1	18	18	21		18	-	-	-
Rent - 17 E Franklin Street	6	-	-	-	-		-	-	-	-
Rent - 25 E Franklin Street	5	-	-	-	-		-	-	-	-
Rent - 14 N Potomac Street, Suite 200B Room 59	2	1	-	-	-		-	-	-	-
Rent - 14 N Potomac Street, Suite 200B	1	-	-	-	-		-	-	-	-
Rent - 60 W Washington Street, Suite 102	5	7	2	7	8		-	-	-	-
Rent - 790-800 Potomac Avenue	15	16	16	16	16		17	18	18	19
Rent - 40 N Potomac Street	16	15	17	17	17		-	-	-	-
Rent - 36 N Potomac Street	-	-	-	6	8		-	-	-	-
Rent - 60 W Washington Street, Rear	32	29	32	32	33		33	33	33	33
Rent - 38 N Potomac Street	21	19	21	21	21		21	21	21	21
Membership Dues - 60 W Washington Street	6	6	6	6	3		6	6	6	6
Miscellaneous Revenues	-	24	-	-	-		-	-	-	-
Total Operating Revenues	**356**	**318**	**326**	**336**	**330**		**145**	**114**	**115**	**103**
Operating Expenses										
Rental Properties Operational Expense	561	321	346	341	310	2.0%	316	323	329	336
Depreciation	160	137	140	133	141		160	161	162	163
Total Operating Expenses	**721**	**459**	**486**	**474**	**451**		**477**	**484**	**492**	**499**
Operating Income (Loss)	**(366)**	**(140)**	**(160)**	**(138)**	**(121)**		**(331)**	**(370)**	**(377)**	**(396)**
Non-Operating Revenues (Expenses)										
*Intergovernmental Revenue-CARES Act	-	-	-	0	-		-	-	-	-
Interest Earned	16	15	13	13	13		14	14	14	14
Interest/Bond Issuance Expense	(4)	(4)	(4)	(4)	(4)		(4)	(4)	(3)	(3)
Loss on Disposal of Capital Assets	(581)	(37)	-	-	-		-	-	-	-
Total Non-Operating Revenues (Expenses)	**(570)**	**(26)**	**9**	**9**	**9**		**10**	**10**	**11**	**11**
Net Income (Loss) Before Operating Transfers	**(935)**	**(167)**	**(151)**	**(129)**	**(112)**		**(321)**	**(359)**	**(366)**	**(385)**
Transfers From (To) Other Funds										
Transfers from CDBG Fund	174	-	-	-	-		-	-	-	-
Total Transfers From (To) Other Funds	**174**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
Capital Contributions										
Grants in Aid of Construction	-	-	-	-	-		-	-	-	-
Total Capital Contributions	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**$ (761)**	**$ (167)**	**$ (151)**	**$ (129)**	**$ (112)**		**$ (321)**	**$ (359)**	**$ (366)**	**$ (385)**
Adjust to a Cash Flow Basis										
Add Back Depreciation	160	137	140	133	141		160	161	162	163
Changes in Working Capital	847	31	-	-	-		-	-	-	-
Principal Payments on Long-term Debt	(5)	(5)	(6)	(6)	(6)		(6)	(6)	(6)	(6)
Total Adjustments to Retained Earnings	**1,002**	**163**	**134**	**128**	**135**		**154**	**155**	**156**	**157**
Cash Available for Capital Outlay	**241**	**(3)**	**(16)**	**(1)**	**24**		**(167)**	**(204)**	**(210)**	**(228)**
Capital Outlay										
Alms House Repairs - C0755	-		-	-	-		550	-	-	-
Roslyn Building - C0779	174	-	-	-	-		-	-	-	-
Elizabeth Hager Center - C0803	-	-	40	40	30		20	20	20	20
60 W Washington St - C0828	-	-	100	-	120		-	-	-	-
36-40 N Potomac Street - C0836	15	-	7	7	10		10	10	10	10
Total Capital Outlay	**189**	**-**	**147**	**47**	**160**		**580**	**30**	**30**	**30**
Net Surplus (Deficit)	**$ 52**	**$ (3)**	**$ (163)**	**$ (48)**	**$ (136)**		**$ (747)**	**$ (234)**	**$ (240)**	**$ (258)**
Beginning Cash Balance	$ 33	$ 85	$ 81	$ 81	$ 34		$ (103)	$ (850)	$ (1,084)	$ (1,324)
Ending Cash Balance	$ 85	$ 81	$ (82)	$ 34	$ (103)		$ (850)	$ (1,084)	$ (1,324)	$ (1,582)

*FY2020/21 est. actual includes $73 reimbursed by the Cares Act legislation.

- Stormwater rates of $32.00 per 1000 square feet of impervious area were approved by Mayor & Council to begin at the start of July 2020. Due to Covid, the implementation and billing of the fee were delayed until March 2021. Rates will increase to $34.00 per 1000 square feet of impervious area on January 1, 2022. For future years, rates are projected to be $36.50 in 2023, $39.00 in both 2024 and 2025 and $41.00 per 1000 square feet of impervious area in 2026.

- Total operating expenses (excluding depreciation) increased by 55.9% from the FY2020/21 budget compared to the budget proposed for FY2021/22. This increase is reflected in the "Selling, General & Administrative" line with $125K added for a new Waste Management at Your Door program and an additional expense of $780K to carry out initiatives of the Stormwater Management program. The projections will include increases in future periods. Until the stormwater program is fully implemented and more can be determined on its associated costs, the overall increase for all future periods through FY2025/26 is estimated to average 3.5% annually to include increases for salaries, benefits and other inflationary increases.

- Depreciation expense was unbudgeted in FY2020/21 but is projected to be $91K in FY2021/22. The depreciation expense estimated for FY2021/22 is a reflection of infrastructure and vehicle investments. FY2022/23 is projected to increase by 47.7% over FY2021/22 primarily as a result of $2.0M in spending for stream restorations (#59-C0866). Further, it is anticipated that depreciation will increase significantly in FY2023/24 (47.6%) based upon projected spending of $1.6M in Stormwater Protection Program Implementation (#59-C0637 in CIP Section 7). Lastly, depreciation expense is estimated to increase in FY2024/25 and FY2025/26 by 10.8% and 5.9% respectively.

- Despite the low interest rates set in place by the Federal Reserve, it is anticipated that interest income will grow from FY2021/22 to FY2025/26. As this newly created fund and initiative gets started, interest will be earned as cash is received. Once billing is in place, historical trends will provide a better basis of projecting.

- The future bond interest rates are estimated at a rate of 4.50% over 20 years. The projections include City issued governmental bonds to fund a portion of Program Implementation in FY2023/24. The debt service impact is reflected in interest expense and principal repayment figures.

- Based on the assumptions outlined above for both revenues and increasing expenses, our net increase (decrease) in retained earnings is estimated to grow from an anticipated gain of $287K in FY2020/21 to a gain of $919K in FY2025/26.

STORMWATER FUND PROJECTIONS
FISCAL YEAR 2022/2026
INCOME STATEMENT
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
Operating Revenues										
Stormwater Fixed Fee	$ -	$ -	$ 1,335	$ 772	$ 3,121		$ 3,351	$ 3,580	$ 3,580	$ 3,764
Credit SWM Program	-	-	-	(2)	(177)		(190)	(203)	(203)	(213)
Total Operating Revenues	**-**	**-**	**1,335**	**769**	**2,944**		**3,161**	**3,377**	**3,377**	**3,551**
Operating Expenses										
Infrastructure Maintenance	-	-	674	517	539	3.5%	557	577	597	618
Capital Construction	-	-	129	15	136	3.5%	141	146	151	156
Selling, General & Administrative	-	-	523	459	1,394	3.5%	1,443	1,493	1,546	1,600
Total Operating Expense	**-**	**-**	**1,327**	**991**	**2,069**		**2,141**	**2,216**	**2,294**	**2,374**
Cash Operating Income (Loss)	**-**	**-**	**8**	**(222)**	**876**		**1,020**	**1,161**	**1,084**	**1,177**
Depreciation	-	-	-	74	91		135	199	220	233
Operating Income (Loss)	**-**	**-**	**8**	**(296)**	**784**		**885**	**962**	**863**	**943**
Non-Operating Revenue (Expense)										
Interest Earned	-	-	-	-	3		10	29	29	29
Interest/Bond Issuance Expense	-	-	-	(24)	(23)		(21)	(38)	(55)	(53)
Total Non-Operating Revenue (Expense)	**-**	**-**	**-**	**(24)**	**(20)**		**(11)**	**(9)**	**(26)**	**(24)**
Net Income (Loss) Before Operating Transfers	**-**	**-**	**8**	**(320)**	**764**		**874**	**953**	**837**	**919**
Transfers From (To) Other Funds										
Transfers from General Fund			77	78	-		-	-	-	-
Total Transfers From (To) Other Funds	**-**	**-**	**77**	**78**	**-**		**-**	**-**	**-**	**-**
Capital Contributions										
Grants in Aid of Construction	-	-	-	-	-		500	-	-	-
*Capital Contributions				529				-	-	-
Capital Contributions	**-**	**-**	**-**	**529**	**-**		**500**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**-**	**-**	**85**	**287**	**764**		**1,374**	**953**	**837**	**919**
Adjust to a Cash Flow Basis										
Add Back Depreciation	-	-	-	74	91		135	199	220	233
Changes in Working Capital	-	-	-	-	-		-	-	-	-
Prin. Pay on Current Long-Term Debt.	-	-	-	(33)	(34)		(36)	(37)	(111)	(112)
Non-Cash Developer Contributions	-	-	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**-**	**-**	**-**	**41**	**57**		**99**	**162**	**110**	**121**
Cash Available for Capital Outlay	**-**	**-**	**85**	**328**	**821**		**1,473**	**1,115**	**947**	**1,040**
Capital Outlay										
Stormwater Vehicles - C0064	-	-	-	529	-		-	-	125	-
Stormwater Facilities - C0255	-	-	-	-	30		-	-	-	-
Stormdrain System Upgrades - C0444	-	-	289	25	20		150	150	150	150
Curb Replacement Program - C0459	-	-	100	100	100		100	100	100	100
Reforestation Using SPP Funds - C0594	-	-	150	-	-		25	25	25	50
Stormwater Protection Program - C0637	-	-	1,538	10	500		-	1,616	140	250
Green Streets - C0639	-	-	80	-	100		-	300	-	-
Pangborn Lake Reconstruction - C0812	-	-	333	-	-		-	-	-	-
Stream Restorations - C0866	-	-	-	-	263		1,960	-	-	-
Total Capital Outlay	**-**	**-**	**2,490**	**664**	**1,013**		**2,235**	**2,191**	**540**	**550**
Cash After Capital Outlay	**-**	**-**	**(2,405)**	**(336)**	**(191)**		**(762)**	**(1,076)**	**407**	**490**
Additional Funding										
Bond Financing	-	-	1,000	-	-		-	1,250	-	-
Total Additional Funding	**-**	**-**	**1,000**	**-**	**-**		**-**	**1,250**	**-**	**-**
Net Surplus (Deficit)	**$ -**	**$ -**	**$ (1,405)**	**$ (336)**	**$ (191)**		**$ (762)**	**$ 174**	**$ 407**	**$ 490**
Beginning Cash Balance	$ -	$ -	$ -	$ -	$ (336)		$ (528)	$ (1,290)	$ (1,116)	$ (709)
Ending Cash Balance	$ -	$ -	$ (1,405)	$ (336)	$ (528)		$ (1,290)	$ (1,116)	$ (709)	$ (219)

* Capital Contribution reflects a transfer of capital fixed assets at book value from the general fund.

Health Care Fund Coverage

Structure: The Health Care Fund was created in 2000 to manage the City's self-insurance program for health care. Under this self-funded plan the City pays a standard monthly administrative fee for each covered member and accepts claim risk up to an aggregate stop loss. Administratively, all City departments are billed pre-established internal "insurance" rates for their department's share of cost of insurance for its employees, retirees and dependents. Similarly, the active employees and retirees pay internal "insurance" rates for their share of dependent coverage. These billings represent funding sources for the Health Care Fund from which all health care related administrative and medical claim costs are paid.

Health Insurance Plan Options

Active employees have the option of choosing between the City's Level Medical Plan (deductible and copays), the Plus Medical Plan (a high-deductible plan) or the select Medical Plan. The City pays a portion of the premium and employees pay a percentage of the premium for their coverage and their dependents coverage. This City's portion of the premium ranges from 74% to 98% depending on the plan and level of coverage.

Eligible retirees and their dependents who are not Medicare eligible can enroll in the City's Under 65 Medical Plan with a similar cost sharing arrangement for retirees and dependents. Retirees who are Medicare eligible may choose from two medical plan options including the "Medicomp" Medicare supplement medical plan or the Health Reimbursement Account (HRA). The HRA provides an annual stipend of up to $4,200 per person to cover eligible medical related costs. For example, the HRA plan permits retirees to purchase their own secondary coverage and receive reimbursement for any eligible premiums, deductibles and co-pays.

Claims ("Run Out") Reserve Policy

The Claims ("Run Out") Reserve is defined as costs incurred at the end of a fiscal year which due to timing will be paid out in the following year. Self funded plans are required to maintain this reserve as a liability that would be paid when the self funded plan is terminated. Every year, the City re-evaluates the amount booked for this liability. This analysis is performed using claim lag reports obtained from the claim administrators of the City's health and dental plans. The claim lag reports identify the timing of claim payments from incurred to process date. The City's benefits consultant assists with this projection and is recorded on an annual basis.

Health Insurance Fund: Estimated Actual Projections

At the end of FY2020/21, the estimated cash balances of $5.2 million will provide future funding for any required Claims Reserve. Additionally, our fund balance reserve is estimated to increase over FY2020/21 budget amount and total $5.3 million.

Health Insurance Fund: Proposed FY 2021/22 Budget

The proposed FY2021/22 reflects a projected deficit. There is a proposed transfer from the Health Insurance Fund to distribute the FY2019/20 surplus by a total of $750K, allocated as follows: General Fund (72.3%), Electric Fund (7.1%), Water Fund (11.1%), and Wastewater Fund (9.5%). This fund balance surplus transfer is in compliance with the Fund Balance/Retained Earnings Policy and is expected to result in a remaining total fund balance of $5.0 million and more than 3.5 months of operating cash on hand. At the end of FY2021/22, it is estimated that the ending cash balance on hand will be approximately $4.9 million.

Health Insurance Fund: Four Year Forecast Beyond Proposed Fiscal Year 2021/22 Budget

As a result of our recent claims expense trends and the financial impact of current legislative regulations, the future projections include 5.0% annual increases for actual medical expense claims. Given the offsetting premiums and revenues, it is estimated that the cash balance will be $6.9M at the end of FY2025/26.

Accounting Rules for Other Post Employment Benefits

Like pension benefits, City employees and their dependents receive health and dental benefits after retirement based upon years of employment with the City. Accounting rules (GASB75) changed how the City accounted for the cost of its post employment benefits in FY2017/18. The City annually contracts with an actuarial firm, CBIZ Benefits & Insurance Services, Inc., to perform all necessary calculations. The annual contribution from the City to fund an OPEB trust account is reflected as a separate line item in our financial projections. The City included $700,000 in Fiscal Year 2020/21 estimated actual for this annual required contribution. Based on the current structure and trends of the Health Insurance Fund's plan, the contribution will return to $650,000 in future years.

HEALTH CARE FUND PROJECTIONS
FISCAL YEAR 2022/2026
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
							4.0%	*4.0%*	*4.0%*	*4.0%*
Premium Revenues										
Premium Revenues - City	$ 6,612	$ 6,524	$ 6,630	$ 6,526	$ 6,568		$ 6,831	$ 7,104	$ 7,388	$ 7,684
Premium Revenues - Employees	828	1,076	1,079	1,059	1,059		1,080	1,123	1,168	1,215
Premium Revenues - Retirees	226	220	209	225	225		234	243	253	263
Total Premium Revenue	**7,666**	**7,820**	**7,918**	**7,810**	**7,852**		**8,145**	**8,471**	**8,810**	**9,162**
Interest From Investments	54	51	50	5	6	1.5%	6	6	6	6
Prescription Rebates	206	322	370	218	440	2.0%	449	458	467	476
Stop Loss Reimbursement	144	12	-	-	-		5	10	15	20
Miscellaneous Revenue	183	-	-	-	-		-	-	-	-
Total Revenue	**8,254**	**8,206**	**8,338**	**8,033**	**8,298**		**8,605**	**8,945**	**9,298**	**9,665**
Medical Claims Expense	6,323	5,553	6,910	5,382	6,388	4.0%	6,644	6,909	7,186	7,473
Claims Reserve Expense	101	24	50	50	50	2.0%	51	52	53	54
Health Savings Account Contributions	49	51	49	49	49		52	54	57	59
Administrative & Audit Expenses	351	448	382	380	385	3.0%	397	408	421	433
Stop Loss Reinsurance Expenses	250	225	350	256	349	3.0%	359	370	381	393
Wellness Program	40	45	50	50	50		53	53	53	53
OPEB Trust Contributions	650	650	700	700	650		650	650	650	650
Total Expenditures	**7,765**	**6,997**	**8,492**	**6,867**	**7,922**		**8,205**	**8,497**	**8,800**	**9,115**
Transfers From (To) Dental Fund	-	-	-	-	-		50	50	50	50
Transfers From (To) General Fund	(537)	(580)	(380)	(380)	(542)		-	-	-	-
Transfers From (To) Electric Fund	(58)	(64)	(28)	(28)	(53)		-	-	-	-
Transfers From (To) Water Fund	(86)	(95)	(40)	(40)	(83)		-	-	-	-
Transfers From (To) Wastewater Fund	(76)	(80)	(36)	(36)	(71)		-	-	-	-
Total Transfers From (To) Other Funds	**(757)**	**(818)**	**(484)**	**(484)**	**(750)**		**50**	**50**	**50**	**50**
Operating Income (Loss)	**(268)**	**391**	**(637)**	**681**	**(373)**		**450**	**498**	**547**	**599**
Increase (Decrease) in Retained Earnings	**$ (268)**	**$ 391**	**$ (637)**	**$ 681**	**$ (373)**		**$ 450**	**$ 498**	**$ 547**	**$ 599**
Beginning Fund Balance	4,523	4,255	4,646	4,646	5,328		4,954	5,403	5,901	6,448
Ending Fund Balance	**$ 4,255**	**$ 4,646**	**$ 4,009**	**$ 5,328**	**$ 4,954**		**$ 5,403**	**$ 5,901**	**$ 6,448**	**$ 7,048**
Total Cash Balance -Beginning	$ 5,101	$ 4,766	$ 5,180	$ 5,180	$ 5,225		$ 4,853	$ 5,302	$ 5,800	$ 6,347
Total Cash Balance-Ending	$ 4,766	$ 5,180	$ 4,543	$ 5,225	$ 4,853		$ 5,302	$ 5,800	$ 6,347	$ 6,947
Unrestricted Cash Balance-Beginning	$ 4,345	$ 4,002	$ 4,351	$ 4,351	$ 4,396		$ 4,023	$ 4,473	$ 4,971	$ 5,518
Unrestricted Cash Balance-Ending	$ 4,002	$ 4,351	$ 3,714	$ 4,396	$ 4,023		$ 4,473	$ 4,971	$ 5,518	$ 6,117
Restricted Cash Balance-Beginning	$ 756	$ 764	$ 829	$ 829	$ 829		$ 829	$ 829	$ 829	$ 829
Restricted Cash Balance-Ending*	$ 764	$ 829	$ 829	$ 829	$ 829		$ 829	$ 829	$ 829	$ 829

*Ending Cash balance at June 30, 2020 includes $159,000 currently on deposit with United Healthcare and $670,340 in Health Reimbursement Accounts.

DENTAL INSURANCE FUND
FISCAL YEAR 2022/2026
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 REVISED BUDGET	2020/21 EST. ACTUAL	2021/22 PROPOSED BUDGET	PROJ. CHG%	2022/23 PROJ.	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.
						0.0%	*0.0%*	*0.0%*	*0.0%*	
Premium Revenues										
Premium Revenues - City	$ 181	$ 193	$ 197	$ 194	$ 194		$ 194	$ 194	$ 194	$ 194
Premium Revenues - Employees	175	160	165	188	188		188	188	188	188
Premium Revenues - Retirees	68	70	71	72	72		72	72	72	72
Total Premium Revenue	**424**	**422**	**434**	**454**	**454**		**454**	**454**	**454**	**454**
Interest From Investments	6	7	7	1	2		5	6	7	7
Total Revenue	**430**	**429**	**440**	**455**	**456**		**459**	**460**	**461**	**461**
Dental Claims Expense	298	271	360	360	345	1.0%	348	352	355	359
Claims Reserve Expense	(5)	(3)	5	5	5		5	5	5	5
Administrative & Audit Expenses	41	41	43	44	44	3.0%	45	47	48	50
Total Expenses	**334**	**309**	**408**	**408**	**394**		**399**	**404**	**409**	**414**
Transfers From (To) Other Funds										
Transfers (to) Health Care Fund	-	-	-	-	-		(50)	(50)	(50)	(50)
Total Transfers From (To) Other Funds	**-**	**-**	**-**	**-**	**-**		**(50)**	**(50)**	**(50)**	**(50)**
Increase (Decrease) in Retained Earnings	**$ 96**	**$ 120**	**$ 31**	**$ 46**	**$ 62**		**$ 10**	**$ 6**	**$ 2**	**$ (3)**
Beginning Fund Balance	430	526	646	646	692		754	764	771	773
Ending Fund Balance	**$ 526**	**$ 646**	**$ 678**	**$ 692**	**$ 754**		**$ 764**	**$ 771**	**$ 773**	**$ 771**
Total Cash Balance -Beginning	$ 444	$ 538	$ 649	$ 649	$ 695		$ 757	$ 767	$ 774	$ 776
Total Cash Balance-Ending	$ 538	$ 649	$ 681	$ 695	$ 757		$ 767	$ 774	$ 776	$ 774
Unrestricted Cash Balance-Beginning	$ 413	$ 507	$ 618	$ 618	$ 664		$ 726	$ 736	$ 743	$ 745
Unrestricted Cash Balance-Ending	$ 507	$ 618	$ 650	$ 664	$ 726		$ 736	$ 743	$ 745	$ 743
Restricted Cash Balance-Beginning	$ 31	$ 31	$ 31	$ 31	$ 31		$ 31	$ 31	$ 31	$ 31
Restricted Cash Balance-Ending*	$ 31	$ 31	$ 31	$ 31	$ 31		$ 31	$ 31	$ 31	$ 31

*Ending Cash balance at June 30, 2020 includes $31,300 currently on deposit with United Concordia.

Parks

City of Hagerstown









CAPITAL IMPROVEMENT PROGRAM
SECTION 7

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All Departments – Consolidated

PROGRAM OVERVIEW

Hagerstown plans its capital improvement projects over a five-year period. Capital improvements programming and budgeting involves the development of a long-term plan for capital expenditures. Capital expenditures include buildings and facilities, significant ongoing maintenance and improvements to current facilities, land, major equipment, and other commodities which are of significant value and have a useful life of several years. It is both a fiscal and planning document that allows the City to monitor and inventory all capital project costs, funding sources, departmental responsibilities, and project schedules. The program includes a comprehensive review of all capital needs and then providing the information and criteria to assist Mayor and Council as they choose among competing projects.

The proposed Capital Improvements Program (CIP) for FY21 and FY22 is summarized below:

	FY21		FY22
Fund	**Revised Budget**	**Estimated Actual**	**Proposed Budget**
General / CIP Fund	$ 22,732,803	$ 12,543,340	$ 13,716,416
Electric Fund *	980,000	451,500	814,500
Water Fund	4,345,000	1,680,937	2,765,000
Wastewater Fund	5,985,000	1,448,438	2,592,000
Parking Fund	880,000	137,182	25,000
Golf Fund	35,000	35,000	98,000
Property Management Fund	147,000	47,000	160,000
Stormwater Management	2,490,240	664,487	1,012,500
TOTALS	**$ 37,595,043**	**$ 17,007,884**	**$ 21,183,416**

* Excludes capital expenditures not included in specific projects of $512,500, $422,225 and $477,500 respectively.

MAJOR FY22 PROGRAM OBJECTIVES

- Further the City's goals and objectives as outlined in the City's Comprehensive and Strategic Plans, the Community's City Center Plan as summarized on the City's website, and the Mayor & Council Goals & Priorities included in Section 1 of the budget book.
- Maximize opportunities for community development and infrastructure replacement while staying within debt affordability guidelines, available resources and complying with the City's debt management policy.
- Increase opportunities to obtain funding from outside sources such as the Federal, State and County Governments and other private parties.
- Assist in planning, budgeting and coordinating the operational and capital efforts of all City Departments.
- Provide guidance for making decisions about requests for routine or emergency capital expenditures.
- Attract private investment by planning for future amenities and infrastructure improvements to support public capital commitments.
- Maintain or improve the City's bond rating through effective financial planning and management.

THE CITY'S STRATEGIC PLAN

In November 2018, the former Mayor and City Council approved their Goals & Priorities for calendar years 2018 through 2020 which build upon the City's Vision and Mission Statements. (Mayor & Council Goals & Priorities – 2018 through 2020 is located in Section 1 Overview). A new Mayor & 5 Council members were elected in November 2020 and are currently working toward approving new Goals & Priorities for 2021 through the end of their term. By strategically utilizing a combination of financial management policies, land use, and forecasting, the City will ensure stability by maximizing its use of resources. To assist policy makers, the CIP's five year forecast included in this section reflects the financial impact of their decisions. The Strategic Plan outlines the City's desire to be the location of choice for a diverse and dynamic citizenry, and to provide a proud and prosperous community.

Neighborhoods Revitalization & Sustainability
Providing the citizens of Hagerstown the ability to experience a high quality of life in their neighborhood is important to the City of Hagerstown. In addition to the City's operating funding support of neighborhood programs, the capital budget plan includes $243K for public art, downtown beautification programs, tree installation, and accessibility ramps.

Public Safety
To ensure that all who live, work and play in the City of Hagerstown are safe, $4.9M has been designated to purchase one fire engine and one ladder truck, replace existing Fire Training Tower building, relocate and/or renovate the fire stations, upgrade fire radios and equipment, replace police vehicles and upgrade street crime cameras and police lab equipment.

Public Facilities and Infrastructure
In order to establish and maintain quality services and an infrastructure that supports residents and business in a cost effective manner, the budget proposal provides $11.2M for new technologies that provide and promote a more customer-oriented and safe parking experience, sidewalk replacements, bridge repair, storm water management upgrades, major signal intersection upgrades, alley and street reconstructions and extensions, pavement preservation and maintenance, City Hall improvements, Elizabeth Hager Center upgrades, various upgrades and renovations related to the electrical services provided to Hagerstown Light Division customers, water main replacements, improvements to water treatment plants to improve safe drinking water standards, and various Wastewater collection system rehabilitations.

Economic Development
The City of Hagerstown strives to have a diverse, business-friendly economy that supports the community's needs. To achieve this goal, $2.2M has been included in the CIP budget to implement the Community's City Center Plan to promote economic development and strong neighborhoods in the core of the city, to construct a multi-use trail linking the Arts & Entertainment District with City Park and the Washington County Museum of Fine Arts; upgrades to 60 West Washington Street, the Market House, and 36-40 West Potomac Street to emphasize business development in the City Center; and to fund the Urban Improvement Project (Plaza) for a multi-purpose space for informal gatherings, downtown events and staging for buses and theater production vehicles.

Budget Stabilization
In order to establish and maintain fiscally responsible decision making, the City will continue to strive for the most efficient management of departmental resources and expense controls. To achieve this goal, IT CIP funds of $31K will be utilized for the continuation updates to MUNIS, the Municipal Financial System, as well as some additional add on software products to help departments run more smoothly including Tyler Cashiering and Tyler Resources.

Parks & Recreation for Active/Healthy Living
In order to support a rich, social and culturally vibrant community, the City of Hagerstown plans to continue to provide parks and public gathering spaces, enhanced amenities provided at City Park, The Greens at Hamilton Run, Fairground Park and Potterfield Pool, expand programs in the Parks & Recreation Division to promote healthy eating and active lifestyles, and many other community-health focused programs. Plans are to accomplish this goal through the combination of $1.5M in CIP funds and the use of existing operating expense budgets.

Innovative/Progressive Government
The City of Hagerstown is committed to employee development, excellence in services and adapting to meet the needs of the community and the organization. To reach this goal, the City has identified funding of $57K to continue to support information technology needs across the City, upgrade the GIS system, and to upgrade features of the electronic time and attendance system.

Community Promotion/Pride
The City will improve its community image by releasing factual, timely and transparent messaging. To help achieve this goal in FY22, funds of $258K will make improvements for TV studio and video production systems. In addition, the City continues to provide operating budget dollars for a variety of special events and to provide sponsorships to other agencies to host events. In future years, there may be further CIPs to promote the image of the City of Hagerstown.

Economic Development through Sports and Tourism
Providing for the visitors of the City of Hagerstown, several different locations for Sports and Tourism will be the goal for FY22 CIP funds of $762K for upgrades to the Hager House Museum, Steam Engine Museum and the Hagerstown Ice Rink.

Citizen-based Government
The City of Hagerstown believes in an ethical and financially responsible government, while supporting an engaged citizenry to make the community more than the sum of its parts. To accomplish this goal, Mayor and Council plan to integrate technology throughout City operations to enhance the customer experience and increase citizen access to City services and information, promote awareness and understanding of the City's finances through accessible and easy-to-use data presentations, new connectivity of network services to the City's outlying buildings, and hardware upgrades to the IT infrastructure. The majority of these goals will be accomplished using existing general fund operating budgets; however, $65K has been earmarked in the CIP budget for technology improvements to achieve these goals.

OVERVIEW OF THE PROJECTS IN THE CIP

The CIP section presents comprehensive descriptions of major project needs for FY22 through FY26. Pages 14 through 43 provide summary schedules by Fund outlining funding sources and project expenditures and are organized by Fund and department. Pages 44 through 177 contain detailed descriptions pertaining to individual CIP projects and are organized by Fund and project number. These pages describe each project in more detail, and include a justification section. Additionally, these pages include information relating to the potential budget impact that each recurring and non-recurring capital investment may have on current and future operating budgets and services provided by the City.

The City's Capital Improvement Program budget for FY22 at $21.2M is 43.6% lower than the $37.6M in the FY21 revised budget. The FY22 budget encompasses various types of projects as indicated above in the Strategic Plan section. Several of the major projects in our five year Capital Improvement Program plan are summarized below:

- Overall, the FY22 budget includes $3.4M for vehicle replacements. Of this amount, $418K is funded by Enterprise Funds and includes the replacement for one Electric Division pick-up truck, a Water Department dump truck and service truck, one Wastewater Department F150 1-T truck with crane and for Golf, a Cushman sprayer. The balance of $3.0M will come from other sources such as general funds and future bond funds. General funds of $764K will be for the replacement of 4 police cruisers ($216K), and a portion of funding for replacement of a pumper for the Fire Department ($407K) and other miscellaneous vehicles ($141K). Prior bond proceeds of $253K will also be used toward the replacement of the Fire Department pumper. In addition, future bond funds of $1.9M will be needed for the replacement of one ladder truck ($1.5M) for the Fire department, a dump truck ($150K) and a backhoe ($140K) for Public Works, and a backhoe ($140K) for Parks & Recreation department.

- Completely relying on State Highway user revenue (HUR), the City included $1.3M in the FY22 budget for its pavement preservations program for city streets (45-C0025). The City utilizes a variety of methods to maintain streets including milling and overlay, crack-sealing, slurry-sealing, and patching. While the FY22 budget includes a total of $1.3M, the City will only spend what is provided by the state for funding.

- To address a Mayor and Council goal, the City has included $1.4M in our FY22 budget for an Urban Development Project which is titled Urban Improvement Plaza (45-C0875). The Plaza will serve as a multi-purpose public space and will be used for informal student gatherings, downtown events and staging for buses and theater production vehicles. Also included in a separate CIP (45-C0140 - $460K) is a final phase of the Cultural Trail that will extend through the Plaza. It is important to note that these projects reflect the final portion of the City's contribution to a larger community initiative that included various partners. This larger community project encompassed expansion of the Maryland Theatre and an urban educational complex with Barbara Ingram School of the Arts, BOE and USMH components.

- Consistent with the City's Comprehensive Plan goals, the City has included $1.3M in the FY22 proposed budget ($2.8M total including FY23) for the Professional Court Extension (45-C0685). This project supports the City's growth management goals. It is anticipated that this project will span two fiscal years and is a collaborative effort with Washington County Government. The overall project will create a new street network from the eastern edge of the City. This extension will help to relieve traffic congestion on US Route 40. The City's portion of this project includes the widening and reconstruction of the existing Professional Court to accommodate a new multi-span bridge over Antietam Creek constructed by Washington County.

- To address fire training needs, there is $1.3M in the FY22 proposed budget in the Fire Department Training Center (45-C0241). This project will encompass the construction of a new burn building module, a new pole building with SCBA maze, and other props including a second hydrant.

- Several other large projects within the FY22 proposed budget include: Storm Water Management projects to meet future state/federal regulations $1M; Fairground Park improvements including entrance building and gatehouse stabilization and the design and construction of a skatepark $720K (45-C0626); Steam Engine Museum facility improvements including the renovation of the locomotive and to build a new cover pavilion and the construction of new restrooms $650K (45-C0439); and replacement of portable radios and pagers in the Fire department $645K (45-C0849).

- In the Wastewater fund, there is $450K proposed at the Wastewater Plant to either repair or replace the pellet silo which is used to store finished pellets (54-C0712). This silo is a major component of the pelletizer facility and this improvement will address a variety of items.

- To correct infiltration and inflow into the wastewater collection system, $400K has been included in the FY22 proposed budget for Wastewater in project (54-C0327). In addition, the scope of project (54-C0800) will include the replacement or re-lining of defective piping $460K. These projects are consistent with the City's Comprehensive Plan and addresses long-term wastewater issues with projected capacity deficits.

- In total, the Water Fund includes $2.8M across various projects in the FY22 budget. The largest projects planned include the $750K at the Willson Treatment Plant (52-C0166) and $400K for Water distribution main replacement (52-C0709). The continuation of main replacement is consistent with the City's Comprehensive Plan and vital to ensure existing and future demand.

DEFINITIONS

For the purposes of this program, the definitions for “operating” and “capital” budget costs are as follows:

Operating costs are those recurring personal service or consumable asset expenditures, the costs of which are usually consistent and annual. Those costs are not included in the Capital Improvements Program.

Capital costs for purposes of the Capital Improvement Program are non-recurring, have a useful life of more than four (4) years, and exceed $5,000 ($10,000 for Enterprise Funds). Capital budget costs include both capital “projects” and major capital “outlays”. Project expenditures are for the construction, purchase or major renovation of buildings, utility systems, or other physical structures. Outlay expenditures are for the acquisition of furniture, equipment, or fixed assets; such as trucks, land, or buildings, which otherwise meet the definition of “capital”.

For detailed definitions on other terms, please refer to the Glossary in Section 9.

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2022/2026
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
273 E. Memorial Blvd.	50-C0552	Planned Improvement
36-40 North Potomac Street	58-C0836	Planned Improvement
Accessibility Ramps	45-C0217	Probable Grant
Adm. & Engineering Equipment	52-C0648	Planned Improvement
Alley Reconstruction	45-C0324	Planned Improvement
Alms House Repairs	58-C0755	Planned Improvement
Antietam Creek Greenway Trail	45-C0774	Planned Improvement
Breichner WTP Improvements	52-C0405	Planned Improvement
Bridge Repair Program	45-C0400	Cost Avoidance
Bulldog Substation Upgrade	50-C0544	Planned Improvement
Burhans Village	50-C0707	Planned Improvement
Cable Inet	45-C0568	Contract Obligation
Cable PEG	45-C0569	Contract Obligation
Central Substation	50-C0118	Planned Improvement
Circuit Upgrades	50-C0842	Planned Improvement
City Hall Improvements	45-C0326	Planned Improvement
City Park Improvements	45-C0522	Planned Improvement
City Park Lake Improvements	45-C0047	Planned Improvement
Citywide - CS Rehabilitation	54-C0800	Public Safety
Collection System Equipment	54-C0713	Planned Improvement
Collection System Rehabilitation	54-C0327	Public Safety
Community and Economic Development Vehicles	45-C0249	Cost Avoidance
Computer Equipment and Software	45-C0006	Planned Improvement
Consolidation of Public Safety Assets	45-C0687	Planned Improvement
Curb Replacement Program	59-C0459	Planned Improvement
Distribution Services - Meter Program	52-C0653	Cost Avoidance
Distribution System Rehab - Main Replacement	52-C0709	Planned Improvement
Downtown Beautification Program	45-C0280	Planned Improvement
East End Pump Station	54-C0565	Planned Improvement
Eastern Boulevard North Extension	45-C0606	Planned Improvement
Edgemont Reservoir Improvements	52-C0168	Planned Improvement
Electric Vehicles	50-C0090	Planned Improvement
Eliminate Pump Stations	54-C0832	Planned Improvement
Elizabeth Hager Center	58-C0803	Planned Improvement
Engineering Vehicles	45-C0133	Cost Avoidance
Equipment Refurbishment	50-C0797	Planned Improvement
Fairground Grandstand Improvements	45-C0624	Planned Improvement
Fairgrounds Park Improvements	45-C0626	Planned Improvement
Feeder Coordination	50-C0833	Planned Improvement
Fire Computer Equip/Public Safety Radios	45-C0849	Public Safety
Fire Department Training Center	45-C0241	Planned Improvement
Fire Department Vehicle Replacement	45-C0010	Planned Improvement
Fire Equipment	45-C0871	Planned Improvement
Fire Facilities City Owned Buildings	45-C0870	Planned Improvement
Fuel Station Improvements	45-C0352	Planned Improvement
Geographic Information System	45-C0451	Planned Improvement
Golf Course - Vehicles/Equipment	57-C0395	Cost Avoidance
Golf Course Improvements	57-C0825	Improve Service
Green Streets	59-C0639	Planned Improvement

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2022/2026
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
Grinder Pump Replacement Program	54-C0767	Planned Improvement
Hager House Museum Improvements	45-C0061	Grant Commitment
Hagerstown Cultural Trail	45-C0140	Planned Improvement
Hagerstown Ice Rink	45-C0843	Planned Improvement
Hagerstown Small Business Center	58-C0828	Planned Improvement
HLD Distribution and Administrative Office Building	50-C0542	Planned Improvement
Installation of Street Trees	45-C0594	Planned Improvement
Kilpatrick Woods	50-C0550	Planned Improvement
Laboratory Equipment	54-C0745	Planned Improvement
LED Signal Lights	45-C0245	Cost Avoidance
Manhole Raising	54-C0267	Public Safety
Market House Improvements	45-C0099	Planned Improvement
Marsh Run Walls Rehabilitation	45-C0853	Cost Avoidance
Mobile License Plate Readers	45-C0860	Public Safety
Multi-Use Trails	45-C0717	Probable Grant
Municipal Financial System	45-C0739	Planned Improvement
Municipal Stadium Improvements	45-C0040	Planned Improvement
Neighborhood Parks	45-C0751	Planned Improvement
New Sidewalks	45-C0595	Public Safety
Northwest Connector	45-C0735	Planned Improvement
Oxygen System Improvements	54-C0657	Public Safety
Park Equipment	45-C0237	Planned Improvement
Parking Facilities - 3rd Parking Deck	56-C0173	Planned Improvement
Parking Fund Vehicles	56-C0829	Planned Improvement
Parking Lot Improvements	56-C0857	Planned Improvement
Parks Citywide Upgrades	45-C0665	Documented Savings
Parks Vehicles and Equipment	45-C0570	Planned Improvement
Pavement Markings	45-C0093	Public Safety
Pavement Preservation Program	45-C0025	Planned Improvement
Pedestrian Lighting	50-C0388	Planned Improvement
Planning & Code Admin Vehicles	45-C0678	Cost Avoidance
Police Building Renovation	45-C0308	Planned Improvement
Police Crime Lab Equipment	45-C0182	Planned Improvement
Police Firing Range	45-C0226	Planned Improvement
Police Radios	45-C0128	Public Safety
Police Vehicles	45-C0129	Public Safety
Potterfield Pool Improvements	45-C0822	Improve Service
Professional Court Extension	45-C0685	Planned Improvement
Public Art	45-C0868	Planned Improvement
Public Works Equipment	45-C0136	Improve Service
Public Works Operations Center Improvement Program	45-C0250	Planned Improvement
Public Works Storage Yard Expansion	45-C0718	Planned Improvement
Public Works Vehicles	45-C0065	Planned Improvement
Pump Station Improvements	52-C0651	Planned Improvement
Pump Station Improvements	54-C0299	Public Safety
Reforestation Using SPP Funds	59-C0594	Planned Improvement
Risk and Resiliency/Security	52-C0322	Public Safety
SCADA System	50-C0441	Planned Improvement
Security Improvements	50-C0178	Planned Improvement

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2022/2026
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
Sidewalk Replacement Program	45-C0458	Planned Improvement
Signal Controller Upgrades	45-C0433	Planned Improvement
Steam Engine Museum	45-C0439	Planned Improvement
Storm Water Protection Program Implementation	59-C0637	Planned Improvement
Stormdrain System Upgrades	59-C0444	Planned Improvement
Stormwater Facilities	59-C0255	Planned Improvement
Stormwater Vehicles	59-C0064	Planned Improvement
Stream Restorations	59-C0866	Planned Improvement
Street Crime Cameras/CPTED	45-C0130	Public Safety
Streetlight Replacement	50-C0546	Planned Improvement
Substation Breaker Replacement	50-C0776	Planned Improvement
Substation Controls	50-C0616	Planned Improvement
Substation Upgrades	50-C0778	Planned Improvement
Synagro Facility Upgrade Improvements	54-C0712	Contract Obligation
System Reconductoring	50-C0259	Planned Improvement
Telemetry Equipment	50-C0111	Planned Improvement
Test Equipment	50-C0609	Planned Improvement
Time & Attendance Software and Equip	45-C0007	Planned Improvement
Traffic Beacons	45-C0872	Public Safety
Traffic Calming	45-C0560	Planned Improvement
Traffic Signalization Upgrades	45-C0243	Planned Improvement
Trunk Lines and Laterals	54-C0834	Contract Obligation
Underground Replacement	50-C0540	Planned Improvement
Upgrades to Parking Decks	56-C0749	Planned Improvement
Urban Improvement Project (Plaza)	45-C0875	Planned Improvement
Wastewater Vehicle Replacement	54-C0004	Planned Improvement
Water System SCADA Improvements	52-C0820	Planned Improvement
Water Vehicles	52-C0117	Planned Improvement
Wesel Boulevard Development	50-C0220	Planned Improvement
Wheaton Park Renovations	45-C0293	Planned Improvement
Wildlife Protection on Distribution System	50-C0802	Planned Improvement
Willson Transmission Mains	52-C0167	Planned Improvement
Willson Treatment Plant	52-C0166	Planned Improvement
WWT Buildings and Structures	54-C0585	Planned Improvement
WWT Plant Equipment	54-C0584	Public Safety
Zone 3 Standpipe	52-C0323	Planned Improvement

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2022/2026

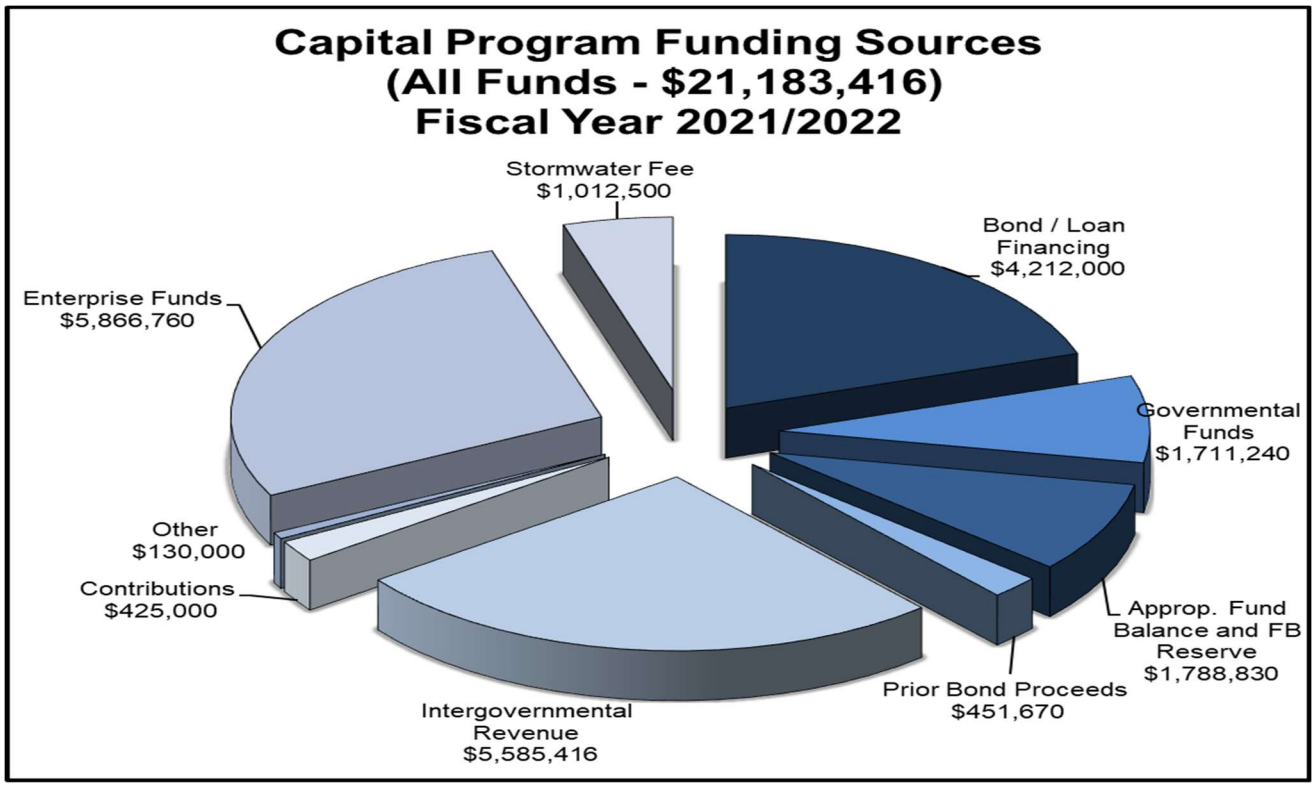
UNIT	VEHICLE	YEAR	DESCRIPTION	FY 22	FY 23	FY 24	FY 25	FY 26	TOTAL
COMMUNITY & ECONOMIC DEVELOPMENT									
801	206077	2014	DODGE JOURNEY				25,000		**25,000**
COMMUNITY & ECONOMIC DEVELOPMENT TOTAL				**-**	**-**	**-**	**25,000**	**-**	**25,000**
PLANNING & CODE ADMINISTRATION									
410	206064	2014	FORD F150					25,000	**25,000**
450	5822	2006	CHEVY COLORADO			25,000			**25,000**
452	5858	2007	FORD RANGER				25,000		**25,000**
455	5751	2004	CHEVY COLORADO		25,000				**25,000**
458	5815	2006	CHEVY COLORADO	30,000					**30,000**
471	5816	2006	CHEVY COLORADO			25,000			**25,000**
474	5786	2005	CHEVY COLORADO		25,000				**25,000**
PLANNING & CODE ADMINISTRATION				**30,000**	**50,000**	**50,000**	**25,000**	**25,000**	**180,000**
ENGINEERING DEPARTMENT									
702	206168	2018	FORD ESCAPE					26,000	**26,000**
703	5893	2008	CHEVY IMPALA SEDAN		25,000				**25,000**
707	206050	2014	FORD FOCUS				25,000		**25,000**
709	5810	2006	JEEP LIBERTY		25,000				**25,000**
710	206001	2013	CHEVY CARGO VAN			26,000			**26,000**
ENGINEERING DEPARTMENT TOTAL				**-**	**50,000**	**26,000**	**25,000**	**26,000**	**127,000**
PARKS DEPARTMENT									
NEW			TREE CHIPPER		42,000				**42,000**
300	206073	2015	CHEVY SILVERADO					43,000	**43,000**
302	5934	2009	CHEVY 2500 4X4	42,000					**42,000**
305	5925	2008	FORD F550 DUMP TRUCK		80,000				**80,000**
311	206044	2014	FORD F250					43,000	**43,000**
312	5756	2004	FORD F150 PICKUP			42,000			**42,000**
317	5744	2004	JD 4X2 GATOR		10,000				**10,000**
318	5031	2012	FORD F550 DUMP TRUCK			85,000			**85,000**
322	5797	2005	GRAVELY PM320 MOWER		12,000				**12,000**
323	5798	2009	CHEVY 2500 4X4			42,000			**42,000**
333	5749	2004	JOHN DEERE BACKHOE	140,000					**140,000**
349	5958	2010	JD GATOR				10,000		**10,000**
375	5767	2004	JOHN DEERE X595				22,000		**22,000**
378	5884	2007	JD TX GATOR				10,000		**10,000**
379	5460	1995	GRAVELY PM 300 MOWER				12,000		**12,000**
388	5608	1999	WACKER ROLLER				28,000		**28,000**
PARKS DEPARTMENT TOTAL				**182,000**	**144,000**	**169,000**	**82,000**	**86,000**	**663,000**
PUBLIC WORKS DEPARTMENT									
003	5688	2015	CHEVY SILVERADO 4X4				30,000		**30,000**
006	5854	2006	BOBCAT A300					75,000	**75,000**
007	5967	2011	JOHN DEERE 310SJ BACKHOE	140,000					**140,000**
010	5928	2008	FORD F550 DUMP TRUCK			115,000			**115,000**
012	5929	2008	FORD F550 DUMP TRUCK		115,000				**115,000**
014	5915	2008	CHEVY 2500 2x4 TRUCK			45,000			**45,000**
016	5897	2008	FORD REFUSE TRUCK			120,000			**120,000**
019	5498	2015	FORD F550 DUMP TRUCK					125,000	**125,000**
021	206038	2013	FORD F750 DUMP TRUCK		150,000				**150,000**
022	206042	2013	FORD F750 DUMP TRUCK		150,000				**150,000**
027	5781	2005	STERLING ACTERA DUMP TRUCK	150,000					**150,000**
030	6036	2012	FORD F350 PICKUP TRUCK				37,000		**37,000**
031	5808	2006	CHEVY CARGO VAN			35,000			**35,000**
034	5713	2004	CHEVY CREW CAB P/U	37,000					**37,000**
045	5537	2015	CHEVY SILVERADO 4X4					35,000	**35,000**
046	5713	2004	CHEVY CREW CAB P/U	32,000					**32,000**
064	206197	2018	FERRIS MOWER		12,000				**12,000**
065	206204	2019	FERRIS MOWER					10,000	**10,000**
076	5831	2006	US CARGO TRAILER			5,000			**5,000**
084	5433	1993	WACKER ROLLER				25,000		**25,000**
094	5578	2015	FORD F350 PICKUP TRUCK					45,000	**45,000**
602	5821	2006	E350 BUCKET TRUCK			100,000			**100,000**
611	5932	2008	FORD F550 UTILITY TRUCK				120,000		**120,000**
615	5763	2005	CHEVY CARGO VAN		35,000				**35,000**
616	5949	2008	SOLAR SIGN BOARD		45,000				**45,000**
617	5956	2008	SOLAR SIGN BOARD			45,000			**45,000**
PUBLIC WORKS DEPARTMENT TOTAL				**359,000**	**507,000**	**465,000**	**212,000**	**290,000**	**1,833,000**

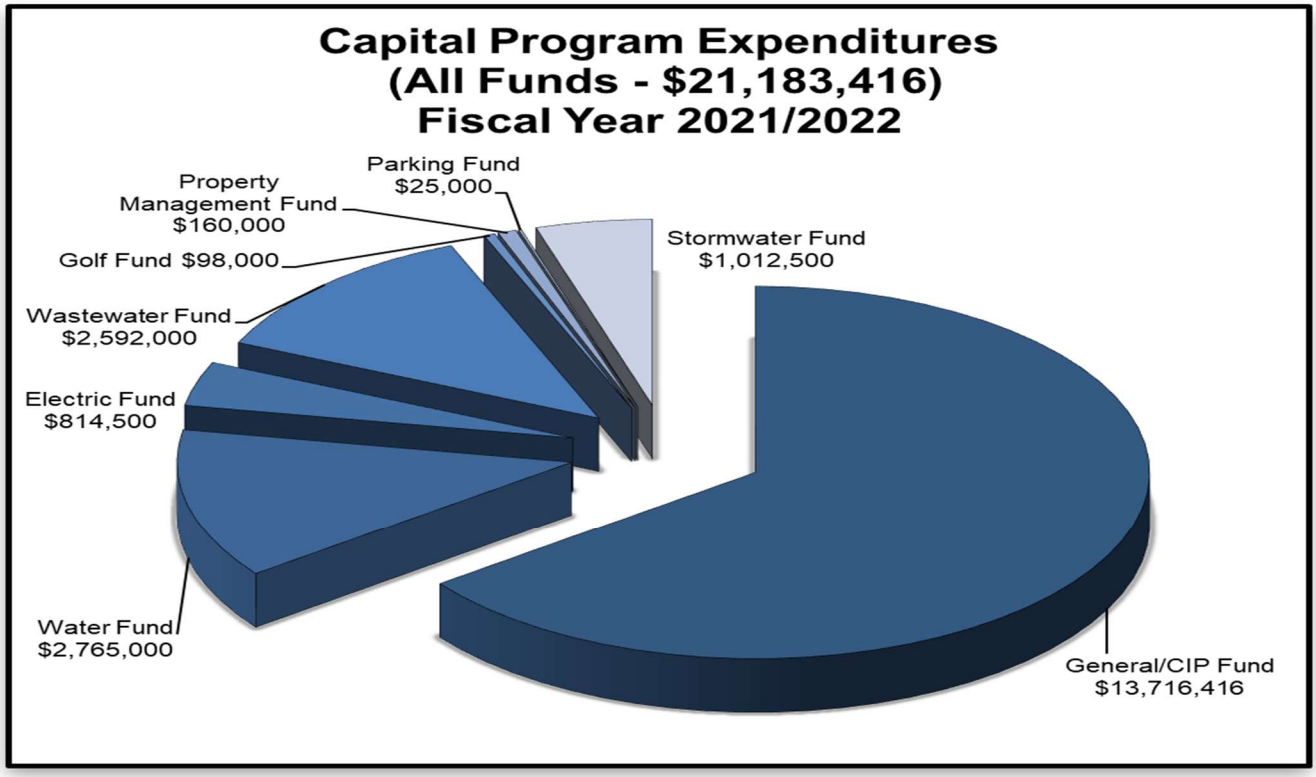
VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2022/2026

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 22	FY 23	FY 24	FY 25	FY 26	TOTAL
POLICE DEPARTMENT									
901	206115	2016	FORD TAURUS					54,000	**54,000**
902	206116	2014	FORD FUSION				54,000		**54,000**
903	206117	2014	FORD FUSION				54,000		**54,000**
905	206157	2014	FORD EDGE					54,000	**54,000**
907	206110	2014	FORD FUSION				54,000		**54,000**
908	206159	2014	FORD FUSION					54,000	**54,000**
909	206160	2014	FORD FUSION					54,000	**54,000**
910	206097	2007	CHEVY IMPALA		54,000				**54,000**
913	206024	2007	CHEVY IMPALA	54,000					**54,000**
921	206056	2008	CHEVY IMPALA		54,000				**54,000**
923	206033	2009	CHEVY IMPALA		54,000				**54,000**
924	206137	2014	FORD FUSION				54,000		**54,000**
925	206035	2007	CHEVY IMPALA		54,000				**54,000**
927	206060	2009	CHEVY IMPALA		54,000				**54,000**
933	206111	2014	FORD FUSION					54,000	**54,000**
937	206119	2013	FORD EDGE			54,000			**54,000**
945	206120	2013	FORD EDGE				54,000		**54,000**
948	206250	2013	NISSAN ACURA			54,000			**54,000**
951	5832	2003	NISSAN PATHFINDER	54,000					**54,000**
971	5938	2009	CHEVY IMPALA		54,000				**54,000**
985	206094	1999	FORD CROWN VICTORIA	54,000					**54,000**
987	6032	2012	CHEVY IMPALA			54,000			**54,000**
991	5874	2007	CHEVY COLORADO				54,000		**54,000**
994	206055	2007	CHEVY IMPALA		54,000				**54,000**
996	5524	2005	CHEVY COBALT				54,000		**54,000**
997	5939	2009	CHEVY IMPALA		54,000				**54,000**
998	5947	1998	FORD CROWN VICTORIA	54,000					**54,000**
9112	206005	2013	FORD TAURUS			54,000			**54,000**
9113	206002	2013	FORD TAURUS			54,000			**54,000**
9116	206051	2014	FORD EXPLORER					54,000	**54,000**
9117	206052	2014	FORD EXPLORER					54,000	**54,000**
9119	206054	2014	FORD EXPLORER					54,000	**54,000**
9210	6024	2011	FORD CROWN VICTORIA		54,000				**54,000**
9213	5942	2009	DODGE CHARGER		54,000				**54,000**
9301	5041	2013	FORD INTERCEPTOR				54,000		**54,000**
9302	5030	2011	FORD CROWN VICTORIA			54,000			**54,000**
9303	6029	2011	FORD CROWN VICTORIA			54,000			**54,000**
9501	206036	2012	FORD EXPLORER			54,000			**54,000**
POLICE DEPARTMENT TOTAL				**216,000**	**540,000**	**432,000**	**432,000**	**432,000**	**2,052,000**
FIRE DEPARTMENT									
ENG1	206043	2013	KME PUMPER					786,250	**786,250**
ENG2	5718	2004	KME PUMPER			638,500			**638,500**
ENG3	5719	2004	KME PUMPER				708,250		**708,250**
ENG5	5720	2004	KME PUMPER	660,000					**660,000**
F14-9818	206046	2014	CHEVY TAHOE		65,000				**65,000**
RE T3	206058	1994	SIMON DUPLEX LADDER TRUCK	1,500,000					**1,500,000**
FIRE DEPARTMENT TOTAL				**2,160,000**	**65,000**	**638,500**	**708,250**	**786,250**	**4,358,000**
GENERAL FUND TOTAL				**$ 2,947,000**	**$ 1,356,000**	**$ 1,780,500**	**$ 1,509,250**	**$ 1,645,250**	**$ 9,238,000**

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2022/2026

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 22	FY 23	FY 24	FY 25	FY 26	TOTAL
ELECTRIC FUND									
101	5876	2007	FORD F150		30,000				**30,000**
102	5877	2007	FORD F150	30,000					**30,000**
107	5562	1998	CHEVY C8500 DUMP TRUCK				150,000		**150,000**
116	5454	1995	GMC STAKE BODY				65,000		**65,000**
122	5869	2007	CHEVY 3/4 TON 4WD			40,000			**40,000**
124	5696	2003	GMC TEREX BUCKET TRUCK		250,000				**250,000**
126	5871	2007	CHEVY 3/4 TON 4WD PICK-UP			40,000			**40,000**
128	5762	2004	GMC ALTEC BUCKET TRUCK					250,000	**250,000**
131	5870	2007	SILVERADO 4x4 PICKUP w/PLOW			40,000			**40,000**
134	5299	1990	INGERSOLL-RAND AIR COMP. TRAILER			20,000			**20,000**
137	5766	2005	CHEVROLET 3500 CARGO VAN			40,000			**40,000**
ELECTRIC FUND TOTAL				**30,000**	**280,000**	**180,000**	**215,000**	**250,000**	**955,000**
WATER FUND									
200	206068	2014	FORD F150					35,000	**35,000**
201	206026	2013	CHEVY EQUINOX			30,000			**30,000**
203	206069	2014	FORD F150					35,000	**35,000**
206	206027	2012	FORD F450		90,000				**90,000**
207	206039	2014	INTERNATIONAL DUMP				175,000		**175,000**
208	5792	2005	FORD F550	85,000					**85,000**
209	206100	2015	FORD TRANSIT VAN					55,000	**55,000**
211	5927	2009	F750 DUMP TRUCK	100,000					**100,000**
223	5853	2006	JD 310SG BACKHOE			150,000			**150,000**
224	206062	2014	JCB BACKHOE					150,000	**150,000**
226	5026	2012	FORD ESCAPE				30,000		**30,000**
228	5656	2001	JOHN DEERE 4106 BACKHOE LOADER		150,000				**150,000**
233	5926	2008	DUMP TRUCK		85,000				**85,000**
242	206030	2013	CHEVY EQUINOX				30,000		**30,000**
244	206080	2015	CHEVY TRAVERSE					30,000	**30,000**
260	206028	2012	FORD F550 SERVICE TRUCK			90,000			**90,000**
261	206037	2014	CHEVY EQUINOX			30,000			**30,000**
WATER FUND TOTAL				**185,000**	**325,000**	**300,000**	**235,000**	**305,000**	**1,350,000**
WASTEWATER FUND									
506	6011	2011	CHEVY HHR VAN			25,000			**25,000**
507	5690	2003	FORD F550 1-T W/CRANE	165,000					**165,000**
509	5580	1999	VOLVO TRAILER MOUNTED GENERATOR				75,000		**75,000**
513	5427	1993	KOHLER MGS 2226 GENERATOR		65,000				**65,000**
515	5913	2008	CHEVY SILVERADO 3500		45,000				**45,000**
518	5646	2001	FORD E350 CAMERA RIG		430,000				**430,000**
522	5357	1991	INGERSOLL RAND LIGHT PLANT				45,000		**45,000**
528	5833	2006	JET-VAC CLEANER			750,000			**750,000**
535	5790	2005	NEW HOLLAND TRACTOR			25,000			**25,000**
591	5827	2006	CHEVY 2500 4X4					45,000	**45,000**
WASTEWATER FUND TOTAL				**165,000**	**540,000**	**800,000**	**120,000**	**45,000**	**1,670,000**
PARKING FUND									
033	5035	2012	FORD F150 4x4		35,000				**35,000**
PARKING FUND TOTAL				**-**	**35,000**	**-**	**-**	**-**	**35,000**
GOLF COURSE									
321	5796	2005	GREENS MOWER			35,000			**35,000**
322	5797	2005	ZERO TURN MOWER			12,000			**12,000**
326	5859	2007	GREENS MOWER				40,000		**40,000**
334	206151	2014	JOHN DEERE MOWER					35,000	**35,000**
373	5560	1998	CUSHMAN TOP DRESSER		37,000				**37,000**
389	5774	2004	CUSHMAN SPRAYER	38,000					**38,000**
GOLF FUND TOTAL				**38,000**	**37,000**	**47,000**	**40,000**	**35,000**	**197,000**
STORMWATER DEPARTMENT									
016	5897	2008	FORD F550 TRASH TRUCK						**-**
018	206048	2014	FORD F550 DUMP TRUCK				125,000	-	**125,000**
STORMWATER DEPARTMENT TOTAL				**-**	**-**	**-**	**125,000**	**-**	**125,000**
ENTERPRISE FUNDS TOTAL				**$ 418,000**	**$ 1,217,000**	**$ 1,327,000**	**$ 735,000**	**$ 635,000**	**$ 4,332,000**
GRAND TOTAL - ALL FUNDS				**$ 3,365,000**	**$ 2,573,000**	**$ 3,107,500**	**$ 2,244,250**	**$ 2,280,250**	**$ 13,570,000**


Capital Program Funding Sources
(All Funds - $21,183,416)
Fiscal Year 2021/2022
Stormwater Fee
$1,012,500
Bond / Loan
Financing
$4,212,000
Enterprise Funds
$5,866,760
Governmental
Funds
$1,711,240
Other
$130,000
Contributions
$425,000
Approp. Fund
Balance and FB
Reserve
$1,788,830
Prior Bond Proceeds
$451,670
Intergovernmental
Revenue
$5,585,416


Capital Program Expenditures
(All Funds - $21,183,416)
Fiscal Year 2021/2022
Parking Fund
$25,000
Property
Management Fund
$160,000
Stormwater Fund
$1,012,500
Golf Fund $98,000
Wastewater Fund
$2,592,000
Electric Fund
$814,500
Water Fund
$2,765,000
General/CIP Fund
$13,716,416

CAPITAL IMPROVEMENT PROGRAM - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2022/2026
EXPENDITURES SUMMARY BY FUND

DEPARTMENT	FY22	FY23	FY24	FY25	FY26	Total
Community & Economic Development	-	-	-	25,000	-	25,000
Engineering	5,476,000	4,194,000	2,731,000	4,235,524	5,336,000	21,972,524
Fire	4,505,000	1,515,000	8,938,500	1,508,250	1,586,250	18,053,000
Information Technology	411,000	177,000	169,000	177,000	169,000	1,103,000
Parks	2,165,000	1,239,000	3,589,000	667,000	9,126,000	16,786,000
Planning & Code Administration	30,000	50,000	50,000	25,000	25,000	180,000
Police	429,916	840,000	542,000	577,000	577,000	2,965,916
Public Works	699,500	698,000	561,000	308,000	1,296,000	3,562,500
General/CIP Fund Total	**$ 13,716,416**	**$ 8,713,000**	**$ 16,580,500**	**$ 7,522,774**	**$ 18,115,250**	**$ 64,647,940**
Electric Fund	814,500	832,500	967,500	1,427,500	1,212,500	5,254,500
Water Fund	2,765,000	3,450,000	9,035,000	19,500,000	17,600,000	52,350,000
Wastewater Fund	2,592,000	2,702,000	3,762,000	1,882,000	1,307,000	12,245,000
Parking Fund	25,000	130,000	725,000	7,320,775	20,000	8,220,775
Golf Fund	98,000	49,000	47,000	40,000	35,000	269,000
Property Management Fund	160,000	580,000	30,000	30,000	30,000	830,000
Stormwater	1,012,500	2,235,000	2,191,000	540,000	550,000	6,528,500
Grand Total - All Funds	**$ 21,183,416**	**$ 18,691,500**	**$ 33,338,000**	**$ 38,263,049**	**$ 38,869,750**	**$ 150,345,715**

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '22 thru FY '26

FUNDING SOURCE SUMMARY

Source	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)	4,212,000	1,795,000	9,638,500	2,678,250	4,386,250	*22,710,000*
CIP Fund - GF Fund Balance	937,330					*937,330*
CIP Fund Balance	851,500					*851,500*
Contribution by Others	30,000	262,500	2,500	988,024	8,400,000	*9,683,024*
Grants-Federal	1,847,916	1,432,200	2,000,000			*5,280,116*
Grants-Private		50,000				*50,000*
Grants-State	10,000	5,000	505,000	5,000	1,437,000	*1,962,000*
Grants-State Community Legacy	400,000					*400,000*
Grants-State CP&P		25,000	70,000	50,000	50,000	*195,000*
Grants-State Governor Bond Bill	650,000					*650,000*
Grants-State MD Historic Trust	60,000					*60,000*
Grants-State MHAA	100,000	100,000	75,000			*275,000*
Grants-State Program Open Space	805,500	283,500	335,000	175,000	450,000	*2,049,000*
PEG Fee	50,000	50,000	50,000	50,000	50,000	*250,000*
Prior Bond Proceeds	451,670					*451,670*
Reforestation Funds	80,000					*80,000*
State Highway User Revenue	1,482,000	1,525,000	1,415,000	1,400,000	1,400,000	*7,222,000*
Transfers to CIP-CDBG Fund	595,000	300,000	350,000	350,000	350,000	*1,945,000*
Transfers to CIP-Electric Fund	11,740	30,750	28,850	30,750	28,850	*130,940*
Transfers to CIP-General Fund	1,116,240	2,763,550	2,049,350	1,730,250	1,501,850	*9,161,240*
Transfers to CIP-Parking Fund	2,040	4,000	3,600	4,000	3,600	*17,240*
Transfers to CIP-Wastewater Fund	11,740	30,750	28,850	30,750	28,850	*130,940*
Transfers to CIP-Water Fund	11,740	55,750	28,850	30,750	28,850	*155,940*
GRAND TOTAL	**13,716,416**	**8,713,000**	**16,580,500**	**7,522,774**	**18,115,250**	***64,647,940***

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)								
Fire Department Vehicle Replacement	*45-C0010*	5	1,500,000		638,500	708,250	786,250	*3,633,000*
City Park Lake Improvements	*45-C0047*	5			300,000			*300,000*
Public Works Vehicles	*45-C0065*	5	290,000	415,000	335,000	120,000	200,000	*1,360,000*
Hagerstown Cultural Trail	*45-C0140*	5	60,000					*60,000*
Fire Department Training Center	*45-C0241*	5	1,300,000	500,000	500,000	500,000	500,000	*3,300,000*
Parks Vehicles and Equipment	*45-C0570*	5	140,000	80,000	85,000			*305,000*
Professional Court Extension	*45-C0685*	5	750,000	800,000				*1,550,000*
Consolidation of Public Safety Assets	*45-C0687*	5			7,500,000			*7,500,000*
Public Works Storage Yard Expansion	*45-C0718*	5					900,000	*900,000*
Northwest Connector	*45-C0735*	5			280,000	1,000,000	1,000,000	*2,280,000*
Hagerstown Ice Rink	*45-C0843*	5					1,000,000	*1,000,000*
Marsh Run Walls Rehabilitation	*45-C0853*	4				350,000		*350,000*
Urban Improvement Project (Plaza)	*45-C0875*	5	172,000					*172,000*
Bond Financing (General Fund) Total			4,212,000	1,795,000	9,638,500	2,678,250	4,386,250	*22,710,000*
CIP Fund - GF Fund Balance								
Fire Department Vehicle Replacement	*45-C0010*	5	407,330					*407,330*
Market House Improvements	*45-C0099*	5	150,000					*150,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	30,000					*30,000*
City Hall Improvements	*45-C0326*	5	25,000					*25,000*
Fairground Park Improvements	*45-C0626*	5	75,000					*75,000*
Consolidation of Public Safety Assets	*45-C0687*	5	250,000					*250,000*
CIP Fund - GF Fund Balance Total			937,330					*937,330*
CIP Fund Balance								
Computer Equipment and Software	*45-C0006*	5	35,000					*35,000*
Hager House Museum Improvements	*45-C0061*	7	8,000					*8,000*
Street Crime Cameras/CPTED	*45-C0130*	1	50,000					*50,000*
Public Works Equipment	*45-C0136*	8	13,500					*13,500*
LED Signal Lights	*45-C0245*	4	5,000					*5,000*
Downtown Beautification Program	*45-C0280*	5	10,000					*10,000*
Police Building Renovation	*45-C0308*	5	34,000					*34,000*
Fuel Station Improvements	*45-C0352*	5	7,000					*7,000*
Bridge Repair Program	*45-C0400*	4	10,000					*10,000*
Signal Controller Upgrades	*45-C0433*	5	39,000					*39,000*
Steam Engine Museum	*45-C0439*	5	15,000					*15,000*
Geographic Information System	*45-C0451*	5	35,000					*35,000*
Sidewalk Replacement Program	*45-C0458*	5	125,000					*125,000*
Cable PEG	*45-C0569*	2	222,000					*222,000*
Municipal Financial System	*45-C0739*	5	20,000					*20,000*
Neighborhood Park Development	*45-C0751*	5	10,000					*10,000*
Hagerstown Ice Rink	*45-C0843*	5	5,000					*5,000*

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Public Safety Radios and In-Station Alerting	*45-C0849*	1	120,000					*120,000*
Public Art	*45-C0868*	5	23,000					*23,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	30,000					*30,000*
Traffic Beacons	*45-C0872*	1	35,000					*35,000*
CIP Fund Balance Total			851,500					*851,500*
Contribution by Others								
Municipal Stadium Improvements	*45-C0040*	5		260,000				*260,000*
Eastern Boulevard North Extension	*45-C0606*	5				335,524		*335,524*
Fairground Park Improvements	*45-C0626*	5	30,000					*30,000*
Northwest Connector	*45-C0735*	5				500,000	2,400,000	*2,900,000*
Antietam Creek Greenway Trail	*45-C0774*	5				150,000		*150,000*
Hagerstown Ice Rink	*45-C0843*	5		2,500	2,500	2,500	6,000,000	*6,007,500*
Contribution by Others Total			30,000	262,500	2,500	988,024	8,400,000	*9,683,024*
Grants-Federal								
Police Crime Lab Equipment	*45-C0182*	5	38,916					*38,916*
Traffic Signalization Upgrades	*45-C0243*	5	228,000	480,000				*708,000*
Steam Engine Museum	*45-C0439*	5	400,000					*400,000*
Professional Court Extension	*45-C0685*	5	500,000	750,000				*1,250,000*
Multi-Use Trails	*45-C0717*	6			2,000,000			*2,000,000*
Public Safety Radios and In-Station Alerting	*45-C0849*	1	525,000					*525,000*
Fire Equipment	*45-C0871*	5		135,000				*135,000*
Traffic Beacons	*45-C0872*	1	156,000	67,200				*223,200*
Grants-Federal Total			1,847,916	1,432,200	2,000,000			*5,280,116*
Grants-Private								
Hager House Museum Improvements	*45-C0061*	7		50,000				*50,000*
Grants-Private Total				50,000				*50,000*
Grants-State								
New Sidewalks	*45-C0595*	1			500,000			*500,000*
Antietam Creek Greenway Trail	*45-C0774*	5					432,000	*432,000*
Hagerstown Ice Rink	*45-C0843*	5					1,000,000	*1,000,000*
Public Art	*45-C0868*	5	10,000	5,000	5,000	5,000	5,000	*30,000*
Grants-State Total			10,000	5,000	505,000	5,000	1,437,000	*1,962,000*
Grants-State Community Legacy								
Urban Improvement Project (Plaza)	*45-C0875*	5	400,000					*400,000*
Grants-State Community Legacy Total			400,000					*400,000*
Grants-State CP&P								
Park Equipment	*45-C0237*	5		25,000	50,000	50,000	50,000	*175,000*
City Park Improvements	*45-C0522*	5			20,000			*20,000*
Grants-State CP&P Total				25,000	70,000	50,000	50,000	*195,000*

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-State Governor Bond Bill								
Urban Improvement Project (Plaza)	*45-C0875*	5	650,000					*650,000*
Grants-State Governor Bond Bill Total			650,000					*650,000*
Grants-State MD Historic Trust								
Fairground Park Improvements	*45-C0626*	5	60,000					*60,000*
Grants-State MD Historic Trust Total			60,000					*60,000*
Grants-State MHAA								
Hager House Museum Improvements	*45-C0061*	7		100,000	75,000			*175,000*
Hagerstown Cultural Trail	*45-C0140*	5	100,000					*100,000*
Grants-State MHAA Total			100,000	100,000	75,000			*275,000*
Grants-State Program Open Space								
City Park Lake Improvements	*45-C0047*	5			200,000			*200,000*
Hagerstown Cultural Trail	*45-C0140*	5	300,000					*300,000*
Park Equipment	*45-C0237*	5	171,000					*171,000*
Steam Engine Museum	*45-C0439*	5	135,000	45,000				*180,000*
City Park Improvements	*45-C0522*	5		225,000	135,000			*360,000*
Fairground Park Improvements	*45-C0626*	5	150,000			175,000	450,000	*775,000*
Parks Citywide Upgrades	*45-C0665*	3	4,500	13,500				*18,000*
Neighborhood Park Development	*45-C0751*	5	45,000					*45,000*
Grants-State Program Open Space Total			805,500	283,500	335,000	175,000	450,000	*2,049,000*
PEG Fee								
Cable Inet	*45-C0568*	2	14,000	14,000	14,000	14,000	14,000	*70,000*
Cable PEG	*45-C0569*	2	36,000	36,000	36,000	36,000	36,000	*180,000*
PEG Fee Total			50,000	50,000	50,000	50,000	50,000	*250,000*
Prior Bond Proceeds								
Fire Department Vehicle Replacement	*45-C0010*	5	252,670					*252,670*
Urban Improvement Project (Plaza)	*45-C0875*	5	199,000					*199,000*
Prior Bond Proceeds Total			451,670					*451,670*
Reforestation Funds								
Installation of Trees Using FCA Funds	*45-C0594*	5	80,000					*80,000*
Reforestation Funds Total			80,000					*80,000*
State Highway User Revenue								
Pavement Preservation Program	*45-C0025*	5	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	*6,500,000*
Pavement Markings	*45-C0093*	1	30,000	30,000	30,000	30,000	30,000	*150,000*
Accessibility Ramps	*45-C0217*	6		20,000	20,000	20,000	20,000	*80,000*
Alley Reconstruction	*45-C0324*	5	152,000	175,000	65,000	50,000	50,000	*492,000*

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
State Highway User Revenue Total			1,482,000	1,525,000	1,415,000	1,400,000	1,400,000	*7,222,000*
Transfers to CIP-CDBG Fund								
Accessibility Ramps	*45-C0217*	6	120,000	100,000	100,000	100,000	100,000	*520,000*
Traffic Signalization Upgrades	*45-C0243*	5			250,000	250,000	250,000	*750,000*
Wheaton Park Improvements	*45-C0293*	5		200,000				*200,000*
City Park Improvements	*45-C0522*	5	60,000					*60,000*
Fairground Park Improvements	*45-C0626*	5	375,000					*375,000*
Potterfield Pool Improvements	*45-C0822*	8	40,000					*40,000*
Transfers to CIP-CDBG Fund Total			595,000	300,000	350,000	350,000	350,000	*1,945,000*
Transfers to CIP-Electric Fund								
Computer Equipment and Software	*45-C0006*	5	7,200	14,400	14,400	14,400	14,400	*64,800*
Time & Attendance Software and Equip	*45-C0007*	5	1,900	3,800	1,900	3,800	1,900	*13,300*
Geographic Information System	*45-C0451*	5		8,750	8,750	8,750	8,750	*35,000*
Municipal Financial System	*45-C0739*	5	2,640	3,800	3,800	3,800	3,800	*17,840*
Transfers to CIP-Electric Fund Total			11,740	30,750	28,850	30,750	28,850	*130,940*
Transfers to CIP-General Fund								
Computer Equipment and Software	*45-C0006*	5	7,200	14,400	14,400	14,400	14,400	*64,800*
Time & Attendance Software and Equip	*45-C0007*	5	1,900	3,800	1,900	3,800	1,900	*13,300*
Fire Department Vehicle Replacement	*45-C0010*	5		65,000				*65,000*
Hager House Museum Improvements	*45-C0061*	7	49,000	100,000	75,000			*224,000*
Public Works Vehicles	*45-C0065*	5	69,000	92,000	130,000	92,000	90,000	*473,000*
Market House Improvements	*45-C0099*	5		45,000	10,000	10,000	10,000	*75,000*
Police Radios	*45-C0128*	1				105,000	105,000	*210,000*
Police Vehicles	*45-C0129*	1	216,000	540,000	432,000	432,000	432,000	*2,052,000*
Street Crime Cameras/CPTED	*45-C0130*	1	75,000					*75,000*
Engineering Vehicles	*45-C0133*	4		50,000	26,000	25,000	26,000	*127,000*
Police Firing Range	*45-C0226*	5		30,000	40,000			*70,000*
Park Equipment	*45-C0237*	5	19,000					*19,000*
Traffic Signalization Upgrades	*45-C0243*	5	57,000	145,000				*202,000*
LED Signal Lights	*45-C0245*	4		5,000	5,000	5,000	5,000	*20,000*
Community & Economic Development Vehicles	*45-C0249*	4				25,000		*25,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	20,000	31,000	6,000	6,000	6,000	*69,000*
Downtown Beautification Program	*45-C0280*	5		25,000	25,000	25,000	25,000	*100,000*
Police Building Renovation	*45-C0308*	5	16,000	240,000	40,000	40,000	40,000	*376,000*
City Hall Improvements	*45-C0326*	5	40,000	40,000	30,000	30,000	30,000	*170,000*
Bridge Repair Program	*45-C0400*	4	15,000	100,000		115,000		*230,000*
Signal Controller Upgrades	*45-C0433*	5	1,000	20,000	20,000	20,000	20,000	*81,000*
Steam Engine Museum	*45-C0439*	5	100,000	5,000		15,000		*120,000*
Geographic Information System	*45-C0451*	5		8,750	8,750	8,750	8,750	*35,000*
Sidewalk Replacement Program	*45-C0458*	5		125,000	125,000	125,000	125,000	*500,000*
City Park Improvements	*45-C0522*	5	100,000	25,000	45,000			*170,000*
Traffic Calming	*45-C0560*	5		25,000	25,000	25,000	25,000	*100,000*
Parks Vehicles and Equipment	*45-C0570*	5	42,000	64,000	84,000	82,000	86,000	*358,000*
Fairground Grandstand Improvements	*45-C0624*	5		10,000	10,000	10,000	10,000	*40,000*
Fairground Park Improvements	*45-C0626*	5	30,000			75,000	50,000	*155,000*
Parks Citywide Upgrades	*45-C0665*	3	46,500	1,500				*48,000*
Planning & Code Admin Vehicles	*45-C0678*	5	30,000	50,000	50,000	25,000	25,000	*180,000*
Consolidation of Public Safety Assets	*45-C0687*	5		500,000				*500,000*

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Multi-Use Trails	*45-C0717*	6			500,000			*500,000*
Public Works Storage Yard Expansion	*45-C0718*	5					10,000	*10,000*
Municipal Financial System	*45-C0739*	5	2,640	3,800	3,800	3,800	3,800	*17,840*
Neighborhood Park Development	*45-C0751*	5	5,000			100,000		*105,000*
Antietam Creek Greenway Trail	*45-C0774*	5					48,000	*48,000*
Potterfield Pool Improvements	*45-C0822*	8		25,000				*25,000*
Hagerstown Ice Rink	*45-C0843*	5	50,000	7,500	7,500	7,500		*72,500*
Mobile License Plate Readers	*45-C0860*	1		30,000	30,000			*60,000*
Public Art	*45-C0868*	5		5,000	5,000	5,000	5,000	*20,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	120,000	300,000	300,000	300,000	300,000	*1,320,000*
Fire Equipment	*45-C0871*	5		15,000				*15,000*
Traffic Beacons	*45-C0872*	1	4,000	16,800				*20,800*
Transfers to CIP-General Fund Total			1,116,240	2,763,550	2,049,350	1,730,250	1,501,850	*9,161,240*
Transfers to CIP-Parking Fund								
Computer Equipment and Software	*45-C0006*	5	1,200	2,400	2,400	2,400	2,400	*10,800*
Time & Attendance Software and Equip	*45-C0007*	5	400	800	400	800	400	*2,800*
Municipal Financial System	*45-C0739*	5	440	800	800	800	800	*3,640*
Transfers to CIP-Parking Fund Total			2,040	4,000	3,600	4,000	3,600	*17,240*
Transfers to CIP-Wastewater Fund								
Computer Equipment and Software	*45-C0006*	5	7,200	14,400	14,400	14,400	14,400	*64,800*
Time & Attendance Software and Equip	*45-C0007*	5	1,900	3,800	1,900	3,800	1,900	*13,300*
Geographic Information System	*45-C0451*	5		8,750	8,750	8,750	8,750	*35,000*
Municipal Financial System	*45-C0739*	5	2,640	3,800	3,800	3,800	3,800	*17,840*
Transfers to CIP-Wastewater Fund Total			11,740	30,750	28,850	30,750	28,850	*130,940*
Transfers to CIP-Water Fund								
Computer Equipment and Software	*45-C0006*	5	7,200	14,400	14,400	14,400	14,400	*64,800*
Time & Attendance Software and Equip	*45-C0007*	5	1,900	3,800	1,900	3,800	1,900	*13,300*
Public Works Operations Center Improvement Program	*45-C0250*	5		25,000				*25,000*
Geographic Information System	*45-C0451*	5		8,750	8,750	8,750	8,750	*35,000*
Municipal Financial System	*45-C0739*	5	2,640	3,800	3,800	3,800	3,800	*17,840*
Transfers to CIP-Water Fund Total			11,740	55,750	28,850	30,750	28,850	*155,940*
GRAND TOTAL			13,716,416	8,713,000	16,580,500	7,522,774	18,115,250	*64,647,940*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '22 thru FY '26

DEPARTMENT SUMMARY

Department	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Community Development				25,000		*25,000*
Engineering	5,476,000	4,194,000	2,731,000	4,235,524	5,336,000	*21,972,524*
Fire	4,505,000	1,515,000	8,938,500	1,508,250	1,586,250	*18,053,000*
Information Technology	411,000	177,000	169,000	177,000	169,000	*1,103,000*
Parks	2,165,000	1,239,000	3,589,000	667,000	9,126,000	*16,786,000*
Planning	30,000	50,000	50,000	25,000	25,000	*180,000*
Police	429,916	840,000	542,000	577,000	577,000	*2,965,916*
Public Works	699,500	698,000	561,000	308,000	1,296,000	*3,562,500*
TOTAL	**13,716,416**	**8,713,000**	**16,580,500**	**7,522,774**	**18,115,250**	***64,647,940***

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '22 thru **FY '26**

CATEGORY SUMMARY

Category	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Amenities				350,000		*350,000*
Automobiles and Trucks	2,947,000	1,356,000	1,780,500	1,509,250	1,645,250	*9,238,000*
Buildings and Structures	3,974,000	3,741,000	9,846,000	2,211,000	11,096,000	*30,868,000*
Infrastructure-Alleys	152,000	175,000	65,000	50,000	50,000	*492,000*
Infrastructure-Bridges	25,000	100,000		115,000		*240,000*
Infrastructure-Parks	1,472,000	15,000				*1,487,000*
Infrastructure-Sidewalks	245,000	245,000	745,000	245,000	245,000	*1,725,000*
Infrastructure-Streets	2,000,000	1,605,000	335,000	2,140,524	3,955,000	*10,035,524*
Infrastructure-Utilities	480,000	709,000	250,000	250,000	250,000	*1,939,000*
Land Improvements	803,000	285,000	3,235,000	285,000	515,000	*5,123,000*
Machinery and Equipment	1,544,416	415,000	265,000	300,000	300,000	*2,824,416*
Software	74,000	67,000	59,000	67,000	59,000	*326,000*
TOTAL	13,716,416	8,713,000	16,580,500	7,522,774	18,115,250	*64,647,940*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '22 thru FY '26

EXPENDITURE TYPE SUMMARY

Expenditure Type	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design	15,000	569,000	95,000	15,000	25,000	*719,000*
Land Acquisition	649,000		200,000	150,000		*999,000*
Construction/Maintenance	8,619,000	6,386,000	14,236,000	5,496,524	16,101,000	*50,838,524*
Equip/Vehicles/Furnishings	4,402,416	1,742,000	2,033,500	1,845,250	1,973,250	*11,996,416*
Software	31,000	16,000	16,000	16,000	16,000	*95,000*
TOTAL	**13,716,416**	**8,713,000**	**16,580,500**	**7,522,774**	**18,115,250**	***64,647,940***

PROJECTS BY DEPARTMENT

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Community Development								
Community & Economic Development Vehicles	*45-C0249*	4				25,000		*25,000*
Community Development Total						25,000		*25,000*
Engineering								
Pavement Preservation Program	*45-C0025*	5	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	*6,500,000*
Pavement Markings	*45-C0093*	1	30,000	30,000	30,000	30,000	30,000	*150,000*
Engineering Vehicles	*45-C0133*	4		50,000	26,000	25,000	26,000	*127,000*
Hagerstown Cultural Trail	*45-C0140*	5	460,000					*460,000*
Accessibility Ramps	*45-C0217*	6	120,000	120,000	120,000	120,000	120,000	*600,000*
Traffic Signalization Upgrades	*45-C0243*	5	285,000	625,000	250,000	250,000	250,000	*1,660,000*
Alley Reconstruction	*45-C0324*	5	152,000	175,000	65,000	50,000	50,000	*492,000*
Bridge Repair Program	*45-C0400*	4	25,000	100,000		115,000		*240,000*
Sidewalk Replacement Program	*45-C0458*	5	125,000	125,000	125,000	125,000	125,000	*625,000*
Traffic Calming	*45-C0560*	5		25,000	25,000	25,000	25,000	*100,000*
Installation of Trees Using FCA Funds	*45-C0594*	5	80,000					*80,000*
New Sidewalks	*45-C0595*	1			500,000			*500,000*
Eastern Boulevard North Extension	*45-C0606*	5				335,524		*335,524*
Professional Court Extension	*45-C0685*	5	1,250,000	1,550,000				*2,800,000*
Northwest Connector	*45-C0735*	5			280,000	1,500,000	3,400,000	*5,180,000*
Marsh Run Walls Rehabilitation	*45-C0853*	4				350,000		*350,000*
Public Art	*45-C0868*	5	33,000	10,000	10,000	10,000	10,000	*73,000*
Traffic Beacons	*45-C0872*	1	195,000	84,000				*279,000*
Urban Improvement Project (Plaza)	*45-C0875*	5	1,421,000					*1,421,000*
Engineering Total			5,476,000	4,194,000	2,731,000	4,235,524	5,336,000	*21,972,524*
Fire								
Fire Department Vehicle Replacement	*45-C0010*	5	2,160,000	65,000	638,500	708,250	786,250	*4,358,000*
Fire Department Training Center	*45-C0241*	5	1,300,000	500,000	500,000	500,000	500,000	*3,300,000*
Consolidation of Public Safety Assets	*45-C0687*	5	250,000	500,000	7,500,000			*8,250,000*
Public Safety Radios and In-Station Alerting	*45-C0849*	1	645,000					*645,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	150,000	300,000	300,000	300,000	300,000	*1,350,000*
Fire Equipment	*45-C0871*	5		150,000				*150,000*
Fire Total			4,505,000	1,515,000	8,938,500	1,508,250	1,586,250	*18,053,000*
Information Technology								
Computer Equipment and Software	*45-C0006*	5	65,000	60,000	60,000	60,000	60,000	*305,000*
Time & Attendance Software and Equip	*45-C0007*	5	8,000	16,000	8,000	16,000	8,000	*56,000*
Geographic Information System	*45-C0451*	5	35,000	35,000	35,000	35,000	35,000	*175,000*
Cable Inet	*45-C0568*	2	14,000	14,000	14,000	14,000	14,000	*70,000*
Cable PEG	*45-C0569*	2	258,000	36,000	36,000	36,000	36,000	*402,000*
Municipal Financial System	*45-C0739*	5	31,000	16,000	16,000	16,000	16,000	*95,000*
Information Technology Total			411,000	177,000	169,000	177,000	169,000	*1,103,000*

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Parks								
Municipal Stadium Improvements	*45-C0040*	5		260,000				*260,000*
City Park Lake Improvements	*45-C0047*	5			500,000			*500,000*
Hager House Museum Improvements	*45-C0061*	7	57,000	250,000	150,000			*457,000*
Park Equipment	*45-C0237*	5	190,000	25,000	50,000	50,000	50,000	*365,000*
Wheaton Park Improvements	*45-C0293*	5		200,000				*200,000*
Steam Engine Museum	*45-C0439*	5	650,000	50,000		15,000		*715,000*
City Park Improvements	*45-C0522*	5	160,000	250,000	200,000			*610,000*
Parks Vehicles and Equipment	*45-C0570*	5	182,000	144,000	169,000	82,000	86,000	*663,000*
Fairground Grandstand Improvements	*45-C0624*	5		10,000	10,000	10,000	10,000	*40,000*
Fairground Park Improvements	*45-C0626*	5	720,000			250,000	500,000	*1,470,000*
Parks Citywide Upgrades	*45-C0665*	3	51,000	15,000				*66,000*
Multi-Use Trails	*45-C0717*	6			2,500,000			*2,500,000*
Neighborhood Park Development	*45-C0751*	5	60,000			100,000		*160,000*
Antietam Creek Greenway Trail	*45-C0774*	5				150,000	480,000	*630,000*
Potterfield Pool Improvements	*45-C0822*	8	40,000	25,000				*65,000*
Hagerstown Ice Rink	*45-C0843*	5	55,000	10,000	10,000	10,000	8,000,000	*8,085,000*
Parks Total			2,165,000	1,239,000	3,589,000	667,000	9,126,000	*16,786,000*
Planning								
Planning & Code Admin Vehicles	*45-C0678*	5	30,000	50,000	50,000	25,000	25,000	*180,000*
Planning Total			30,000	50,000	50,000	25,000	25,000	*180,000*
Police								
Police Radios	*45-C0128*	1				105,000	105,000	*210,000*
Police Vehicles	*45-C0129*	1	216,000	540,000	432,000	432,000	432,000	*2,052,000*
Street Crime Cameras/CPTED	*45-C0130*	1	125,000					*125,000*
Police Crime Lab Equipment	*45-C0182*	5	38,916					*38,916*
Police Firing Range	*45-C0226*	5		30,000	40,000			*70,000*
Police Building Renovation	*45-C0308*	5	50,000	240,000	40,000	40,000	40,000	*410,000*
Mobile License Plate Readers	*45-C0860*	1		30,000	30,000			*60,000*
Police Total			429,916	840,000	542,000	577,000	577,000	*2,965,916*
Public Works								
Public Works Vehicles	*45-C0065*	5	359,000	507,000	465,000	212,000	290,000	*1,833,000*
Market House Improvements	*45-C0099*	5	150,000	45,000	10,000	10,000	10,000	*225,000*
Public Works Equipment	*45-C0136*	8	13,500					*13,500*
LED Signal Lights	*45-C0245*	4	5,000	5,000	5,000	5,000	5,000	*25,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	50,000	56,000	6,000	6,000	6,000	*124,000*
Downtown Beautification Program	*45-C0280*	5	10,000	25,000	25,000	25,000	25,000	*110,000*
City Hall Improvements	*45-C0326*	5	65,000	40,000	30,000	30,000	30,000	*195,000*
Fuel Station Improvements	*45-C0352*	5	7,000					*7,000*
Signal Controller Upgrades	*45-C0433*	5	40,000	20,000	20,000	20,000	20,000	*120,000*
Public Works Storage Yard Expansion	*45-C0718*	5					910,000	*910,000*
Public Works Total			699,500	698,000	561,000	308,000	1,296,000	*3,562,500*
GRAND TOTAL			13,716,416	8,713,000	16,580,500	7,522,774	18,115,250	*64,647,940*

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Community Development								
Community & Economic Development Vehicles	45-C0249	4				25,000		*25,000*
Transfers to CIP-General Fund						*25,000*		*25,000*
Community Development Total						25,000		*25,000*
Engineering								
Pavement Preservation Program	45-C0025	5	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	*6,500,000*
State Highway User Revenue			*1,300,000*	*1,300,000*	*1,300,000*	*1,300,000*	*1,300,000*	*6,500,000*
Pavement Markings	45-C0093	1	30,000	30,000	30,000	30,000	30,000	*150,000*
State Highway User Revenue			*30,000*	*30,000*	*30,000*	*30,000*	*30,000*	*150,000*
Engineering Vehicles	45-C0133	4		50,000	26,000	25,000	26,000	*127,000*
Transfers to CIP-General Fund				*50,000*	*26,000*	*25,000*	*26,000*	*127,000*
Hagerstown Cultural Trail	45-C0140	5	460,000					*460,000*
Bond Financing (General Fund)			*60,000*					*60,000*
Grants-State MHAA			*100,000*					*100,000*
Grants-State Program Open Space			*300,000*					*300,000*
Accessibility Ramps	45-C0217	6	120,000	120,000	120,000	120,000	120,000	*600,000*
State Highway User Revenue				*20,000*	*20,000*	*20,000*	*20,000*	*80,000*
Transfers to CIP-CDBG Fund			*120,000*	*100,000*	*100,000*	*100,000*	*100,000*	*520,000*
Traffic Signalization Upgrades	45-C0243	5	285,000	625,000	250,000	250,000	250,000	*1,660,000*
Grants-Federal			*228,000*	*480,000*				*708,000*
Transfers to CIP-CDBG Fund					*250,000*	*250,000*	*250,000*	*750,000*
Transfers to CIP-General Fund			*57,000*	*145,000*				*202,000*
Alley Reconstruction	45-C0324	5	152,000	175,000	65,000	50,000	50,000	*492,000*
State Highway User Revenue			*152,000*	*175,000*	*65,000*	*50,000*	*50,000*	*492,000*
Bridge Repair Program	45-C0400	4	25,000	100,000		115,000		*240,000*
CIP Fund Balance			*10,000*					*10,000*
Transfers to CIP-General Fund			*15,000*	*100,000*		*115,000*		*230,000*
Sidewalk Replacement Program	45-C0458	5	125,000	125,000	125,000	125,000	125,000	*625,000*
CIP Fund Balance			*125,000*					*125,000*
Transfers to CIP-General Fund				*125,000*	*125,000*	*125,000*	*125,000*	*500,000*
Traffic Calming	45-C0560	5		25,000	25,000	25,000	25,000	*100,000*
Transfers to CIP-General Fund				*25,000*	*25,000*	*25,000*	*25,000*	*100,000*
Installation of Trees Using FCA Funds	45-C0594	5	80,000					*80,000*
Reforestation Funds			*80,000*					*80,000*
New Sidewalks	45-C0595	1			500,000			*500,000*
Grants-State					*500,000*			*500,000*
Eastern Boulevard North Extension	45-C0606	5				335,524		*335,524*
Contribution by Others						*335,524*		*335,524*
Professional Court Extension	45-C0685	5	1,250,000	1,550,000				*2,800,000*
Bond Financing (General Fund)			*750,000*	*800,000*				*1,550,000*
Grants-Federal			*500,000*	*750,000*				*1,250,000*
Northwest Connector	45-C0735	5			280,000	1,500,000	3,400,000	*5,180,000*
Bond Financing (General Fund)					*280,000*	*1,000,000*	*1,000,000*	*2,280,000*
Contribution by Others						*500,000*	*2,400,000*	*2,900,000*

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Marsh Run Walls Rehabilitation	45-C0853	4				350,000		*350,000*
Bond Financing (General Fund)						*350,000*		*350,000*
Public Art	45-C0868	5	33,000	10,000	10,000	10,000	10,000	*73,000*
CIP Fund Balance			*23,000*					*23,000*
Grants-State			*10,000*	*5,000*	*5,000*	*5,000*	*5,000*	*30,000*
Transfers to CIP-General Fund				*5,000*	*5,000*	*5,000*	*5,000*	*20,000*
Traffic Beacons	45-C0872	1	195,000	84,000				*279,000*
CIP Fund Balance			*35,000*					*35,000*
Grants-Federal			*156,000*	*67,200*				*223,200*
Transfers to CIP-General Fund			*4,000*	*16,800*				*20,800*
Urban Improvement Project (Plaza)	45-C0875	5	1,421,000					*1,421,000*
Bond Financing (General Fund)			*172,000*					*172,000*
Grants-State Community Legacy			*400,000*					*400,000*
Grants-State Governor Bond Bill			*650,000*					*650,000*
Prior Bond Proceeds			*199,000*					*199,000*
Engineering Total			5,476,000	4,194,000	2,731,000	4,235,524	5,336,000	*21,972,524*
Fire								
Fire Department Vehicle Replacement	45-C0010	5	2,160,000	65,000	638,500	708,250	786,250	*4,358,000*
Bond Financing (General Fund)			*1,500,000*		*638,500*	*708,250*	*786,250*	*3,633,000*
CIP Fund - GF Fund Balance			*407,330*					*407,330*
Prior Bond Proceeds			*252,670*					*252,670*
Transfers to CIP-General Fund				*65,000*				*65,000*
Fire Department Training Center	45-C0241	5	1,300,000	500,000	500,000	500,000	500,000	*3,300,000*
Bond Financing (General Fund)			*1,300,000*	*500,000*	*500,000*	*500,000*	*500,000*	*3,300,000*
Consolidation of Public Safety Assets	45-C0687	5	250,000	500,000	7,500,000			*8,250,000*
Bond Financing (General Fund)					*7,500,000*			*7,500,000*
CIP Fund - GF Fund Balance			*250,000*					*250,000*
Transfers to CIP-General Fund				*500,000*				*500,000*
Public Safety Radios and In-Station Alerting	45-C0849	1	645,000					*645,000*
CIP Fund Balance			*120,000*					*120,000*
Grants-Federal			*525,000*					*525,000*
Fire Facilities City Owned Buildings	45-C0870	5	150,000	300,000	300,000	300,000	300,000	*1,350,000*
CIP Fund Balance			*30,000*					*30,000*
Transfers to CIP-General Fund			*120,000*	*300,000*	*300,000*	*300,000*	*300,000*	*1,320,000*
Fire Equipment	45-C0871	5		150,000				*150,000*
Grants-Federal				*135,000*				*135,000*
Transfers to CIP-General Fund				*15,000*				*15,000*
Fire Total			4,505,000	1,515,000	8,938,500	1,508,250	1,586,250	*18,053,000*
Information Technology								
Computer Equipment and Software	45-C0006	5	65,000	60,000	60,000	60,000	60,000	*305,000*
CIP Fund Balance			*35,000*					*35,000*
Transfers to CIP-Electric Fund			*7,200*	*14,400*	*14,400*	*14,400*	*14,400*	*64,800*
Transfers to CIP-General Fund			*7,200*	*14,400*	*14,400*	*14,400*	*14,400*	*64,800*
Transfers to CIP-Parking Fund			*1,200*	*2,400*	*2,400*	*2,400*	*2,400*	*10,800*
Transfers to CIP-Wastewater Fund			*7,200*	*14,400*	*14,400*	*14,400*	*14,400*	*64,800*
Transfers to CIP-Water Fund			*7,200*	*14,400*	*14,400*	*14,400*	*14,400*	*64,800*
Time & Attendance Software and Equip	45-C0007	5	8,000	16,000	8,000	16,000	8,000	*56,000*
Transfers to CIP-Electric Fund			*1,900*	*3,800*	*1,900*	*3,800*	*1,900*	*13,300*
Transfers to CIP-General Fund			*1,900*	*3,800*	*1,900*	*3,800*	*1,900*	*13,300*
Transfers to CIP-Parking Fund			*400*	*800*	*400*	*800*	*400*	*2,800*
Transfers to CIP-Wastewater Fund			*1,900*	*3,800*	*1,900*	*3,800*	*1,900*	*13,300*
Transfers to CIP-Water Fund			*1,900*	*3,800*	*1,900*	*3,800*	*1,900*	*13,300*
Geographic Information System	45-C0451	5	35,000	35,000	35,000	35,000	35,000	*175,000*

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance			*35,000*					*35,000*
Transfers to CIP-Electric Fund				*8,750*	*8,750*	*8,750*	*8,750*	*35,000*
Transfers to CIP-General Fund				*8,750*	*8,750*	*8,750*	*8,750*	*35,000*
Transfers to CIP-Wastewater Fund				*8,750*	*8,750*	*8,750*	*8,750*	*35,000*
Transfers to CIP-Water Fund				*8,750*	*8,750*	*8,750*	*8,750*	*35,000*
Cable Inet	45-C0568	2	14,000	14,000	14,000	14,000	14,000	*70,000*
PEG Fee			*14,000*	*14,000*	*14,000*	*14,000*	*14,000*	*70,000*
Cable PEG	45-C0569	2	258,000	36,000	36,000	36,000	36,000	*402,000*
CIP Fund Balance			*222,000*					*222,000*
PEG Fee			*36,000*	*36,000*	*36,000*	*36,000*	*36,000*	*180,000*
Municipal Financial System	45-C0739	5	31,000	16,000	16,000	16,000	16,000	*95,000*
CIP Fund Balance			*20,000*					*20,000*
Transfers to CIP-Electric Fund			*2,640*	*3,800*	*3,800*	*3,800*	*3,800*	*17,840*
Transfers to CIP-General Fund			*2,640*	*3,800*	*3,800*	*3,800*	*3,800*	*17,840*
Transfers to CIP-Parking Fund			*440*	*800*	*800*	*800*	*800*	*3,640*
Transfers to CIP-Wastewater Fund			*2,640*	*3,800*	*3,800*	*3,800*	*3,800*	*17,840*
Transfers to CIP-Water Fund			*2,640*	*3,800*	*3,800*	*3,800*	*3,800*	*17,840*
Information Technology Total			411,000	177,000	169,000	177,000	169,000	*1,103,000*
Parks								
Municipal Stadium Improvements	45-C0040	5		260,000				*260,000*
Contribution by Others				*260,000*				*260,000*
City Park Lake Improvements	45-C0047	5			500,000			*500,000*
Bond Financing (General Fund)					*300,000*			*300,000*
Grants-State Program Open Space					*200,000*			*200,000*
Hager House Museum Improvements	45-C0061	7	57,000	250,000	150,000			*457,000*
CIP Fund Balance			*8,000*					*8,000*
Grants-Private				*50,000*				*50,000*
Grants-State MHAA				*100,000*	*75,000*			*175,000*
Transfers to CIP-General Fund			*49,000*	*100,000*	*75,000*			*224,000*
Park Equipment	45-C0237	5	190,000	25,000	50,000	50,000	50,000	*365,000*
Grants-State CP&P				*25,000*	*50,000*	*50,000*	*50,000*	*175,000*
Grants-State Program Open Space			*171,000*					*171,000*
Transfers to CIP-General Fund			*19,000*					*19,000*
Wheaton Park Improvements	45-C0293	5		200,000				*200,000*
Transfers to CIP-CDBG Fund				*200,000*				*200,000*
Steam Engine Museum	45-C0439	5	650,000	50,000		15,000		*715,000*
CIP Fund Balance			*15,000*					*15,000*
Grants-Federal			*400,000*					*400,000*
Grants-State Program Open Space			*135,000*	*45,000*				*180,000*
Transfers to CIP-General Fund			*100,000*	*5,000*		*15,000*		*120,000*
City Park Improvements	45-C0522	5	160,000	250,000	200,000			*610,000*
Grants-State CP&P					*20,000*			*20,000*
Grants-State Program Open Space				*225,000*	*135,000*			*360,000*
Transfers to CIP-CDBG Fund			*60,000*					*60,000*
Transfers to CIP-General Fund			*100,000*	*25,000*	*45,000*			*170,000*
Parks Vehicles and Equipment	45-C0570	5	182,000	144,000	169,000	82,000	86,000	*663,000*
Bond Financing (General Fund)			*140,000*	*80,000*	*85,000*			*305,000*
Transfers to CIP-General Fund			*42,000*	*64,000*	*84,000*	*82,000*	*86,000*	*358,000*
Fairground Grandstand Improvements	45-C0624	5		10,000	10,000	10,000	10,000	*40,000*
Transfers to CIP-General Fund				*10,000*	*10,000*	*10,000*	*10,000*	*40,000*
Fairground Park Improvements	45-C0626	5	720,000			250,000	500,000	*1,470,000*
CIP Fund - GF Fund Balance			*75,000*					*75,000*
Contribution by Others			*30,000*					*30,000*
Grants-State MD Historic Trust			*60,000*					*60,000*
Grants-State Program Open Space			*150,000*			*175,000*	*450,000*	*775,000*
Transfers to CIP-CDBG Fund			*375,000*					*375,000*

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund			*30,000*			*75,000*	*50,000*	*155,000*
Parks Citywide Upgrades	45-C0665	3	51,000	15,000				*66,000*
Grants-State Program Open Space			*4,500*	*13,500*				*18,000*
Transfers to CIP-General Fund			*46,500*	*1,500*				*48,000*
Multi-Use Trails	45-C0717	6			2,500,000			*2,500,000*
Grants-Federal					*2,000,000*			*2,000,000*
Transfers to CIP-General Fund					*500,000*			*500,000*
Neighborhood Park Development	45-C0751	5	60,000			100,000		*160,000*
CIP Fund Balance			*10,000*					*10,000*
Grants-State Program Open Space			*45,000*					*45,000*
Transfers to CIP-General Fund			*5,000*			*100,000*		*105,000*
Antietam Creek Greenway Trail	45-C0774	5				150,000	480,000	*630,000*
Contribution by Others						*150,000*		*150,000*
Grants-State							*432,000*	*432,000*
Transfers to CIP-General Fund							*48,000*	*48,000*
Potterfield Pool Improvements	45-C0822	8	40,000	25,000				*65,000*
Transfers to CIP-CDBG Fund			*40,000*					*40,000*
Transfers to CIP-General Fund				*25,000*				*25,000*
Hagerstown Ice Rink	45-C0843	5	55,000	10,000	10,000	10,000	8,000,000	*8,085,000*
Bond Financing (General Fund)							*1,000,000*	*1,000,000*
CIP Fund Balance			*5,000*					*5,000*
Contribution by Others				*2,500*	*2,500*	*2,500*	*6,000,000*	*6,007,500*
Grants-State							*1,000,000*	*1,000,000*
Transfers to CIP-General Fund			*50,000*	*7,500*	*7,500*	*7,500*		*72,500*
Parks Total			2,165,000	1,239,000	3,589,000	667,000	9,126,000	*16,786,000*
Planning								
Planning & Code Admin Vehicles	45-C0678	5	30,000	50,000	50,000	25,000	25,000	*180,000*
Transfers to CIP-General Fund			*30,000*	*50,000*	*50,000*	*25,000*	*25,000*	*180,000*
Planning Total			30,000	50,000	50,000	25,000	25,000	*180,000*
Police								
Police Radios	45-C0128	1				105,000	105,000	*210,000*
Transfers to CIP-General Fund						*105,000*	*105,000*	*210,000*
Police Vehicles	45-C0129	1	216,000	540,000	432,000	432,000	432,000	*2,052,000*
Transfers to CIP-General Fund			*216,000*	*540,000*	*432,000*	*432,000*	*432,000*	*2,052,000*
Street Crime Cameras/CPTED	45-C0130	1	125,000					*125,000*
CIP Fund Balance			*50,000*					*50,000*
Transfers to CIP-General Fund			*75,000*					*75,000*
Police Crime Lab Equipment	45-C0182	5	38,916					*38,916*
Grants-Federal			*38,916*					*38,916*
Police Firing Range	45-C0226	5		30,000	40,000			*70,000*
Transfers to CIP-General Fund				*30,000*	*40,000*			*70,000*
Police Building Renovation	45-C0308	5	50,000	240,000	40,000	40,000	40,000	*410,000*
CIP Fund Balance			*34,000*					*34,000*
Transfers to CIP-General Fund			*16,000*	*240,000*	*40,000*	*40,000*	*40,000*	*376,000*
Mobile License Plate Readers	45-C0860	1		30,000	30,000			*60,000*
Transfers to CIP-General Fund				*30,000*	*30,000*			*60,000*
Police Total			429,916	840,000	542,000	577,000	577,000	*2,965,916*
Public Works								
Public Works Vehicles	45-C0065	5	359,000	507,000	465,000	212,000	290,000	*1,833,000*
Bond Financing (General Fund)			*290,000*	*415,000*	*335,000*	*120,000*	*200,000*	*1,360,000*

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund			*69,000*	*92,000*	*130,000*	*92,000*	*90,000*	*473,000*
Market House Improvements	45-C0099	5	150,000	45,000	10,000	10,000	10,000	*225,000*
CIP Fund - GF Fund Balance			*150,000*					*150,000*
Transfers to CIP-General Fund				*45,000*	*10,000*	*10,000*	*10,000*	*75,000*
Public Works Equipment	45-C0136	8	13,500					*13,500*
CIP Fund Balance			*13,500*					*13,500*
LED Signal Lights	45-C0245	4	5,000	5,000	5,000	5,000	5,000	*25,000*
CIP Fund Balance			*5,000*					*5,000*
Transfers to CIP-General Fund				*5,000*	*5,000*	*5,000*	*5,000*	*20,000*
Public Works Operations Center Improvement Program	45-C0250	5	50,000	56,000	6,000	6,000	6,000	*124,000*
CIP Fund - GF Fund Balance			*30,000*					*30,000*
Transfers to CIP-General Fund			*20,000*	*31,000*	*6,000*	*6,000*	*6,000*	*69,000*
Transfers to CIP-Water Fund				*25,000*				*25,000*
Downtown Beautification Program	45-C0280	5	10,000	25,000	25,000	25,000	25,000	*110,000*
CIP Fund Balance			*10,000*					*10,000*
Transfers to CIP-General Fund				*25,000*	*25,000*	*25,000*	*25,000*	*100,000*
City Hall Improvements	45-C0326	5	65,000	40,000	30,000	30,000	30,000	*195,000*
CIP Fund - GF Fund Balance			*25,000*					*25,000*
Transfers to CIP-General Fund			*40,000*	*40,000*	*30,000*	*30,000*	*30,000*	*170,000*
Fuel Station Improvements	45-C0352	5	7,000					*7,000*
CIP Fund Balance			*7,000*					*7,000*
Signal Controller Upgrades	45-C0433	5	40,000	20,000	20,000	20,000	20,000	*120,000*
CIP Fund Balance			*39,000*					*39,000*
Transfers to CIP-General Fund			*1,000*	*20,000*	*20,000*	*20,000*	*20,000*	*81,000*
Public Works Storage Yard Expansion	45-C0718	5					910,000	*910,000*
Bond Financing (General Fund)							*900,000*	*900,000*
Transfers to CIP-General Fund							*10,000*	*10,000*
Public Works Total			699,500	698,000	561,000	308,000	1,296,000	*3,562,500*
GRAND TOTAL			13,716,416	8,713,000	16,580,500	7,522,774	18,115,250	*64,647,940*

City of Hagerstown, Maryland

ELECTRIC FUND

FY '22 thru FY '26

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Contribution by Others								
Kilpatrick Woods	*50-C0550*	5	120,000					*120,000*
Burhans Village	*50-C0707*	5	25,000					*25,000*
Contribution by Others Total			145,000					*145,000*
Electric Fund								
Electric Vehicles	*50-C0090*	5	30,000	280,000	180,000	215,000	250,000	*955,000*
Telemetry Equipment	*50-C0111*	5	5,000	15,000	5,000	5,000	5,000	*35,000*
Central Substation	*50-C0118*	5			200,000	500,000	200,000	*900,000*
Security Improvements	*50-C0178*	5	25,000	50,000	50,000	50,000		*175,000*
Wesel Boulevard Development	*50-C0220*	5	35,000	25,000				*60,000*
System Reconductoring	*50-C0259*	5	187,500	50,000	50,000	50,000	50,000	*387,500*
Pedestrian Lighting	*50-C0388*	5			100,000	100,000		*200,000*
SCADA System	*50-C0441*	5	5,000	5,000	5,000	5,000	5,000	*25,000*
Underground Replacement	*50-C0540*	5	12,500	12,500	12,500	12,500	12,500	*62,500*
HLD Distribution & Administrative Office Building	*50-C0542*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Bulldog Substation	*50-C0544*	5					50,000	*50,000*
Streetlight Replacement	*50-C0546*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Kilpatrick Woods	*50-C0550*	5	105,500	25,000				*130,500*
273 E Memorial Blvd	*50-C0552*	5	5,000					*5,000*
Test Equipment	*50-C0609*	5	40,000	20,000	20,000	20,000	20,000	*120,000*
Substation Controls	*50-C0616*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Burhans Village	*50-C0707*	5	34,000	5,000				*39,000*
Substation Breaker Replacement	*50-C0776*	5	25,000	60,000	60,000	60,000	60,000	*265,000*
Substation Upgrades	*50-C0778*	5	25,000			125,000	275,000	*425,000*
Equipment Refurbishment	*50-C0797*	5	45,000	45,000	45,000	45,000	45,000	*225,000*
Wildlife Protection on Distribution System	*50-C0802*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Feeder Coordination	*50-C0833*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Circuit Upgrades	*50-C0842*	5		150,000	150,000	150,000	150,000	*600,000*
Electric Fund Total			669,500	832,500	967,500	1,427,500	1,212,500	*5,109,500*
GRAND TOTAL			814,500	832,500	967,500	1,427,500	1,212,500	*5,254,500*

City of Hagerstown, Maryland

ELECTRIC FUND

FY '22 thru FY '26

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund								
Electric Vehicles	50-C0090	5	30,000	280,000	180,000	215,000	250,000	*955,000*
Electric Fund			*30,000*	*280,000*	*180,000*	*215,000*	*250,000*	*955,000*
Telemetry Equipment	50-C0111	5	5,000	15,000	5,000	5,000	5,000	*35,000*
Electric Fund			*5,000*	*15,000*	*5,000*	*5,000*	*5,000*	*35,000*
Central Substation	50-C0118	5			200,000	500,000	200,000	*900,000*
Electric Fund					*200,000*	*500,000*	*200,000*	*900,000*
Security Improvements	50-C0178	5	25,000	50,000	50,000	50,000		*175,000*
Electric Fund			*25,000*	*50,000*	*50,000*	*50,000*		*175,000*
Wesel Boulevard Development	50-C0220	5	35,000	25,000				*60,000*
Electric Fund			*35,000*	*25,000*				*60,000*
System Reconductoring	50-C0259	5	187,500	50,000	50,000	50,000	50,000	*387,500*
Electric Fund			*187,500*	*50,000*	*50,000*	*50,000*	*50,000*	*387,500*
Pedestrian Lighting	50-C0388	5			100,000	100,000		*200,000*
Electric Fund					*100,000*	*100,000*		*200,000*
SCADA System	50-C0441	5	5,000	5,000	5,000	5,000	5,000	*25,000*
Electric Fund			*5,000*	*5,000*	*5,000*	*5,000*	*5,000*	*25,000*
Underground Replacement	50-C0540	5	12,500	12,500	12,500	12,500	12,500	*62,500*
Electric Fund			*12,500*	*12,500*	*12,500*	*12,500*	*12,500*	*62,500*
HLD Distribution & Administrative Office Building	50-C0542	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Electric Fund			*25,000*	*25,000*	*25,000*	*25,000*	*25,000*	*125,000*
Bulldog Substation	50-C0544	5					50,000	*50,000*
Electric Fund							*50,000*	*50,000*
Streetlight Replacement	50-C0546	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Electric Fund			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Kilpatrick Woods	50-C0550	5	225,500	25,000				*250,500*
Contribution by Others			*120,000*					*120,000*
Electric Fund			*105,500*	*25,000*				*130,500*
273 E Memorial Blvd	50-C0552	5	5,000					*5,000*
Electric Fund			*5,000*					*5,000*
Test Equipment	50-C0609	5	40,000	20,000	20,000	20,000	20,000	*120,000*
Electric Fund			*40,000*	*20,000*	*20,000*	*20,000*	*20,000*	*120,000*
Substation Controls	50-C0616	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Electric Fund			*25,000*	*25,000*	*25,000*	*25,000*	*25,000*	*125,000*
Burhans Village	50-C0707	5	59,000	5,000				*64,000*
Contribution by Others			*25,000*					*25,000*
Electric Fund			*34,000*	*5,000*				*39,000*
Substation Breaker Replacement	50-C0776	5	25,000	60,000	60,000	60,000	60,000	*265,000*
Electric Fund			*25,000*	*60,000*	*60,000*	*60,000*	*60,000*	*265,000*
Substation Upgrades	50-C0778	5	25,000			125,000	275,000	*425,000*
Electric Fund			*25,000*			*125,000*	*275,000*	*425,000*
Equipment Refurbishment	50-C0797	5	45,000	45,000	45,000	45,000	45,000	*225,000*
Electric Fund			*45,000*	*45,000*	*45,000*	*45,000*	*45,000*	*225,000*
Wildlife Protection on Distribution System	50-C0802	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Electric Fund			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Feeder Coordination	50-C0833	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Electric Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Circuit Upgrades	50-C0842	5		150,000	150,000	150,000	150,000	*600,000*
Electric Fund				*150,000*	*150,000*	*150,000*	*150,000*	*600,000*
Electric Fund Total			814,500	832,500	967,500	1,427,500	1,212,500	*5,254,500*
GRAND TOTAL			814,500	832,500	967,500	1,427,500	1,212,500	*5,254,500*

City of Hagerstown, Maryland

WATER FUND

FY '22 thru FY '26

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
ARDI Fund Balance								
Zone 3 Standpipe	*52-C0323*	5					100,000	*100,000*
ARDI Fund Balance Total							100,000	*100,000*
Bond Financing-MDE (Water Fund)								
Willson Transmission Mains	*52-C0167*	5			500,000	8,000,000	8,000,000	*16,500,000*
Edgemont Reservoir Improvements	*52-C0168*	5		500,000	4,000,000	5,000,000	1,500,000	*11,000,000*
Breichner WTP Improvements	*52-C0405*	5				3,000,000	3,000,000	*6,000,000*
Water System SCADA Improvements	*52-C0820*	5				300,000	300,000	*600,000*
Bond Financing-MDE (Water Fund) Total				500,000	4,500,000	16,300,000	12,800,000	*34,100,000*
Contribution by Others								
Pump Station Improvements	*52-C0651*	5		175,000	650,000	275,000	2,300,000	*3,400,000*
Contribution by Others Total				175,000	650,000	275,000	2,300,000	*3,400,000*
Grant-State MDE								
Edgemont Reservoir Improvements	*52-C0168*	5			1,000,000			*1,000,000*
Grant-State MDE Total					1,000,000			*1,000,000*
Water Fund								
Water Vehicles	*52-C0117*	5	185,000	325,000	300,000	235,000	305,000	*1,350,000*
Willson Treatment Plant	*52-C0166*	5	750,000	200,000	200,000	200,000	200,000	*1,550,000*
Willson Transmission Mains	*52-C0167*	5	220,000	220,000	400,000	700,000	700,000	*2,240,000*
Edgemont Reservoir Improvements	*52-C0168*	5	200,000	1,150,000	650,000	550,000	300,000	*2,850,000*
Risk and Resiliency/Security	*52-C0322*	1	325,000	125,000	50,000	50,000	25,000	*575,000*
Breichner WTP Improvements	*52-C0405*	5	20,000	20,000	520,000	400,000	100,000	*1,060,000*
Adm. & Engineering Equipment	*52-C0648*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Pump Station Improvements	*52-C0651*	5	145,000	75,000	75,000	75,000	75,000	*445,000*
Distribution Services - Meter Program	*52-C0653*	4	325,000	325,000	325,000	325,000	325,000	*1,625,000*
Distribution System Rehab - Main Replacement	*52-C0709*	5	400,000	225,000	230,000	245,000	260,000	*1,360,000*
Water System SCADA Improvements	*52-C0820*	5	185,000	100,000	125,000	135,000	100,000	*645,000*
Water Fund Total			2,765,000	2,775,000	2,885,000	2,925,000	2,400,000	*13,750,000*
GRAND TOTAL			2,765,000	3,450,000	9,035,000	19,500,000	17,600,000	*52,350,000*

City of Hagerstown, Maryland

WATER FUND

FY '22 thru **FY '26**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Water Fund								
Water Vehicles	52-C0117	5	185,000	325,000	300,000	235,000	305,000	*1,350,000*
Water Fund			*185,000*	*325,000*	*300,000*	*235,000*	*305,000*	*1,350,000*
Willson Treatment Plant	52-C0166	5	750,000	200,000	200,000	200,000	200,000	*1,550,000*
Water Fund			*750,000*	*200,000*	*200,000*	*200,000*	*200,000*	*1,550,000*
Willson Transmission Mains	52-C0167	5	220,000	220,000	900,000	8,700,000	8,700,000	*18,740,000*
Bond Financing-MDE (Water Fund)					*500,000*	*8,000,000*	*8,000,000*	*16,500,000*
Water Fund			*220,000*	*220,000*	*400,000*	*700,000*	*700,000*	*2,240,000*
Edgemont Reservoir Improvements	52-C0168	5	200,000	1,650,000	5,650,000	5,550,000	1,800,000	*14,850,000*
Bond Financing-MDE (Water Fund)				*500,000*	*4,000,000*	*5,000,000*	*1,500,000*	*11,000,000*
Grant-State MDE					*1,000,000*			*1,000,000*
Water Fund			*200,000*	*1,150,000*	*650,000*	*550,000*	*300,000*	*2,850,000*
Risk and Resiliency/Security	52-C0322	1	325,000	125,000	50,000	50,000	25,000	*575,000*
Water Fund			*325,000*	*125,000*	*50,000*	*50,000*	*25,000*	*575,000*
Zone 3 Standpipe	52-C0323	5					100,000	*100,000*
ARDI Fund Balance							*100,000*	*100,000*
Breichner WTP Improvements	52-C0405	5	20,000	20,000	520,000	3,400,000	3,100,000	*7,060,000*
Bond Financing-MDE (Water Fund)						*3,000,000*	*3,000,000*	*6,000,000*
Water Fund			*20,000*	*20,000*	*520,000*	*400,000*	*100,000*	*1,060,000*
Adm. & Engineering Equipment	52-C0648	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Water Fund			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Pump Station Improvements	52-C0651	5	145,000	250,000	725,000	350,000	2,375,000	*3,845,000*
Contribution by Others				*175,000*	*650,000*	*275,000*	*2,300,000*	*3,400,000*
Water Fund			*145,000*	*75,000*	*75,000*	*75,000*	*75,000*	*445,000*
Distribution Services - Meter Program	52-C0653	4	325,000	325,000	325,000	325,000	325,000	*1,625,000*
Water Fund			*325,000*	*325,000*	*325,000*	*325,000*	*325,000*	*1,625,000*
Distribution System Rehab - Main Replacement	52-C0709	5	400,000	225,000	230,000	245,000	260,000	*1,360,000*
Water Fund			*400,000*	*225,000*	*230,000*	*245,000*	*260,000*	*1,360,000*
Water System SCADA Improvements	52-C0820	5	185,000	100,000	125,000	435,000	400,000	*1,245,000*
Bond Financing-MDE (Water Fund)						*300,000*	*300,000*	*600,000*
Water Fund			*185,000*	*100,000*	*125,000*	*135,000*	*100,000*	*645,000*
Water Fund Total			2,765,000	3,450,000	9,035,000	19,500,000	17,600,000	*52,350,000*
GRAND TOTAL			2,765,000	3,450,000	9,035,000	19,500,000	17,600,000	*52,350,000*

City of Hagerstown, Maryland

WASTEWATER FUND

FY '22 thru **FY '26**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (Wastewater Fund)								
Collection System Rehabilitation	*54-C0327*	1			700,000	200,000	200,000	*1,100,000*
Bond Financing (Wastewater Fund) Total					700,000	200,000	200,000	*1,100,000*
Bond Financing-MDE (Wastewater Fu								
East End Pump Station	*54-C0565*	5		500,000	500,000	500,000		*1,500,000*
Bond Financing-MDE (Wastewater Fund) Total				500,000	500,000	500,000		*1,500,000*
Contribution by Others								
Collection System Rehabilitation	*54-C0327*	1			700,000			*700,000*
Trunk Lines and Laterals	*54-C0834*	2	250,000	150,000	150,000	150,000	150,000	*850,000*
Contribution by Others Total			250,000	150,000	850,000	150,000	150,000	*1,550,000*
Grants-ARC								
Citywide - CS Rehabilitation	*54-C0800*	1	200,000					*200,000*
Grants-ARC Total			200,000					*200,000*
Wastewater Fund								
Wastewater Vehicle Replacement	*54-C0004*	5	165,000	540,000	800,000	120,000	45,000	*1,670,000*
Manhole Raising	*54-C0267*	1	25,000	25,000	25,000	25,000	25,000	*125,000*
Pump Station Improvements	*54-C0299*	1	75,000	75,000	75,000	75,000	75,000	*375,000*
Collection System Rehabilitation	*54-C0327*	1	400,000	400,000	200,000	200,000	200,000	*1,400,000*
East End Pump Station	*54-C0565*	5		75,000				*75,000*
WWT Plant Equipment	*54-C0584*	1	350,000	250,000	250,000	250,000	250,000	*1,350,000*
WWT Buildings and Structures	*54-C0585*	5		25,000	25,000	25,000	25,000	*100,000*
Oxygen System Improvements	*54-C0657*	1	60,000	20,000	20,000	20,000	20,000	*140,000*
Synagro Facility Upgrade Improvements	*54-C0712*	2	450,000	300,000				*750,000*
Collection System Equipment	*54-C0713*	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Laboratory Equipment	*54-C0745*	5	100,000	10,000	10,000	10,000	10,000	*140,000*
Grinder Pump Replacement Program	*54-C0767*	5	112,000	112,000	112,000	112,000	112,000	*560,000*
Citywide - CS Rehabilitation	*54-C0800*	1	260,000	100,000	100,000	100,000	100,000	*660,000*
Pump Station Modifications	*54-C0832*	5	50,000	25,000				*75,000*
Trunk Lines and Laterals	*54-C0834*	2	15,000	15,000	15,000	15,000	15,000	*75,000*
Wastewater Fund Total			2,142,000	2,052,000	1,712,000	1,032,000	957,000	*7,895,000*
GRAND TOTAL			2,592,000	2,702,000	3,762,000	1,882,000	1,307,000	*12,245,000*

City of Hagerstown, Maryland

WASTEWATER FUND

FY '22 thru **FY '26**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund								
Wastewater Vehicle Replacement	54-C0004	5	165,000	540,000	800,000	120,000	45,000	*1,670,000*
Wastewater Fund			*165,000*	*540,000*	*800,000*	*120,000*	*45,000*	*1,670,000*
Manhole Raising	54-C0267	1	25,000	25,000	25,000	25,000	25,000	*125,000*
Wastewater Fund			*25,000*	*25,000*	*25,000*	*25,000*	*25,000*	*125,000*
Pump Station Improvements	54-C0299	1	75,000	75,000	75,000	75,000	75,000	*375,000*
Wastewater Fund			*75,000*	*75,000*	*75,000*	*75,000*	*75,000*	*375,000*
Collection System Rehabilitation	54-C0327	1	400,000	400,000	1,600,000	400,000	400,000	*3,200,000*
Bond Financing (Wastewater Fund)					*700,000*	*200,000*	*200,000*	*1,100,000*
Contribution by Others					*700,000*			*700,000*
Wastewater Fund			*400,000*	*400,000*	*200,000*	*200,000*	*200,000*	*1,400,000*
East End Pump Station	54-C0565	5		575,000	500,000	500,000		*1,575,000*
Bond Financing-MDE (Wastewater Fund)				*500,000*	*500,000*	*500,000*		*1,500,000*
Wastewater Fund				*75,000*				*75,000*
WWT Plant Equipment	54-C0584	1	350,000	250,000	250,000	250,000	250,000	*1,350,000*
Wastewater Fund			*350,000*	*250,000*	*250,000*	*250,000*	*250,000*	*1,350,000*
WWT Buildings and Structures	54-C0585	5		25,000	25,000	25,000	25,000	*100,000*
Wastewater Fund				*25,000*	*25,000*	*25,000*	*25,000*	*100,000*
Oxygen System Improvements	54-C0657	1	60,000	20,000	20,000	20,000	20,000	*140,000*
Wastewater Fund			*60,000*	*20,000*	*20,000*	*20,000*	*20,000*	*140,000*
Synagro Facility Upgrade Improvements	54-C0712	2	450,000	300,000				*750,000*
Wastewater Fund			*450,000*	*300,000*				*750,000*
Collection System Equipment	54-C0713	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Wastewater Fund			*80,000*	*80,000*	*80,000*	*80,000*	*80,000*	*400,000*
Laboratory Equipment	54-C0745	5	100,000	10,000	10,000	10,000	10,000	*140,000*
Wastewater Fund			*100,000*	*10,000*	*10,000*	*10,000*	*10,000*	*140,000*
Grinder Pump Replacement Program	54-C0767	5	112,000	112,000	112,000	112,000	112,000	*560,000*
Wastewater Fund			*112,000*	*112,000*	*112,000*	*112,000*	*112,000*	*560,000*
Citywide - CS Rehabilitation	54-C0800	1	460,000	100,000	100,000	100,000	100,000	*860,000*
Grants-ARC			*200,000*					*200,000*
Wastewater Fund			*260,000*	*100,000*	*100,000*	*100,000*	*100,000*	*660,000*
Pump Station Modifications	54-C0832	5	50,000	25,000				*75,000*
Wastewater Fund			*50,000*	*25,000*				*75,000*
Trunk Lines and Laterals	54-C0834	2	265,000	165,000	165,000	165,000	165,000	*925,000*
Contribution by Others			*250,000*	*150,000*	*150,000*	*150,000*	*150,000*	*850,000*
Wastewater Fund			*15,000*	*15,000*	*15,000*	*15,000*	*15,000*	*75,000*
Wastewater Fund Total			2,592,000	2,702,000	3,762,000	1,882,000	1,307,000	*12,245,000*
GRAND TOTAL			2,592,000	2,702,000	3,762,000	1,882,000	1,307,000	*12,245,000*

City of Hagerstown, Maryland

PARKING FUND

FY '22 thru FY '26

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (Parking Fund)								
Parking Facilities - 3rd Parking Deck	*56-C0173*	5			700,000	7,300,775		*8,000,775*
Bond Financing (Parking Fund) Total					700,000	7,300,775		*8,000,775*
Parking Fund								
Upgrades to Parking Decks	*56-C0749*	5	15,000	15,000	15,000	10,000	10,000	*65,000*
Parking Fund Vehicles	*56-C0829*	5		35,000				*35,000*
Parking Lot Improvements	*56-C0857*	5	10,000	80,000	10,000	10,000	10,000	*120,000*
Parking Fund Total			25,000	130,000	25,000	20,000	20,000	*220,000*
GRAND TOTAL			25,000	130,000	725,000	7,320,775	20,000	*8,220,775*

City of Hagerstown, Maryland

PARKING FUND

FY '22 thru **FY '26**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Parking Fund								
Parking Facilities - 3rd Parking Deck	56-C0173	5			700,000	7,300,775		*8,000,775*
Bond Financing (Parking Fund)					*700,000*	*7,300,775*		*8,000,775*
Upgrades to Parking Decks	56-C0749	5	15,000	15,000	15,000	10,000	10,000	*65,000*
Parking Fund			*15,000*	*15,000*	*15,000*	*10,000*	*10,000*	*65,000*
Parking Fund Vehicles	56-C0829	5		35,000				*35,000*
Parking Fund				*35,000*				*35,000*
Parking Lot Improvements	56-C0857	5	10,000	80,000	10,000	10,000	10,000	*120,000*
Parking Fund			*10,000*	*80,000*	*10,000*	*10,000*	*10,000*	*120,000*
Parking Fund Total			25,000	130,000	725,000	7,320,775	20,000	*8,220,775*
GRAND TOTAL			25,000	130,000	725,000	7,320,775	20,000	*8,220,775*

City of Hagerstown, Maryland

GOLF FUND

FY '22 thru FY '26

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Golf Fund								
Golf Course - Vehicles/Equipment	*57-C0395*	4	38,000	37,000	47,000	40,000	35,000	*197,000*
Golf Course Improvements	*57-C0825*	8	30,000	12,000				*42,000*
Golf Fund Total			68,000	49,000	47,000	40,000	35,000	*239,000*
State Highway User Revenue								
Golf Course Improvements	*57-C0825*	8	30,000					*30,000*
State Highway User Revenue Total			30,000					*30,000*
GRAND TOTAL			98,000	49,000	47,000	40,000	35,000	*269,000*

City of Hagerstown, Maryland

GOLF FUND

FY '22 thru **FY '26**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Golf Fund								
Golf Course - Vehicles/Equipment	57-C0395	4	38,000	37,000	47,000	40,000	35,000	*197,000*
Golf Fund			*38,000*	*37,000*	*47,000*	*40,000*	*35,000*	*197,000*
Golf Course Improvements	57-C0825	8	60,000	12,000				*72,000*
Golf Fund			*30,000*	*12,000*				*42,000*
State Highway User Revenue			*30,000*					*30,000*
Golf Fund Total			98,000	49,000	47,000	40,000	35,000	*269,000*
GRAND TOTAL			98,000	49,000	47,000	40,000	35,000	*269,000*

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '22 thru FY '26

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Property Management Fund								
Elizabeth Hager Center	*58-C0803*	5	30,000	20,000	20,000	20,000	20,000	*110,000*
60 West Washington Street	*58-C0828*	5	120,000					*120,000*
36-40 North Potomac Street	*58-C0836*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Property Management Fund Total			160,000	30,000	30,000	30,000	30,000	*280,000*
Transfers to Prop Mgmt-CDBG Fund								
Alms House Repairs	*58-C0755*	5		550,000				*550,000*
Transfers to Prop Mgmt-CDBG Fund Total				550,000				*550,000*
GRAND TOTAL			160,000	580,000	30,000	30,000	30,000	*830,000*

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '22 thru **FY '26**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Property Management Fund								
Alms House Repairs	58-C0755	5		550,000				*550,000*
Transfers to Prop Mgmt-CDBG Fund				*550,000*				*550,000*
Elizabeth Hager Center	58-C0803	5	30,000	20,000	20,000	20,000	20,000	*110,000*
Property Management Fund			*30,000*	*20,000*	*20,000*	*20,000*	*20,000*	*110,000*
60 West Washington Street	58-C0828	5	120,000					*120,000*
Property Management Fund			*120,000*					*120,000*
36-40 North Potomac Street	58-C0836	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Property Management Fund			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Property Management Fund Total			160,000	580,000	30,000	30,000	30,000	*830,000*
GRAND TOTAL			160,000	580,000	30,000	30,000	30,000	*830,000*

City of Hagerstown, Maryland

STORMWATER MANAGEMENT FUND

FY '22 thru FY '26

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (Stormwater)								
Storm Water Protection Program Implementation	*59-C0637*	5			1,250,000			*1,250,000*
Bond Financing (Stormwater) Total					1,250,000			*1,250,000*
Grants-Federal								
Stream Restorations	*59-C0866*	5		500,000				*500,000*
Grants-Federal Total				500,000				*500,000*
Stormwater Fee								
Stormwater Vehicles	*59-C0064*	5				125,000		*125,000*
Stormwater Facilities	*59-C0255*	5	30,000					*30,000*
Stormdrain System Upgrades	*59-C0444*	5	20,000	150,000	150,000	150,000	150,000	*620,000*
Curb Replacement Program	*59-C0459*	5	100,000	100,000	100,000	100,000	100,000	*500,000*
Reforestation Using SPP Funds	*59-C0594*	5		25,000	25,000	25,000	50,000	*125,000*
Storm Water Protection Program Implementation	*59-C0637*	5	500,000		366,000	140,000	250,000	*1,256,000*
Green Streets	*59-C0639*	5	100,000		300,000			*400,000*
Stream Restorations	*59-C0866*	5	262,500	1,460,000				*1,722,500*
Stormwater Fee Total			1,012,500	1,735,000	941,000	540,000	550,000	*4,778,500*
GRAND TOTAL			1,012,500	2,235,000	2,191,000	540,000	550,000	*6,528,500*

City of Hagerstown, Maryland

STORMWATER MANAGEMENT FUND

FY '22 thru **FY '26**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Stormwater								
Stormwater Vehicles	59-C0064	5				125,000		*125,000*
Stormwater Fee						*125,000*		*125,000*
Stormwater Facilities	59-C0255	5	30,000					*30,000*
Stormwater Fee			*30,000*					*30,000*
Stormdrain System Upgrades	59-C0444	5	20,000	150,000	150,000	150,000	150,000	*620,000*
Stormwater Fee			*20,000*	*150,000*	*150,000*	*150,000*	*150,000*	*620,000*
Curb Replacement Program	59-C0459	5	100,000	100,000	100,000	100,000	100,000	*500,000*
Stormwater Fee			*100,000*	*100,000*	*100,000*	*100,000*	*100,000*	*500,000*
Reforestation Using SPP Funds	59-C0594	5		25,000	25,000	25,000	50,000	*125,000*
Stormwater Fee				*25,000*	*25,000*	*25,000*	*50,000*	*125,000*
Storm Water Protection Program Implementation	59-C0637	5	500,000		1,616,000	140,000	250,000	*2,506,000*
Bond Financing (Stormwater)					*1,250,000*			*1,250,000*
Stormwater Fee			*500,000*		*366,000*	*140,000*	*250,000*	*1,256,000*
Green Streets	59-C0639	5	100,000		300,000			*400,000*
Stormwater Fee			*100,000*		*300,000*			*400,000*
Stream Restorations	59-C0866	5	262,500	1,960,000				*2,222,500*
Grants-Federal				*500,000*				*500,000*
Stormwater Fee			*262,500*	*1,460,000*				*1,722,500*
Stormwater Total			1,012,500	2,235,000	2,191,000	540,000	550,000	*6,528,500*
GRAND TOTAL			1,012,500	2,235,000	2,191,000	540,000	550,000	*6,528,500*

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0006

Project Name Computer Equipment and Software



Type Replacement
Useful Life 5 years
Category Machinery and Equipment
Location: City Hall
Year Submitted: Ongoing

Department Information Technology
Contact Snyder
Priority Planned Improvement

Status Active

Description

The City's computing infrastructure, while making some improvements in the last fiscal year, has many components that are well past their operational maintenance and considered obsolete by most vendors. This CIP focuses on upgrades, standardization of software levels, and replacement of key network and server infrastructure that will continue to stabilize our operational environment (as well as improve our overall support capability). These improvements also help to streamline our support with third-party vendors who provide IT software and services to the City.

FY22: Includes comprehensive fiber map of the City of Hagerstown and network infrastructure upgrades ($25,000), as well as miscellaneous IT upgrades and projects ($40,000).

FY23-FY26: Miscellaneous IT upgrades and projects ($60,000).

Justification

The IT department has worked hard over the past ten (10) years to maintain an environment that has maximized the lifespan of both server and networking assets. Replacement of old and/or outdated equipment is vital to the uptime service quality, security requirements, data storage/retention/recall, and effective support provided by the Information Technolgy department. The department continues to apply redundancy, enhance security procedures, and embrace newer, cost-effective, and up-to-date technology in order to minimize downtime and negative impact to our daily operations and curtomer offerings. This CIP will work to continue to work to improve our overall infrastructure landscape and support capabilities.

Budget Impact/Other

Significant impact should hardware/software components, security protocols, and data storage fail or become compromised.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	65,000	60,000	60,000	60,000	60,000	305,000
Total	65,000	60,000	60,000	60,000	60,000	305,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	35,000					35,000
Transfers to CIP-Electric Fund	7,200	14,400	14,400	14,400	14,400	64,800
Transfers to CIP-General Fund	7,200	14,400	14,400	14,400	14,400	64,800
Transfers to CIP-Parking Fund	1,200	2,400	2,400	2,400	2,400	10,800
Transfers to CIP-Wastewater Fund	7,200	14,400	14,400	14,400	14,400	64,800
Transfers to CIP-Water Fund	7,200	14,400	14,400	14,400	14,400	64,800
Total	65,000	60,000	60,000	60,000	60,000	305,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0007

Project Name Time & Attendance Software and Equip



Type Improvement
Useful Life 5 years
Category Software
Location: All City Departments
Year Submitted: 2013

Department Information Technology
Contact Snyder
Priority Planned Improvement

Status Active

Description

Acquisition of additional time clocks or other equipment to enhance the Intellitime Time and Attendance System. Yearly amount equals either one or two replacement time clocks.

Justification

Following software implementation, there may be a need to reorganize or acquire additional equipment to facilitate the time and attendance reporting process.

Budget Impact/Other

Enhancement of time and attendance reporting capabilities, as necessary.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	8,000	16,000	8,000	16,000	8,000	56,000
Total	8,000	16,000	8,000	16,000	8,000	56,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-Electric Fund	1,900	3,800	1,900	3,800	1,900	13,300
Transfers to CIP-General Fund	1,900	3,800	1,900	3,800	1,900	13,300
Transfers to CIP-Parking Fund	400	800	400	800	400	2,800
Transfers to CIP-Wastewater Fund	1,900	3,800	1,900	3,800	1,900	13,300
Transfers to CIP-Water Fund	1,900	3,800	1,900	3,800	1,900	13,300
Total	8,000	16,000	8,000	16,000	8,000	56,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0010

Project Name Fire Department Vehicle Replacement



Type Replacement
Useful Life 20 years
Category Automobiles and Trucks
Location: Administrative Office
Year Submitted: Ongoing

Department Fire
Contact Lohr
Priority Planned Improvement
Status Active

Description

Replacements:

FY22: Reserve Truck 3 - 1994 Ladder Truck Replacement (Simon Duplex) ($1,500,000)
FY22: Engine 5 - 2004 KME Pumper ($252,670 in prior bond proceeds to be utilized first and remaining $407,330 - GF Fund Balance Reserve - order was placed and approved in FY21)

FY23: 2014 Chevrolet Tahoe - F14-9818 ($65,000)

FY24: Engine 2 - 2004 KME Pumper ($638,500 -New Bond Funding)

FY25: Engine 3 -2004 KME Pumper ($708,250 -New Bond Funding)

FY26: Engine 1 - 2013 KME Pumper ($786,250 -New Bond Funding)

Justification

The 1994 LTI reserve tractor-drawn aerial has lost use of the 120v generator and sundry other maintenance issues have resurfaced due to age of this vehicle. The investment made in FY18 ($30,000) has prolonged the life-cycle extension of this unit for 4 years but will not be sustainable without significant investment beyond FY22. Staff recommends that we bridge a contract with Pierce manufacturing as soon as a Bond funding source can be identified for an amount not to exceed $1.5M. Currently, accurate cost projections and delivery dates due to COVID and rising materials costs are not available.

Budget Impact/Other

Based on a 20 year term at 4.00%, preliminary annual debt service impact for the future 2022 general fund supported bond issue of $1.50M is $110.0K.

Based on a 15 year term at 2.98%, annual debt service impact for the 2019 general fund supported bond issue of $1.38M is $121.4K.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	2,160,000	65,000	638,500	708,250	786,250	4,358,000
Total	2,160,000	65,000	638,500	708,250	786,250	4,358,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)	1,500,000		638,500	708,250	786,250	3,633,000
CIP Fund - GF Fund Balance	407,330					407,330
Prior Bond Proceeds	252,670					252,670
Transfers to CIP-General Fund		65,000				65,000
Total	2,160,000	65,000	638,500	708,250	786,250	4,358,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0025

Project Name Pavement Preservation Program



Type Maintenance
Useful Life 15 - 25 years
Category Buildings and Structures
Location: City -wide
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

Resurfacing of various streets and parking lots per latest condition survey. Includes overlay, crack-sealing, slurry-sealing, pavement markings and milling.

The City utilizes HUR funding received to fund our Pavement Preservation program and other applicable capital projects. The City will only spend what the State provides.

FY22: Includes funds for paving portions of North Burhans, Jefferson Blvd., Belview Avenue and others. Funding includes work for crack sealing, pavement marking, and slurry seal. Next condition survey will also be completed in the summer/fall of 2021 ($60,000 of the $1.3 million).

Justification

In February 2017, a presentation to the Mayor and Council showed that approximately $1,100,000 needs to be spent annually [from State Highway User Revenue (HUR)] to maintain the current Pavement Condition Index (CPI). In 2013, the overall CPI was 77 (good condition) but due to inadequate funding in FY13, 14 and 15 the CPI dropped to 69 in 2016. As a result of adequate HUR funding in FY16 thru FY19, the CPI has increased back to 76.

In 2010 we expanded the program to include slurry-seals and crack-sealing in addition to overlay. Both slurry seal and crack sealing slow pavement deterioration, delaying the need for a full pavement overlay.

Budget Impact/Other

Pavement preservation keeps operational costs down, extends the service life of all streets and maintains pavement to a level acceptable to the public. We want to use the "right treatment at the right time on the right street". Estimated that $20,000 annually will be saved on patching and repairs if the streets are properly preserved by this program.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000
Total	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
State Highway User Revenue	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000
Total	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0040

Project Name Municipal Stadium Improvements



Type Improvement
Useful Life 10 years
Category Buildings and Structures
Location: Municipal Stadium
Year Submitted: 2008

Department Parks
Contact Tissue
Priority Planned Improvement

Status Active

Description

The Hagerstown Suns are no longer affiliated with the Washington Nationals and minor league baseball at the stadium may be over in the near term. Staff is working on a plan to have other users at the facility and possibly cultural events for 2021. For 2022 and later, the City will consider issuing an RFP for an indoor turf facility.

FY23: The following is a list of projects that need completed if a team re-occupies the facility:

Replace HVAC in office/locker rooms - $75,000
Replace roofs on clubhouse, 3rd base bathrooms, beer garden, maintenance building, batting cage - $150,000
Install drain in right field to minimize clubhouse flooding - $20,000
Chemical-storage room - $5,000
Masonry repairs and paint perimeter wall - $15,000

Justification

Provide recreation facilities that are desired and supported by the community.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities; public sidewalk repairs and enhancements; street tree planting; and traffic island installation.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance		260,000				260,000
Total		260,000				260,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Contribution by Others		260,000				260,000
Total		260,000				260,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0047

Project Name City Park Lake Improvements



Type Improvement
Useful Life 25 - 50 years
Category Land Improvements
Location: City Park
Year Submitted: Ongoing

Department Parks
Contact Tissue
Priority Planned Improvement

Status Active

Description

The lower lake walls were reconstructed in phases:
1995: Phase I- Key Street end
1998: Phase II- Virginia Avenue side
2004: Phase III- Museum Drive side
2017: Isolated repairs of entire lower lake wall

FY24: Upgrades to upper lake. Replacement of walls around perimeter of upper and middle lakes, associated sidewalk improvements, and landscape enhancements.

Justification

The goal is to improve deteriorating facilities and provide necessary maintenance. In addition, City Park was recently rated one of the most beautiful municipal city parks in America. The preservation of the lakes helps to maintain the beauty of the lake, which is visited by tens of thousands of people each year.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities.

Budget Impact/Other

Installing a dynamic tree display will save $5,000 annually after the fifth year.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance			500,000			500,000
Total			500,000			500,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)			300,000			300,000
Grants-State Program Open Space			200,000			200,000
Total			500,000			500,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0061

Project Name Hager House Museum Improvements



Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: Hager House Museum
Year Submitted: 2019

Department Parks
Contact Tissue
Priority Grant Commitment
Status Active

Description

Upgrade exhibits (50 plus years old) and interpretive media at the Hager House Museum. Consult with Professional Museum Designers/Curators for advice and cost effective solutions. Will then apply for Grant to implement.

FY22: Repairs to the Hager House - replace porch floor and two posts ($15,000), repoint the western gable ($20,000), plaster repairs ($5,000) and, shutter repairs and painting, front door repair ($17,000)

FY23: Phase I renovation of the visitors center ($250,000).

FY24: Phase II renovation of the visitors center ($150,000).

Justification

Exhibits are very dated and lack any modern interactivity (video, QR codes, Etc.). Exhibit is not currently ADA compliant.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design		50,000				50,000
Construction/Maintenance	57,000	200,000	150,000			407,000
Total	57,000	250,000	150,000			457,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	8,000					8,000
Grants-Private		50,000				50,000
Grants-State MHAA		100,000	75,000			175,000
Transfers to CIP-General Fund	49,000	100,000	75,000			224,000
Total	57,000	250,000	150,000			457,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0065
Project Name Public Works Vehicles



Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Public Works
Year Submitted: Ongoing

Department Public Works
Contact Deike
Priority Planned Improvement

Status Active

Description

Per Vehicle and Equipment schedule.

FY22: 2011 JD 310SJ Backhoe #7 ($140,000), 2005 Sterling Dump Truck #27 ($150,000), 2004 Chevy 2500 4x4 #34 ($37,000), 2004 Chevy Crew Cab #46 ($32,000)

FY23: 2005 Chevy Van #615 ($35,000), 2008 Ford F550 Dump Truck #12 ($115,000), 2013 Ford F750 Dump Truck #21 ($150,000), 2013 Ford F750 Dump Truck #22 ($150,000), 2018 Ferris Mower #64 ($12,000), 2008 Solar Sign Board #616 ($45,000).

FY24: 2008 Ford F550 Dump Truck #10 ($115,000), 2008 Chevy 2500 2x4 Truck #14 ($45,000), 2008 Ford F550 Trash Truck #16 ($120,000), 2006 Chevy Van #31 ($35,000), 2006 US Cargo Trailer #76 ($5,000), 2006 Ford E350 Bucket Truck #602 ($100,000), 2008 Solar Sign Board #617 ($45,000).

FY25: 2015 Chevy Silverado 4x4 #3 (30,000), 2012 Ford F350 Pickup #30 ($37,000), 1993 Wacker Roller #84 ($25,000), 2008 Ford F550 Utility Truck #611 ($120,000).

FY26: 2006 Bobcat A300 #6 ($75,000), 2015 Ford F550 Dump Truck #19 ($125,000), 2015 Chevy Silverado 4x4 #45 ($35,000), 2019 Ferris Mower #65 ($10,000), 2015 Ford F350 #94 ($45,000).

Justification

Vehicle repair costs and maintenance increase with the age of a vehicle. On average, vehicles should be replaced every 10 years. Some equipment and vehicles should be replaced sooner than 10 years while others can go longer.

Budget Impact/Other

New vehicles and equipment should operate more efficiently and need less maintenance. Newer vehicles will have better fuel economy and less labor and material costs for maintenance.

Based on a 20 year term at 4.00%, preliminary annual debt service impact for the future 2022 general fund supported bond issue of $290K is $21.2K.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	359,000	507,000	465,000	212,000	290,000	1,833,000
Total	359,000	507,000	465,000	212,000	290,000	1,833,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)	290,000	415,000	335,000	120,000	200,000	1,360,000
Transfers to CIP-General Fund	69,000	92,000	130,000	92,000	90,000	473,000
Total	359,000	507,000	465,000	212,000	290,000	1,833,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0093

Project Name Pavement Markings



Type Improvement
Useful Life 5 years
Category Infrastructure-Streets
Location: City-Wide
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Public Safety

Status Active

Description

Upgrading pavement markings around the City with emphasis on crosswalks, school zones, and public safety.
One crosswalk costs about $500. A typical intersection can cost $3,000 to $5,000 for all pavement markings. This project funds the upgrade of deteriorated "stop bars" and "crosswalks" city wide.

If adequate State Highway User Revenue is not received, the project won't be done.

Justification

Improve safety. Public expects streets to be properly marked. Marked crosswalks are desirable.

Budget Impact/Other

Recommend contracting these services as they take special equipment to install. Staff estimates the cost for staff to install markings would be two to three times the contracted rate. This is a never-ending project to maintain pavement markings worn away by traffic.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	30,000	30,000	30,000	30,000	30,000	150,000
Total	30,000	30,000	30,000	30,000	30,000	150,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
State Highway User Revenue	30,000	30,000	30,000	30,000	30,000	150,000
Total	30,000	30,000	30,000	30,000	30,000	150,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0099

Project Name Market House Improvements

Type Improvement
Useful Life 5 years
Category Machinery and Equipment
Location: Market House
Year Submitted: 1992

Department Public Works
Contact Deike and Thompson
Priority Planned Improvement

Status Active

Description

The Community City Center Plan Catalyst Project #7 focuses on a reinvention of the Farmer's Market.

FY22: Replacement of Lower Main Roof to include portion of roof over Fire Administration.

FY23: Replacement of HVAC cooling units installed in 2007. Existing cooling units will be at the end of their life cycle.

FY24-FY26: Miscellaneous Interior Improvements.

Justification

These improvements will position the market to further the goals and details outlined in Catalyst Project #7 in the Community's City Center Plan.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	150,000	45,000	10,000	10,000	10,000	225,000
Total	150,000	45,000	10,000	10,000	10,000	225,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund - GF Fund Balance	150,000					150,000
Transfers to CIP-General Fund		45,000	10,000	10,000	10,000	75,000
Total	150,000	45,000	10,000	10,000	10,000	225,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0128

Project Name Police Radios



Type Improvement
Useful Life 5 - 8 years
Category Machinery and Equipment
Location: Police Department
Year Submitted: Ongoing

Department Police
Contact Kifer
Priority Public Safety
Status Active

Description

Project completed in FY20 with purchase of new radios.

FY25: Starting in FY25, HPD anticipates the need to replace 20% or 32 of the department's radios annually for 5 continuous years (i.e., FY25-FY29). Replacement will only occur as needed.

Justification

Modern radio technology ensures police personnel can continue to communicate effectively with each other, and with other public safety agencies. Radio communications are vital to the safety of the public and police.

Police completed the replacement of 160 radios in FY20.

Electronic radio equipment has a limited useful life, generally 5-7 years.

Budget Impact/Other

The operating budget includes $10,000 per year in maintenance costs for repairs to radio equipment.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings				105,000	105,000	210,000
Total				105,000	105,000	210,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund				105,000	105,000	210,000
Total				105,000	105,000	210,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0129

Project Name Police Vehicles



Type Replacement
Useful Life 5 years
Category Automobiles and Trucks
Location: Police Department
Year Submitted: Ongoing

Department Police
Contact Kifer
Priority Public Safety

Status Active

Description

FY22: Unit 913 (07 Chevy Impala - $54,000), Unit 998 (98 Crown Victoria - $54,000), Unit 985 (99 Crown Victoria - $54,000), Unit 951 (03 Nissan Pathfinder - $54,000)

FY23: Unit 923 (09 Chevy Impala - $54,000), Unit 925 (07 Chevy Impala - $54,000), Unit 910 (07 Chevy Impala - $54,000), Unit 994 (07 Impala - $54,000), Unit 921 (08 Chevy Impala - $54,000), Unit 971 (09 Chevy Impala - $54,000), Unit 997 (09 Chevy Impala - $54,000), Unit 927 (09 Chevy Impala - $54,000), Unit 9213 (09 Dodge Charger - $54,000), Unit 9210 (11 Crown Victoria - $54,000)

FY24: Unit 9302 (11 Ford Crown Victoria - $54,000), Unit 9303 (11 Ford Crown Victoria - $54,000), Unit 987 (12 Chevy Impala - $54,000), Unit 9501 (12 Ford Explorer - $54,000), Unit 937 (13 Ford Edge - $54,000), Unit 948 (13 Nissan Acura - $54,000), Unit 9112 (13 Ford Taurus - $54,000), Unit 9113 (13 Ford Taurus - $54,000)

FY25: Unit 996 (05 Chevy Cobalt Camera Car - $54,000), Unit 991 (07 Chevy Colorado - $54,000), Unit 9301 (13 Ford Interceptor - $54,000), Unit 945 (13 Ford Edge - $54,000), Unit 902 (14 Ford Fusion - $54,000), Unit 903 (14 Ford Fusion - $54,000), Unit 907 (14 Ford Fusion - $54,000), Unit 924 (14 Ford Fusion - $54,000)

FY26: Unit 905 (14 Ford Edge -$54,000), Unit 908 (14 Ford Fusion - $54,000), Unit 909 (14 Ford Fusion - $54,000), Unit 933 (14 Ford Fusion - $54,000), Unit 9116 (14 Ford Explorer - $54,000), Unit 9117 (14 Ford Explorer - $54,000), Unit 9119 (14 Ford Explorer - $54,000), Unit 901 (16 Ford Taurus - $54,000)

Justification

Many patrol vehicles are operated around the clock with in-town driving and considerable idling. Staff had assessed and identified the need for a baseline minimum of 30 patrol cars. Vehicle equipment will be reused when practical. Take-home patrol cars are provided as available for police officers who live within city limits.

Budget Impact/Other

Post warranty maintenance is assumed in the department operating budget.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	216,000	540,000	432,000	432,000	432,000	2,052,000
Total	216,000	540,000	432,000	432,000	432,000	2,052,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund	216,000	540,000	432,000	432,000	432,000	2,052,000
Total	216,000	540,000	432,000	432,000	432,000	2,052,000

Project # 45-C0130

Project Name Street Crime Cameras/CPTED



Type Replacement
Useful Life 5 years
Category Machinery and Equipment
Location: Various locations
Year Submitted: Ongoing

Department Police
Contact Kifer
Priority Public Safety
Status Active

Description

The City has more than 100 security cameras. As they reach the end of their useful life, they will need to be replaced. Included in the replacement plans is the conversion from wireless to fiber connectivity for more efficient system operation and image display. Environmental elements such as lighting and traffic flow can be adjusted to affect crime and disorder issues.

FY22: 12 camera components per year at $10,000 each, plus $5,000 for infrastructure.

Justification

Street crime cameras have been successfully utilized to monitor known trouble spots, provide real-time information during crimes and incidents in progress, and provide video recordings used in criminal and traffic investigations.

Crime prevention through environmental design (CPTED) is a multi-disciplinary approach to deterring criminal behavior through environmental design. CPTED strategies rely upon the ability to influence offender decisions that precede criminal acts by affecting the built, social and administrative environment.

Budget Impact/Other

Recurring cost is the maintenance agreement with the vendor and is expected to increase as new cameras are added to the system.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	125,000					125,000
Total	125,000					125,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	50,000					50,000
Transfers to CIP-General Fund	75,000					75,000
Total	125,000					125,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0133

Project Name Engineering Vehicles



Type Replacement
Useful Life 6 - 10 years
Category Automobiles and Trucks
Location: City Hall
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Cost Avoidance

Status Active

Description

Replacement program for vehicles for department personnel, these are NOT additions to the fleet. There is a vehicle replacement schedule maintained by CMG.

FY23: 2008 Impala Sedan #703 ($25,000), 2006 Jeep Liberty #709 ($25,000)
FY24: 2013 Chevy Cargo Van #710 ($26,000)
FY25: 2014 Ford Focus #707 ($25,000)
FY26: 2018 Ford Escape #702 ($26,000)

Justification

Replace deteriorated vehicles - low cost vehicles in the fleet have limited life and maintenance costs increase dramatically once vehicles get about eight to ten years old.

Budget Impact/Other

Replacement of ten to fifteen-year-old vehicles saves about $1,500 annually in repairs and part replacement.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings		50,000	26,000	25,000	26,000	127,000
Total		50,000	26,000	25,000	26,000	127,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund		50,000	26,000	25,000	26,000	127,000
Total		50,000	26,000	25,000	26,000	127,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0136

Project Name Public Works Equipment



Type Maintenance
Useful Life 20 years
Category Machinery and Equipment
Location: Public Works
Year Submitted: 2020

Department Public Works
Contact Deike
Priority Improve Service

Status Active

Description

FY22: Conflict Monitor Tester ($13,500). A conflict monitor checks every outgoing command to the traffic signals. Its purpose is to prevent conflicting traffic movement. The conflict monitor tester ensures the conflict monitor is functioning properly.

Justification

The city has 136 signalized intersections. Of those, 35 are owned by the State of Maryland. The remaining 101 signalized intersections are continuously maintained by city staff. The conflict monitors are tested annually.

Budget Impact/Other

Liability by verifying traffic signal equipment is functioning properly.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	13,500					13,500
Total	13,500					13,500

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	13,500					13,500
Total	13,500					13,500

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **45-C0140**

Project Name **Hagerstown Cultural Trail**



Type Improvement
Useful Life 100 years
Category Land Improvements
Location: City-Wide
Year Submitted: 2015

Department Engineering
Contact Tissue
Priority Planned Improvement
Status Active

Description

The construction of the second phase of a multi-use Cultural Trail connects Hagerstown's historic City Park and Fine Arts Museum with the historic Downtown Arts and Entertainment District. This will pass through the Urban Improvement Project (CIP 0875). This CIP only includes costs toward the trail with all other costs in C0875. The original trail project was identified in the 2014 Community City Center Plan as a catalyst to spur activity and economic development in the City's urban core. The Mayor and City Council have prioritized development of the Trail and have appropriated funding for its construction to accompany numerous grant funds for the project. The trail connects several historic destinations while providing public art and public open space. The ultimate goal of the Trail is to spur redevelopment in the adjacent area and possibly new market rate housing. Additional public art will be added with funding from private grants and the City (See CIP 0868). The City spent $834,000 on phase I work to underground all utilities.

FY22: Phase II: Antietam Street to Washington Street ($460,000), includes acquisition, cultural trail, landscaping and lighting.

Justification

Community City Center Plan Catalyst Project #5. This project is also listed as a Mayor & Council priority in "Goals & Priorities" approved by Mayor & Council in November 2018. The Comprehensive Plan recommends the continuation of a full range of physical improvements on an incremental basis to the downtown area. These should be aimed at improving the downtown's image and attractiveness through traffic calming measures; gateway and pedestrian enhancements; landscaping and streetscaping.

Budget Impact/Other

Significant Impact. Operations will have to maintain landscaping, maintain park, trash/dog bag removal, lighting costs, etc., estimated cost at over $25,000 annually.

Based on a 20 year term at 4.00%, preliminary annual debt service impact for the future 2022 general fund supported bond issue of $60K is $4.9K.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	460,000					460,000
Total	460,000					460,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)	60,000					60,000
Grants-State MHAA	100,000					100,000
Grants-State Program Open Space	300,000					300,000
Total	460,000					460,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0182

Project Name Police Crime Lab Equipment



Type Replacement
Useful Life 5 - 7 years
Category Machinery and Equipment
Location: Police Department
Year Submitted: 2009

Department Police
Contact Kifer
Priority Planned Improvement
Status Active

Description

FY22: Desktop Balances, Analytic Balance and Alternate Light Source ($38,916)

Justification

The Western Maryland Regional Crime Laboratory is requesting funding toward the purchase of a replacement analytical balance. An analytical balance is regularly used within the laboratory when making various reagents. Analytical balances provide accurate weighing capabilities to a much smaller weight than the desktop balances used for drug analysis. This equipment is crucial for checking other laboratory equipment such as pipettes as well. The WMRCL currently has an analytical balance. This balance was purchased prior to 2002 and the LCD screen is beginning to fail. Replacement of the current analytical balance is necessary for the continued functioning of the laboratory. The Western Maryland Regional Crime Laboratory is requesting funding toward the purchase of a replacement desktop balance. Desktop balances are used throughout normal drug analysis by each scientist. The WMRCL currently has three (3) desktop balances and is seeking to replace two of the balances. The balances which are being replaced are open air balances, meaning there is no draft shield around the weighing pan. The WMRCL laboratory space regularly has drafts due to air movement throughout the basement of the building as well as heat and air conditioning. The WMRCL has taken steps to mitigate these issues, however they remain and cause disruption when a scientist is attempting to weigh a sample.

The Western Maryland Regional Crime Laboratory is requesting funding toward the purchase of a portable alternate light source unit. The WMRCL currently has an alternate light source, however it is not a portable unit. The bulkiness of the current unit makes it difficult to use in many situations. The current unit is also operated by plugging the unit in. This prohibits the use of the unit in situations where electricity is unavailable. A portable, battery powered unit would allow ease of use regardless of location. The requested alternate light source has capabilities the current unit does not have, such as InfraRed lighting and the ability to combine wavelengths of light when examining items of evidence.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	38,916					38,916
Total	38,916					38,916

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-Federal	38,916					38,916
Total	38,916					38,916

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0217

Project Name Accessibility Ramps



Type Improvement
Useful Life 20 years
Category Infrastructure-Sidewalks
Location: Various locations
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Probable Grant

Status Active

Description

This project provides ADA-compliant ramps and sidewalks citywide. Staff addresses complaints and installs ramps/sidewalks along 'pavement preservation' streets which is a requirement of ADA and the City's "Complete Streets" policy when paving is done. Improvements are budgeted at $2,500 per ramp. For the State Highway User Revenue funded portion, if the City doesn't receive the full amount, we will only spend what the State provides.

There are 3,800 potential ramp locations in the City. The City estimates about 3,700 are in place and that 25% of those are fully compliant or as compatible as site restrictions allow.

FY22: Install accessibility ramps along FY22 &23 overlay streets (North Burhans, Jefferson Boulevard, Belview Avenue & Others ($120,000)

FY23 - FY26: Install and/or replace approximately 35-50 accessibility ramps per year.

Justification

These upgrades will remove barriers and make Hagerstown a more accessible City for our residents, workers and visitors regardless of physical limitations. Improved accessibility adds to business and neighborhood vitality.

The Comprehensive Plan recommends that the City's transportation network, including roads, transit, and bicycle and pedestrian facilties, will meet the mobility needs of its residents, businesses, and visitors.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	120,000	120,000	120,000	120,000	120,000	600,000
Total	120,000	120,000	120,000	120,000	120,000	600,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
State Highway User Revenue		20,000	20,000	20,000	20,000	80,000
Transfers to CIP-CDBG Fund	120,000	100,000	100,000	100,000	100,000	520,000
Total	120,000	120,000	120,000	120,000	120,000	600,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0226

Project Name Police Firing Range



Type Improvement
Useful Life 30 years
Category Machinery and Equipment
Location: Smithsburg Watershed Area
Year Submitted: 2011

Department Police
Contact Kifer
Priority Planned Improvement

Status Active

Description

FY23: Target System Replacement.

FY24: Facility improvements including the construction of a permanent restroom and eye wash facility.

Justification

The police firing range has become a well-designed firarms training facility. The facility is utilized by all Washington County law enforcement agencies, as well as several state and federal agencies. For FY22, we are seeking to address much needed improvements for lavatory services. A porta potty is currently the only restroom facility and there is no eye washing facility with running water. In FY23, we are seeking funding to replace the current target system. The current target system was installed in 2003 and is nearing its end of life.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance		30,000	40,000			70,000
Total		30,000	40,000			70,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund		30,000	40,000			70,000
Total		30,000	40,000			70,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0237

Project Name Park Equipment



Type Replacement
Useful Life 15 years
Category Machinery and Equipment
Location: Various Parks
Year Submitted: 2008

Department Parks
Contact Tissue
Priority Planned Improvement

Status Active

Description

Program to maintain high-quality and safe equipment and amentities in the parks of the City.

FY22: Park equipment including grass mound, expression swings, web climbers, spinners and tables/benches ($190,000 - for City, Fairgrounds, Hager, Hellane, Mills, Pangborn and Wheaton Parks).

FY23: Replace or add portable bleachers, park benches, picnic tables & trash cans for various parks ($25,000).

FY24-FY26: Replace or add portable bleachers, park benches, picnic tables & trash cans for various parks ($50,000).

Justification

The park benches and picnic tables will improve park facilities for use by the general public.

Staff will continue to apply for funding from Community Parks and Playgrounds.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities; public sidewalk repairs and enhancements; street tree planting; and traffic island installation.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	190,000	25,000	50,000	50,000	50,000	365,000
Total	190,000	25,000	50,000	50,000	50,000	365,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-State CP&P		25,000	50,000	50,000	50,000	175,000
Grants-State Program Open Space	171,000					171,000
Transfers to CIP-General Fund	19,000					19,000
Total	190,000	25,000	50,000	50,000	50,000	365,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0241

Project Name Fire Department Training Center



Type Improvement
Useful Life 25 years
Category Buildings and Structures
Location: City Fire Training Center
Year Submitted: 2009

Department Fire
Contact Lohr
Priority Planned Improvement
Status Active

Description

FY22: New burn building module, new pole building with SCBA maze, and other props including a second hydrant ($1,300,000).

FY23 - FY26: $500,000 in each FY to fund additional training props, provide shower and locker facilities, and an additional on-site working fire hydrant to comply with existing safety standards.

Justification

The HFD is requesting bond funding to upgrade the live burn building with a sea container configured multi-story burn building with burn rooms on each level and equipped with "pagonite" burn panels designed to improve the safety of trainees while maintaining the structural integrity of the facility. The estimated cost of this facility and concrete anchors/pads is estimated to be $1.3M dollars .Recent improvements to the remainder of the property including paving, flooring in the classroom building and new windows and rappelling rack have sustained other existing props. An annual CIP request of $500,000 a year is requested through FY26 to fund additional training props, provide shower and locker facilities, and an additional on-site working fire hydrant to comply with existing safety standards. Finally, a "dummy" set of poles, overhead wires, transformers and such is requested to train aerial operators absent live power. The HFD requests an annual operating budget of $75,000. to maintain existing structures and grounds. Washington County is currently building a training center a little over three miles South of town. There are no plans in the County 10 year CIP for any tactical village necessary to train FF's.

Budget Impact/Other

Based on a 20 year term at 4.00%, preliminary annual debt service impact for the future 2022 general fund supported bond issue of $1.30M is $94.7K.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	1,300,000	500,000	500,000	500,000	500,000	3,300,000
Total	1,300,000	500,000	500,000	500,000	500,000	3,300,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)	1,300,000	500,000	500,000	500,000	500,000	3,300,000
Total	1,300,000	500,000	500,000	500,000	500,000	3,300,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0243
Project Name Traffic Signalization Upgrades



Type Improvement
Useful Life 5 - 10 years
Category Infrastructure-Utilities
Location: System-wide
Year Submitted: 1997

Department Engineering
Contact Tissue
Priority Planned Improvement
Status Active

Description

Traffic signals at these locations are not in compliance with current standards. In order to improve signal visibility, construct a mast arm pole to hang the signals over the travel lanes. Pedestrian signals will also be upgraded with APS and ramps.

FY22: Eastern Blvd., @ Frederick Street Signal Replacement ($285,000 - Federal 80%, City 20%)

FY23: Address concerns from walking audit; Park Lane @ PA Ave., pedestrian lights ($25,000).
FY23: Bester School Pedestrian Safety (from BPPA Study) - Potomac @Baltimore ($600,000 -Federal 80%, City 20%).

FY24-FY26: Design and construct signal upgrades such as Wilson @ Virginia Ave., Washington Street @ Devonshire, and Salem Ave. @ Westside, etc.

Justification

These changes increase safety on our streets and sidewalks by making lights for pedestrians and motorists more visible.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	285,000	625,000	250,000	250,000	250,000	1,660,000
Total	285,000	625,000	250,000	250,000	250,000	1,660,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-Federal	228,000	480,000				708,000
Transfers to CIP-CDBG Fund			250,000	250,000	250,000	750,000
Transfers to CIP-General Fund	57,000	145,000				202,000
Total	285,000	625,000	250,000	250,000	250,000	1,660,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0245
Project Name LED Signal Lights



Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: City-Wide
Year Submitted: 2005

Department Public Works
Contact Deike
Priority Cost Avoidance
Status Active

Description

Replace, as needed, original LED lights that were installed in 2006. LED signal lights have an estimated life of 7-10 years.

Justification

LED lights will be used to reduce energy consumption and extend light replacement time.

Budget Impact/Other

LED lights have proven to save upwards of 75% to 80% in electrical costs. Labor is reduced since LEDs have a life expectancy of up to 10 years while incandescent bulbs burn for one to two years.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	5,000	5,000	5,000	5,000	5,000	25,000
Total	5,000	5,000	5,000	5,000	5,000	25,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	5,000					5,000
Transfers to CIP-General Fund		5,000	5,000	5,000	5,000	20,000
Total	5,000	5,000	5,000	5,000	5,000	25,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0249

Project Name Community & Economic Development Vehicles



Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Downtown
Year Submitted: Ongoing

Department Community Development
Contact Thompson
Priority Cost Avoidance

Status Active

Description

See Vehicle and Equipment replacement schedule.

FY25: 2014 Dodge Journey #801 ($25,000)

Justification

Replace deteriorating equipment

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings				25,000		25,000
Total				25,000		25,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund				25,000		25,000
Total				25,000		25,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0250

Project Name Public Works Operations Center Improvement Program



Type Improvement
Useful Life 5 - 10 years
Category Buildings and Structures
Location: City Shed
Year Submitted: Ongoing

Department Public Works
Contact Deike
Priority Planned Improvement
Status Active

Description

Various improvements to building built in 1938. Improvement projects include the following:

FY22: Replace garage roofs ($50,000).

FY23: Install auto sliding gate to secure storage yard ($50,000 - 50/50 between General Fund and Water Fund)

FY23-FY26: Misc. Improvements ($6,000)

Justification

This facility was built in 1938. Since its construction, multiple departments have used it. The building needs continual repairs due to its age. City fuel pumps are located here. Roof replacement is to protect and extend life of existing buildings. Gate installation is for staff and facility security.

Budget Impact/Other

Operational costs will not be affected at this time. Most of these projects are replacements or reconstruction of existing amenities.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	50,000	56,000	6,000	6,000	6,000	124,000
Total	50,000	56,000	6,000	6,000	6,000	124,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund - GF Fund Balance	30,000					30,000
Transfers to CIP-General Fund	20,000	31,000	6,000	6,000	6,000	69,000
Transfers to CIP-Water Fund		25,000				25,000
Total	50,000	56,000	6,000	6,000	6,000	124,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0280

Project Name Downtown Beautification Program



Type Improvement
Useful Life 50 years
Category Land Improvements
Location: Downtown
Year Submitted: Ongoing

Department Public Works
Contact Deike
Priority Planned Improvement

Status Active

Description

Complements pedestrian street lighting program with trees, pole banners, Christmas lights and decorations and other amenities.

FY22 - FY26: Funds for various streetscape improvements in the downtown area.

Justification

Enhances and improves the appearance of the downtown.

The Comp Plan recommends the continuation of a full range of physical improvements on an incremental basis to the downtown area. These should be aimed at improving the downtown's image and attractiveness through traffic calming measures; gateway and pedestrian enhancements; landscaping and streetscaping.

Budget Impact/Other

Depending upon the amenities or enhancements, operational costs could be affected.

Example: Additional lighting would add to electrical costs.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	10,000	25,000	25,000	25,000	25,000	110,000
Total	10,000	25,000	25,000	25,000	25,000	110,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	10,000					10,000
Transfers to CIP-General Fund		25,000	25,000	25,000	25,000	100,000
Total	10,000	25,000	25,000	25,000	25,000	110,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0293

Project Name Wheaton Park Improvements



Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: 124 Charles Street
Year Submitted: 2020

Department Parks
Contact Tissue
Priority Planned Improvement
Status Active

Description

The residence in the park needs extensive (over $150K) repair and staff recommends it be razed. A private group is seeking funds to convert it to another use and City Council will decide what will happen. Staff recommends removing the house and expanding the park with additional play equipment, misting pad/splash pad, fitness court and picnic area.

FY23-$200,000 in CDBG funds to complete park improvements above.

Justification

Cannot be rented in current condition.

Budget Impact/Other

The estimated market value rent is in the $650 to $700 range. Return on investment needs to be considered. Demolition is a better option.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance		200,000				200,000
Total		200,000				200,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-CDBG Fund		200,000				200,000
Total		200,000				200,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0308

Project Name Police Building Renovation



Type Improvement
Useful Life 10 - 20 years
Category Buildings and Structures
Location: Police Department
Year Submitted: Ongoing

Department Police
Contact Kifer
Priority Planned Improvement

Status Active

Description

FY22 through FY26: Includes replacement air handlers and other capital improvement needs that will occur based on the age of the police department building ($50,000 in FY22 and $40,000 in FY23-FY26)

FY23: Funds will be utilized to address space issues currently impacting HPD. The department is seeking to construct a two story storage building on the current grounds. The new building would eliminate the need to purchase additional storage sheds and would allow the department to remove the 3 existing sheds. While the current sheds are in relatively good shape, their appearance is unsightly. The new building would also serve as the impound facility for the department and would provide space for the WMRCL vehicle as well as the bullet recovery system ($200,000).

Justification

The new storage building would be designed to meet our current space needs with room for future growth. In addition, it would be designed to be more aesthetically pleasing and would match the current architectural style of the Historical Hagerstown Police Department Building.

During the 2019 repaving project, it was discovered that several of the posts supporting the chain length fencing around the "impound lot" had rusted off and the fencing itself was unsightly. As a result, the fencing was removed. A replacement "impound area" is necessary. While HPD can utilize temporary measures in the interim, the new building would also address the department's impound needs.

The 15 heat pumps in the police building are an integral part of the HVAC system. Replacement will occur only as needed. We have replaced 9 units since FY17 (FY17 - 2, FY19 - 3, FY20 - 2, FY21 - 2).

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	50,000	240,000	40,000	40,000	40,000	410,000
Total	50,000	240,000	40,000	40,000	40,000	410,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	34,000					34,000
Transfers to CIP-General Fund	16,000	240,000	40,000	40,000	40,000	376,000
Total	50,000	240,000	40,000	40,000	40,000	410,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0324

Project Name Alley Reconstruction



Type Improvement
Useful Life 40 years
Category Infrastructure-Alleys
Location: Various locations
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

Replace deteriorated alleys. In 2014 staff conducted a comprehensive condition survey of all the alleys in the city and the overall network was found to be in relatively poor condition.

FY22:
Alley 5-62 (Wall along Alley between Mealey Parkway & East Irvin Avenue) $32,000
Alley 2-076 and 2-077 (Howard to Pine) $62,000
Alley 3-41 (Library to Baltimore) $58,000

FY23:
Alley 4-41 (Mulberry to Jefferson) $95,000
Alleys 1-69, 1-69A, 1-70 (Wash. St. to Wash. Ave.) $80,000

FY24: Alley 3-15 (South of 1st St.) $65,000

FY25-FY26: Various - Exact locations to be determined

Justification

Replacement-useful life has been exhausted and surface is deteriorated.

Budget Impact/Other

Operational impact is minimal (less than $1,000/year saved) since the City performs little maintenance on alleys. However, the Public demands better road conditions and this addresses that service request.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	152,000	175,000	65,000	50,000	50,000	492,000
Total	152,000	175,000	65,000	50,000	50,000	492,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
State Highway User Revenue	152,000	175,000	65,000	50,000	50,000	492,000
Total	152,000	175,000	65,000	50,000	50,000	492,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0326

Project Name City Hall Improvements



Type Replacement
Useful Life 15 years
Category Buildings and Structures
Location: City Hall
Year Submitted: 1990

Department Public Works
Contact Deike
Priority Planned Improvement

Status Active

Description

FY22: Remodel support services and lobby area ($40,000); Paint Exterior Stairwell ($25,000)

FY23: Replace Second of Two Boilers. Boiler to be replaced originally installed in 1992 ($30,000); Asbestos Tile Removal ($10,000)

FY24-26: Miscellaneous Repairs ($20,000), Asbestos Tile Removal ($10,000)

Justification

The building contains a fair amount of asbestos floor tile. The plan is to remove the tile a portion at a time. This will be a long term project (plus or minus 10 years).

Remodel first floor billing area to bring billing within one area

Budget Impact/Other

Asbestos tile removal reduces liability

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	65,000	40,000	30,000	30,000	30,000	195,000
Total	65,000	40,000	30,000	30,000	30,000	195,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund - GF Fund Balance	25,000					25,000
Transfers to CIP-General Fund	40,000	40,000	30,000	30,000	30,000	170,000
Total	65,000	40,000	30,000	30,000	30,000	195,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0352

Project Name Fuel Station Improvements



Type Maintenance
Useful Life 10 years
Category Buildings and Structures
Location: 51 W. Memorial Blvd
Year Submitted: 2017

Department Public Works
Contact Deike
Priority Planned Improvement
Status Active

Description

FY22: Repair portion of canopy roof. South side gutter has rusted out.

Justification

Roof canopy is the original structure and still in fair shape. The gutter repair will prolong the life of the roof.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	7,000					7,000
Total	7,000					7,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	7,000					7,000
Total	7,000					7,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0400
Project Name Bridge Repair Program



Type Maintenance
Useful Life 30 years
Category Infrastructure-Bridges
Location: City-Wide
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Cost Avoidance
Status Active

Description

Inspect, maintain, and repair 13 existing bridges (any structure longer than 20 ft.) per bi-annual (occuring in odd years) inspection required by law.

FY22: Repairs as determined by latest bridge inspections; likely bridge deck joints, seal replacement and strip seals ($25,000)

FY23: Deck repairs, waterproof prior to paving Security Road ($100,000)

FY25: The 18 minor bridges (6 to 20' long) are inspected every 5 years with the next being in 2025 ($15,000 inspection, $100,000 miscellaneous maintenance and repairs)

Justification

Rehabilitates deteriorating facilities. County passes State/Federal funds for major repairs through to City as they see the priorities.

Budget Impact/Other

Operational budget should be used for routine maintenance. This will not change drastically as contract work would address bigger/structural issues. Less than $1,000 is spent on each bridge per year.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	25,000	100,000		115,000		240,000
Total	25,000	100,000		115,000		240,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	10,000					10,000
Transfers to CIP-General Fund	15,000	100,000		115,000		230,000
Total	25,000	100,000		115,000		240,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0433

Project Name Signal Controller Upgrades



Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: Various locations
Year Submitted: 1993

Department Public Works
Contact Deike
Priority Planned Improvement
Status Active

Description

Installation of camera detection to replace loop wires. Many intersections are currently controlled by a loop wire buried in the asphalt street. These can be, and usually are, damaged during street overlay projects.

FY22-FY26: Annual replacement of loop wires with cameras.

Justification

To upgrade traffic monitoring system to improve traffic flow.

Budget Impact/Other

Improved Traffic Efficiency

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	40,000	20,000	20,000	20,000	20,000	120,000
Total	40,000	20,000	20,000	20,000	20,000	120,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	39,000					39,000
Transfers to CIP-General Fund	1,000	20,000	20,000	20,000	20,000	81,000
Total	40,000	20,000	20,000	20,000	20,000	120,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0439
Project Name Steam Engine Museum



Type Improvement
Useful Life 10 - 20 years
Category Buildings and Structures
Location: City Park
Year Submitted: 1990

Department Parks
Contact Tissue
Priority Planned Improvement
Status Active

Description

A master plan of improvements was developed and reviewed with the Mayor and Council in September 2017 and determined immediate and long-term needs for the museum.

FY22-FY26: Improve facility based on strategic plan to make the facility more family oriented as follows:

FY22: New Restrooms ($150,000 - $135,000 in awarded Program Open Space funds and $15,000 in City matching funds)

FY22: Renovate locomotive, build new cover pavilion ($500,000 - $400,000, awarded Maryland Transportation Alternatives Program Grant along with $100,000 in City matching funds).

FY23: Youth oriented items, hands on activities, signage, new programs ($50,000)

FY25: New Roof on Museum ($10,000), Miscellaneous improvements ($5,000)

Justification

By undertaking additional future improvements, we would diversify the attractions that will result in the opportunity to provide a wide array of interpretive programs to the visiting public. The end result will be continued must-see destination for the train enthusiast and the public at-large.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	650,000	50,000		15,000		715,000
Total	650,000	50,000		15,000		715,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	15,000					15,000
Grants-Federal	400,000					400,000
Grants-State Program Open Space	135,000	45,000				180,000
Transfers to CIP-General Fund	100,000	5,000		15,000		120,000
Total	650,000	50,000		15,000		715,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0451

Project Name Geographic Information System



Type Improvement
Useful Life 5 years
Category Software
Location: City-Wide
Year Submitted: Ongoing

Department Information Technology
Contact Snyder
Priority Planned Improvement

Status Active

Description

GIS is an organized collection of computer hardware, software, geographic data and personnel designed to efficiently capture, store, update, manipulate, analyze, and display all forms of geographically referenced data. This CIP project continues to expand on the 2010 GIS Strategic Plan in accomplishing the organization of this data and making it available for all City departments for use in the analysis of their operations.

Justification

This technology is vital in integrating with our financial systems, (including Utility billing and taxes), and providing information to our citizens via our improved transparency portal (accessed via the internet). The State will continue to look for this type of enhanced information in coordination with their StateStat initiatives.

Budget Impact/Other

Software maintenance fees are currently budgeted and included for the ESRI GIS platform and BuildingBlocks software in the IT expense budget (as an annual software maintenance cost).

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design	15,000	15,000	15,000	15,000	15,000	75,000
Equip/Vehicles/Furnishings	20,000	20,000	20,000	20,000	20,000	100,000
Total	35,000	35,000	35,000	35,000	35,000	175,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	35,000					35,000
Transfers to CIP-Electric Fund		8,750	8,750	8,750	8,750	35,000
Transfers to CIP-General Fund		8,750	8,750	8,750	8,750	35,000
Transfers to CIP-Wastewater Fund		8,750	8,750	8,750	8,750	35,000
Transfers to CIP-Water Fund		8,750	8,750	8,750	8,750	35,000
Total	35,000	35,000	35,000	35,000	35,000	175,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0458

Project Name Sidewalk Replacement Program



Type Maintenance
Useful Life 30 years
Category Infrastructure-Sidewalks
Location: City-Wide
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

As of 5/29/20, replacing deteriorated sidewalks is the City's responsibility. With implementation of the new stormwater utility, curbs will be replaced by the City as funded by the stormwater enterprise fund (59-C0459), and replacement of sidewalks including sidewalks damaged by street trees will be funded by the general fund ($125,000 annually). This general fund contribution is possible due to savings of removing all stormwater costs from general fund.

Justification

Improvement of deteriorating facilities and remove tripping hazards in sidewalks.

The Comprehensive Plan recommends that the City's transportation network, including roads, transit, and bicycle and pedestrian facilities, will meet the mobility needs of its residents, businesses, and visitors.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	125,000	125,000	125,000	125,000	125,000	625,000
Total	125,000	125,000	125,000	125,000	125,000	625,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	125,000					125,000
Transfers to CIP-General Fund		125,000	125,000	125,000	125,000	500,000
Total	125,000	125,000	125,000	125,000	125,000	625,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0522
Project Name City Park Improvements



Type Improvement
Useful Life 25 years
Category Land Improvements
Location: City Park
Year Submitted: Ongoing

Department Parks
Contact Tissue
Priority Planned Improvement
Status Active

Description

Construction improvements throughout City Park.

FY22: Remodel bandshell - replace rotted wood, repaint, rebuild stage floor, movie screen ($100,000)
FY22: Rebuild all pedestrain bridges in park ($60,000 - CDBG Funds)

FY23: Improve the upper parking lot by tennis court ($250,000)

FY24: New gazebo by mansion house ($20,000)
FY24: Mansion house repaint porch, reconstruct railing, replace front steps, repair rear wall ($30,000)
FY24: Construct restrooms near Digby parking lot ($150,000)

Justification

Continue to improve the upper parking lots to provide the same level of public improvements that have been achieved at both the south parking lot, the Digby parking lot, and the Heyser parking lot.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities.

Budget Impact/Other

Decrease in maintenance costs of gravel lot less than $1,000 per year. Increase long term costs of $2,000 per year for curb and pavement maintenance and $500 annually in additional lighting costs.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	160,000	250,000	200,000			610,000
Total	160,000	250,000	200,000			610,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-State CP&P			20,000			20,000
Grants-State Program Open Space		225,000	135,000			360,000
Transfers to CIP-CDBG Fund	60,000					60,000
Transfers to CIP-General Fund	100,000	25,000	45,000			170,000
Total	160,000	250,000	200,000			610,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0560
Project Name Traffic Calming



Type Improvement
Useful Life 30 years
Category Infrastructure-Streets
Location: Various locations
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Planned Improvement
Status Active

Description

Construct physical improvements to force traffic to slow down (i.e., pinch points, circles, offsets, etc.)
Engineering Department developed a policy that was approved by City Council in October 2011.

FY23: Oak Hill West items (new sidewalks, etc.) $25,000
FY24 - FY26: Working with various Neighborhood First groups, and following our policy, install medians, mini roundabout or choker islands to reduce speed of traffic. Staff has received numerous complaints about excessive speed and these measures would be effective in "capping" these speeds.

Justification

Police enforcement is only useful as long as police are visible. These improvements would be effective all of the time.

The Comp Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities; public sidewalk repairs and enhancements; street tree planting; and traffic island installation.

Budget Impact/Other

Increased maintenance of each new island where landscaping is installed. DPW staff would have to work in island two or three times annually to maintain.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance		25,000	25,000	25,000	25,000	100,000
Total		25,000	25,000	25,000	25,000	100,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund		25,000	25,000	25,000	25,000	100,000
Total		25,000	25,000	25,000	25,000	100,000

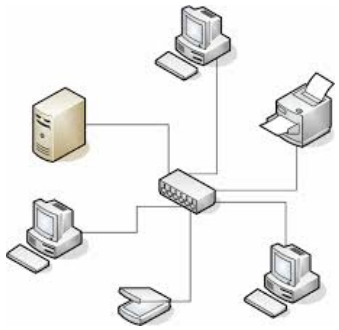
CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0568

Project Name Cable Inet



Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: City-Wide
Year Submitted: 2001

Department Information Technology
Contact Nicewarner
Priority Contract Obligation

Status Active

Description

Per the Cable Franchise Agreement with Antietam Cable, funds are provided to this CIP to allow for the maintenance and enhancement of the Institutional Network as defined in the agreement. Funds go to the maintenance and new connectivity of network services to our outlying buildings, as well as the network to allow all to communicate with each other. These buildings include those of the BOE and HCC ownership. There is current uncertainty concerning the future continuation on this project pending FCC ruling and regulations.

Justification

The needs continue for the sharing of data between the major governmental agencies within the County due to consolidation opportunities and governmental transparency initiatives. The use of these funds is contractually required through the cable franchise agreement in place with Antietam Cable.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	14,000	14,000	14,000	14,000	14,000	70,000
Total	14,000	14,000	14,000	14,000	14,000	70,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
PEG Fee	14,000	14,000	14,000	14,000	14,000	70,000
Total	14,000	14,000	14,000	14,000	14,000	70,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0569
Project Name Cable PEG



Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: City-Wide
Year Submitted: 2015

Department Information Technology
Contact Nicewarner
Priority Contract Obligation

Status Active

Description

Per the Cable Franchise Agreement with Antietam Cable, funds are provided to this CIP to allow for the maintenance and enhancement of the Public, Educational, and Government services provided by the agreement. These funds will go towards continued modifications/expansion of services from the TV studio, improvements to the BOE and HCC video production equipment, and other equipment needs as provided by the agreement. There is current uncertainty concerning the future continuation on this project pending FCC ruling and regulations.

Justification

These funds are provided by the cable system per the agreement and are mandated to be used for capital purchases fitting the purpose of PEG activities and services. The amounts shown are the PEG portion of the total remittance from ACTV per the franchise agreement.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	258,000	36,000	36,000	36,000	36,000	402,000
Total	258,000	36,000	36,000	36,000	36,000	402,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	222,000					222,000
PEG Fee	36,000	36,000	36,000	36,000	36,000	180,000
Total	258,000	36,000	36,000	36,000	36,000	402,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **45-C0570**

Project Name **Parks Vehicles and Equipment**



Type Replacement
Useful Life 5 - 10 years
Category Automobiles and Trucks
Location: Fairground Park
Year Submitted: Ongoing

Department Parks
Contact Tissue and Haddock
Priority Planned Improvement

Status Active

Description

We have deferred vehicle replacements and need to start replacing worn out items. See Vehicle and Equipment replacement schedule.

FY22: Replace 2009 Chevy 2500 4x4 #302 ($42,000), 2004 John Deere Backhoe #333 ($140,000)

FY23: Replace Gator #317 ($10,000), Tree Chipper ($42,000), Replace 2008 Ford F550 Dump Truck #305 ($80,000), 2005 Gravely Mower #322 ($12,000)

FY24: Replace 2009 Chevy 2500 4x4 #323 ($42,000), 2012 Ford F550 Dump Truck #318 ($85,000), 2004 Ford F150 #312 ($42,000)

FY25: Replace 2007 Gator #378 ($10,000), 2010 JD Gator #349 ($10,000), 1995 Mower #379 ($12,000), 2004 John Deere X595 #375 ($22,000), 1999 Wacker Roller #388 ($28,000)

FY26: Replace 2015 Chevy Silverado #300 ($43,000), 2014 Ford F250 #311 ($43,000)

Justification

Improved Service.

Budget Impact/Other

Based on a 20 year term at 4.00%, preliminary annual debt service impact for the future 2022 general fund supported bond issue of $140K is $10.6K.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	182,000	144,000	169,000	82,000	86,000	663,000
Total	182,000	144,000	169,000	82,000	86,000	663,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)	140,000	80,000	85,000			305,000
Transfers to CIP-General Fund	42,000	64,000	84,000	82,000	86,000	358,000
Total	182,000	144,000	169,000	82,000	86,000	663,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0594

Project Name Installation of Trees Using FCA Funds



Type Improvement
Useful Life 100 years
Category Land Improvements
Location: City-Wide
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

Installation of street trees to improve aesthetics and livability, and as an initiative to improve our older neighborhoods. Estimate of funds is based on projected development that would pay into fund in lieu of planting trees on their site or offsite. This CIP is for the use of Forest Conversation Act funds (FCA) when developers pay the "fee in lieu". To meet the canopy requirements established by the MD DNR, we assume 70% of these funds will be used in open spaces (parks, golf course) and the 30% balance as street trees. The City plans to do new canopy assessment in 2021 and is working toward achieving a goal of 30% tree cover in the city by 2050.

See also CIP# 59-C0594 for tree planting using stormwater protection funds.

FY22: Funds received in FY21 from Kilpatrick Woods and Burhans Village developments

Justification

Benefits the community, proven to make neighborhoods more "livable", safer, and appealing.

The Comp Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities; public sidewalk repairs and enhancements; street tree planting; and traffic island installation.

Budget Impact/Other

No impact in next five years as trees grow. Assume City spends $16,000 annually to maintain all street trees. Potentially significant future costs. Arborist may need to be hired to maintain trees and eventually they need replaced. Sidewalk damage caused by trees is also City responsibility (but can be minimized by selecting appropriate species).

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	80,000					80,000
Total	80,000					80,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Reforestation Funds	80,000					80,000
Total	80,000					80,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0595

Project Name New Sidewalks



Type Improvement
Useful Life 30 years
Category Infrastructure-Sidewalks
Location: Various locations
Year Submitted: Ongoing

Department Engineering
Contact Tissue
Priority Public Safety

Status Active

Description

The City's "Complete Streets" policy has a stated goal of a complete network of sidewalks in the community, creating a path that connects several neighborhoods and commercial areas. Grant assistance will be sought when possible.

FY24: Route 65 (East Side) from Wilson Blvd. to Scarlett Hills $500,000. City to request SHA "retrofit grant" (Fund 79 Program - New Sidewalk Construction for Pedestrian Access). Contingent upon 100% State Funding.

Justification

A sidewalk system encourages city residents to walk rather than drive to their destination. New sidewalks will help complete the current system on City-owned property, targeted to be built near schools and where residential and commercial areas border one another. The sidewalk system will be further enhanced by upgraded park amenities and additional landscaping as part of the Livable City initiatives.

The Comprehensive Plan recommends that the City's transportation network, including roads, transit, and bicycle and pedestrian facilities, will meet the mobility needs of its residents, businesses, and visitors.

Budget Impact/Other

Enforcement of snow removal, but all maintenance costs transferred to adjoining property owner.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance			500,000			500,000
Total			500,000			500,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-State			500,000			500,000
Total			500,000			500,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **45-C0606**

Project Name **Eastern Boulevard North Extension**



Type Improvement
Useful Life 25 years
Category Infrastructure-Streets
Location: Eastern Blvd
Year Submitted: 2004

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

This is a new four-lane section connecting Eastern Boulevard @ Antietam Drive to Leitersburg Pike @ Marsh Pike intersection. Road is 6,400 lineal feet and improves intersections at each end. This is assumed to be a county project but is expected to be built to City street standards. Majority of right-of-way is anticipated to be donated, but is valued at approximately $1,500,000. City will contribute funds donated by local Cortland development ($335,524). County reports the work will be completed in a 2025 to 2028 time frame.

Justification

Increase traffic capacity, minimize congestion on Route 60 from Marsh Pike to Northern Avenue, and opens land for additional development and County park lands.

The draft Comp Plan recommends working with other agencies to pursue the timely complettion of selected projects that facilitate traffic movement around the City's periphery. The project was specifically identified.

Budget Impact/Other

Assuming annexation and City taking over road maintenance, long-term increase of roughly $30,000 annually for plowing, pavement, maintenance, and pavement markings on new road within the City limits. Additional lighting costs of $4,000 annually.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance				335,524		335,524
Total				335,524		335,524

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Contribution by Others				335,524		335,524
Total				335,524		335,524

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0624

Project Name Fairground Grandstand Improvements



Type Improvement
Useful Life 25 - 50 years
Category Buildings and Structures
Location: Fairground Park
Year Submitted: 2004

Department Parks
Contact Tissue
Priority Planned Improvement

Status Active

Description

City Council endorsed concept plan in 2007 that converts the grandstand into a "community center". The building could provide two full size athletic courts, walking/jogging trail, and could support a 1290-seat auditorium or be converted to a 155 booth craft/expo area or a 980-seat banquet area. Cost is estimated at $10 million which is unattainable at this time.

FY23-FY26: Miscellaneous Repairs ($10,000)

Justification

Rehabs deteriorating facilities, adds to community and allows the park to be used all four seasons of the year.

The Comprehensive Plan recommends exploring development of an indoor recreation center with multi-purpose rooms for use by residents and community groups.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance		10,000	10,000	10,000	10,000	40,000
Total		10,000	10,000	10,000	10,000	40,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund		10,000	10,000	10,000	10,000	40,000
Total		10,000	10,000	10,000	10,000	40,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0626

Project Name Fairground Park Improvements



Type Improvement
Useful Life 15 - 25 years
Category Infrastructure-Streets
Location: Fairground Park
Year Submitted: 2004

Department Parks
Contact Tissue
Priority Planned Improvement

Status Active

Description

Maintenance and improvements to various items in the park per the following schedule:

FY22: Heat for the Softball Concession Stand so the utilities do not have to be winterized and bathrooms provided year round in park ($30,000 - Transfers from General Fund)
FY22: Design and Construction of Skatepark per Task Force recommendations ($555,000 as follows - $375,000 CDBG, $150,000 Program Open Space Grant and $30,000 contributions)
FY22: Stabilization of Entrance Building and GateHouse ($135,000 as follows- $60,000 awarded Maryland Historic Trust Grant, approved $75,000 CIP General Fund Reserve)

FY25: Parking Improvements, lot below BMX track ($250,000)

FY26: Entrance Building renovations ($500,000)

Justification

Stable roofs are failing in storms, recommend systematic approach to replace.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	720,000			250,000	500,000	1,470,000
Total	720,000			250,000	500,000	1,470,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund - GF Fund Balance	75,000					75,000
Contribution by Others	30,000					30,000
Grants-State MD Historic Trust	60,000					60,000
Grants-State Program Open Space	150,000			175,000	450,000	775,000
Transfers to CIP-CDBG Fund	375,000					375,000
Transfers to CIP-General Fund	30,000			75,000	50,000	155,000
Total	720,000			250,000	500,000	1,470,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0665

Project Name Parks Citywide Upgrades



Type Improvement
Useful Life 30 years
Category Infrastructure-Parks
Location: Various Parks
Year Submitted: 2020

Department Parks
Contact Tissue
Priority Documented Savings

Status Active

Description

Upgrades, repairs, improvements in various parks:

FY22:
Community Garden - Replace all rotting timbers around plots, install corner brackets ($5,000)

University Plaza - Refinish and repair main fountain ($35,000) and install autofill valve, backflow enclosure and drain ($6,000)

Hager Park - Replace roof on garage ($5,000 -pending POS Grant 90/10 City)

FY23: Mills Park - Replace roof on pavilion ($15,000 -pending POS Grant 90 POS/10 City)

Justification

Energy savings of $1,559 annually.

Budget Impact/Other

Energy savings of $1,559 annually.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	51,000	15,000				66,000
Total	51,000	15,000				66,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-State Program Open Space	4,500	13,500				18,000
Transfers to CIP-General Fund	46,500	1,500				48,000
Total	51,000	15,000				66,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0678

Project Name Planning & Code Admin Vehicles



Type Replacement
Useful Life 5 years
Category Automobiles and Trucks
Location: City-Wide
Year Submitted: 2021

Department Planning
Contact Maher
Priority Planned Improvement

Status Active

Description

See Vehicle and Equipment replacement schedule.

FY22: 2006 Chevy Colorado #458 ($30,000)

FY23: 2004 Chevy Colorado #455 ($25,000), 2005 Chevy Colorado #474 ($25,000)

FY24: 2006 Chevy Colorado #450 ($25,000), 2006 Chevy Colorado #471 ($25,000)

FY25: 2007 Ford Ranger #452 ($25,000)

FY26: 2014 Ford F150 #410 ($25,000)

Justification

Staff need dependable vehicles to conduct daily inspections and patrols of the City. Vehicles are also used to carry materials to sites to secure vacant structures, etc.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	30,000	50,000	50,000	25,000	25,000	180,000
Total	30,000	50,000	50,000	25,000	25,000	180,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund	30,000	50,000	50,000	25,000	25,000	180,000
Total	30,000	50,000	50,000	25,000	25,000	180,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0685

Project Name Professional Court Extension



Type Increase Capacity
Useful Life 25 years
Category Infrastructure-Streets
Location: Professional Court
Year Submitted: 2005

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

Mayor & Council approved a Memorandum of Understanding (MOU) with Washington County on this project in April 2020.

The overall project is the creation of a new street network beyond the current eastern edge of the City. Washington County government recently completed the initial phases of the street network, and commenced the construction of a new 307' long multi-span bridge over Antietam Creek to the new street network as a means of providing a connection between the Eastern Boulevard corridor and Robinwood Drive area. Phase I bridge construction commenced in the Winter of 2019.

This connection will prove to be a vital link in the community's transportation system on the eastern side of the City and would help to relieve traffic congestion on US Route 40. A road network will make development of the adjoining land as a bio-tech business park more feasible and, if annexed, create economic development opportunities for the City. Total project cost of just the new streets is estimated at over $25 million for the entire connection improvements between Eastern Boulevard and Robinwood Drive.

Under the MOU, the City's responsibility is the widening and reconstruction of the existing Professional Court to accommodate the new multi-span bridge over Antietam Creek. Construction of the City's section will start in late 2021 and be completed in late 2022. Staff acquired $500,000 in Appalachian Regional Commission (ARC) funds in 2019 and applied for $750,000 more in 2020.

Justification

Provides redundant, more direct access to area (where hospital is now located) from the downtown and north side of the City.

The City's Comprehensive Plan recommends this project as an improvement that would enhance the City's transportation network.

Budget Impact/Other

Long-term increase in maintenance costs of roughly $35,000 annually for plowing, pavement maintenance and pavement markings on new road within City limits. Additional lighting costs of $3,000 annually. If bridge becomes part of City infrastructure, additional annuallized cost of $100,000 may be incurred.

Based on a 20 year term at 4.00%, preliminary annual debt service impact for the future 2022 general fund supported bond issue of $750K is $55.1K.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	1,250,000	1,550,000				2,800,000
Total	1,250,000	1,550,000				2,800,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)	750,000	800,000				1,550,000
Grants-Federal	500,000	750,000				1,250,000
Total	1,250,000	1,550,000				2,800,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0687

Project Name Consolidation of Public Safety Assets



Type Replacement
Useful Life Indefinite
Category Buildings and Structures
Location: To be determined
Year Submitted: 2017

Department Fire
Contact Lohr
Priority Planned Improvement
Status Active

Description

Combine and collocate HFD Headquarters, shift commander, and Fire Marshal's office with one or more volunteer owned engine companies.

FY22: Land acquisition - ($250,000 - two potential land acquisitions at $125,000 each)

FY23: Design - ($500,000)

FY24: Build new facilities ($7,500,000)

Justification

HFD staff is currently negotiating with two property owners to set the stage for possible relocation and merger of up to four existing facilities into two locations that will increase response efficiencies to larger portions of the city while reducing the footprint of the HFD. This is necessary for several reasons: 1) in order to achieve a realistic staffing model where a minimum of three personnel are assigned per company, and 2) to redeploy existing assets out of the arts and entertainment district while distributing companies where growth has and will occur. Staff recommends that one or more of these projects be phased into: Land acquisition in FY21-22 ($125,000 each); Design and site analysis ($500,000.); and build based upon need and priority in out years at $300./square foot projected for each station.

The Comprehensive Plan recommends the creation of City public service facilities that ensures continued high quality of service to our citizens; proposal anticipates creating greater efficiency and effectiveness of service.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design		500,000				500,000
Land Acquisition	250,000					250,000
Construction/Maintenance			7,500,000			7,500,000
Total	250,000	500,000	7,500,000			8,250,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)			7,500,000			7,500,000
CIP Fund - GF Fund Balance	250,000					250,000
Transfers to CIP-General Fund		500,000				500,000
Total	250,000	500,000	7,500,000			8,250,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0717

Project Name Multi-Use Trails

Type Improvement
Useful Life 15 - 25 years
Category Land Improvements
Location: Memorial Blvd
Year Submitted: 2011

Department Parks
Contact Tissue
Priority Probable Grant

Status Active



Description

FY24: Construct a multi-use (pedestrian, bicycle, rollerblade, etc.) path and/or trail adjacent to Marsh Run. Marsh Run Trail would connect City Park to Municipal Stadium. Project is complete east of Potomac Street. Preliminary design of the 2000 LF "missing link" of the "Marsh Run" Trail commenced in 2015 and is funded by a "Bike Maryland" MDOT Grant. CSXRR granted initial permission to install a tunnel under their spur. 2021 will be the final design and construction will be in 2023/2024.

Justification

The Bicycle Advisory Committee endorsed a plan to create a multi-use trail from Hager Park to City Park.

The Comprehensive Plan recommends that the City's transportation network, including roads, transit, and bicycle and pedestrian facilities, will meet the mobility needs of its residents, businesses, and visitors.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance			2,500,000			2,500,000
Total			2,500,000			2,500,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-Federal			2,000,000			2,000,000
Transfers to CIP-General Fund			500,000			500,000
Total			2,500,000			2,500,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0718

Project Name Public Works Storage Yard Expansion



Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: 50 W. Memorial Blvd.
Year Submitted: 2006

Department Public Works
Contact Deike
Priority Planned Improvement

Status Active

Description

Develop the vacant lot across from the Department of Public Works and Bester Elementary School.

FY26: Site planning for a new facility ($10,000).
FY26: Construct a new Public Works vehicle and equipment storage building ($900,000).

Justification

Master plan approved by the Mayor and Council. This building would allow protection from the elements for many of the trucks and equipment.

Budget Impact/Other

Additional building maintenance costs and grounds costs.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design					10,000	10,000
Construction/Maintenance					900,000	900,000
Total					910,000	910,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)					900,000	900,000
Transfers to CIP-General Fund					10,000	10,000
Total					910,000	910,000

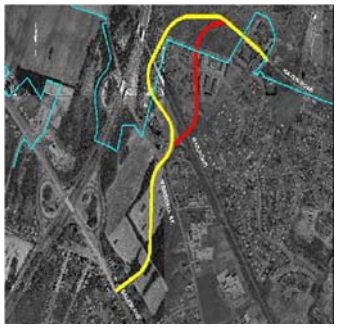
CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0735

Project Name Northwest Connector



Type Increase Capacity
Useful Life 25 years
Category Infrastructure-Streets
Location: Haven Road to Marshall Street
Year Submitted: 2006

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

In conjunction with the Kilpatrick Woods and other development and consistent with the Comprehensive Plan and presentation to City Council in July, 2006, the City share would be a 60' clear span bridge over railroad and a road from the bridge to Marshall Street (unless development proposed otherwise). The traffic study was finalized in January 2012 but will need updated as the project gets closer to reality.

Justification

Traffic volumes on Salem Avenue increased 90% between 1997 and 2012 and 34% on Burhans and Pennsylvania Avenue. Salem cannot be widened and anything to decrease traffic on Salem would benefit long term congestion. This road is "missing link" in the transportation system.

The Comprehensive Plan recommends working with other agencies to pursue the timely completion of selected projects that facilitate traffic movement around the City's periphery. This project was specifically identified.

Budget Impact/Other

Long-term increase in maintenance costs of roughly $20,000 annually for plowing, pavement maintenance, bridge maintenance, and pavement markings for road within City limits. Additional lighting costs of $3,000 annually.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design			80,000			80,000
Land Acquisition			200,000			200,000
Construction/Maintenance				1,500,000	3,400,000	4,900,000
Total			280,000	1,500,000	3,400,000	5,180,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)			280,000	1,000,000	1,000,000	2,280,000
Contribution by Others				500,000	2,400,000	2,900,000
Total			280,000	1,500,000	3,400,000	5,180,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0739
Project Name Municipal Financial System

Type Maintenance
Useful Life 5 years
Category Software
Location: City Hall
Year Submitted: 2014

Department Information Technology
Contact Snyder
Priority Planned Improvement

Status Active

Description

This project will allow for investment in new technologies to be offered by Tyler Technologies for the MUNIS Financial Sysem utilized by the City. This includes a planned system software upgrade from v11.3 to v.2019, allowing the city to be on a more current version of the product as well as unlocking newer functionality to enhance our daily operations.

FY22: Upgrade from Munis v.11.3 to v.2019 ($15,000)
FY22: Miscellaneous System Upgrades ($16,000)

FY23-FY26: Miscellaneous System Upgrades ($16,000)

Justification

The City workforce has become an increasingly mobile one. There are now needs for staff to have the capability to access our financial systems from the field (via tablet or mobile devices) due to onsite inspections or various Engineering or Utility projects. These enhancements and upgrades to our Financial System will provide increased operational capability as well as place our Financial system on currently supported technology from our vendor, allowing us to serve citizens in the most effective way possible.

Budget Impact/Other

Software maintenance fees for our entire suite of modules within the MUNIS Financial system will increase, based upon the acquisition of new modules. These costs are not known until the software is approved and/or acquired. These increases will be reflected in the IT expense budget (as overall software maintenance costs).

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Software	31,000	16,000	16,000	16,000	16,000	95,000
Total	31,000	16,000	16,000	16,000	16,000	95,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	20,000					20,000
Transfers to CIP-Electric Fund	2,640	3,800	3,800	3,800	3,800	17,840
Transfers to CIP-General Fund	2,640	3,800	3,800	3,800	3,800	17,840
Transfers to CIP-Parking Fund	440	800	800	800	800	3,640
Transfers to CIP-Wastewater Fund	2,640	3,800	3,800	3,800	3,800	17,840
Transfers to CIP-Water Fund	2,640	3,800	3,800	3,800	3,800	17,840
Total	31,000	16,000	16,000	16,000	16,000	95,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0751

Project Name Neighborhood Park Development



Type Improvement
Useful Life 25 years
Category Land Improvements
Location: City-Wide
Year Submitted: 2009

Department Parks
Contact Tissue
Priority Planned Improvement
Status Active

Description

City staff will be collaborating with Neighborhood 1st Groups, interested residents and area businesses to develop new urban parks and pocket parks in underserved areas. Parks division goal is to provide a "quality park within walking distance from every residence in Hagerstown" (defined as 1/4 mile).

FY22: Antietam Creek Waterway Trail: Construct portage trail and small parking lot at Mt. Aetna Road ($50,000 - awarded $45,000 MD POS and $5,000 General Fund)

FY22: Woodland Way Park: County will convey park to City after they make upgrades, $10,000 General Fund for sign upgrades and miscellaneous work to bring up to City standards

FY25: Project to be determined in underserved areas ($100,000)

Justification

Our Comprehensive Plan recommends developing new neighborhood parks and pocket parks in under-served portions of the City. Specific areas of future need are: 1) Salem Ave corridor, 2) Wilson Blvd corridor, and 3) Potomac Ave corridor.

The creation of these parks will offer more recreation opportunities for the children and families in the selected neighborhoods. By inviting the neighbors to have input in the design and the basis of the parks, the community develops a sense of pride and responsibility for maintaining and using those spaces.

Budget Impact/Other

Additional operating costs will include mowing, tree trimming, etc.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	60,000			100,000		160,000
Total	60,000			100,000		160,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	10,000					10,000
Grants-State Program Open Space	45,000					45,000
Transfers to CIP-General Fund	5,000			100,000		105,000
Total	60,000			100,000		160,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0774

Project Name Antietam Creek Greenway Trail



Type Improvement
Useful Life 25 - 50 years
Category Land Improvements
Location: Howell Road to Funkstown
Year Submitted: 2009

Department Parks
Contact Tissue
Priority Planned Improvement
Status Active

Description

Although project will be development driven, discussions have occurred with the property owner and the Town of Funkstown and interest was expressed by both parties for this project. Land would be donated by the property owner and the portion of the trail in Hagerstown would be developed by the City. State grant funding would be explored to facilitate the project.

Assume cost to pave 10' wide trail at approximately $60 per linear foot. Project is assumed to be from Howell Road to Funkstown (about 8,000 LF) and could be done in phases.

Justification

The Comprehensive Plan identifies as an issue the fact that there is little public access to Antietam Creek and other streams that could serve as greenways. The draft Plan recommends that the City investigate potential locations for linear parks along Antietam Creek and Hamilton Run.

This project is also consistent with the City's most recent Strategic Plan.

Budget Impact/Other

Assume $7,000 in annual lighting costs and $14,000 annually in pavement maintenance costs (to overlay after 25 years.)

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Land Acquisition				150,000		150,000
Construction/Maintenance					480,000	480,000
Total				150,000	480,000	630,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Contribution by Others				150,000		150,000
Grants-State					432,000	432,000
Transfers to CIP-General Fund					48,000	48,000
Total				150,000	480,000	630,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0822

Project Name Potterfield Pool Improvements



Type Improvement
Useful Life 25 years
Category Buildings and Structures
Location: Potterfield Pool
Year Submitted: 2011

Department Parks
Contact Tissue
Priority Improve Service

Status Active

Description

Maintaining the pool and adding attractions periodically is essential to keeping this facility a vibrant recreation option for City residents.

FY22: Pool Deck light tower fixture replacements to LED ($40,000)

FY23: Replace exterior pool house doors, vents, plexiglass covers; paint light poles and slide ($25,000)

Justification

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	40,000	25,000				65,000
Total	40,000	25,000				65,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-CDBG Fund	40,000					40,000
Transfers to CIP-General Fund		25,000				25,000
Total	40,000	25,000				65,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0843

Project Name Hagerstown Ice Rink



Type Replacement
Useful Life 10 years
Category Buildings and Structures
Location: Ice Rink
Year Submitted: 2013

Department Parks
Contact Tissue
Priority Planned Improvement

Status Active

Description

The Board of Directors, called the Hagerstown Ice Amateur Athletic Association (HIAAA), began operating the rink in April 2014. The HIAAA is comprised of all the user groups and at-large members. The operating agreement calls for the City to pay for 75% of the capital improvements to the building and ice making equipment with the balance being contributions by HIAAA or others. Rental income will be used in the operating budget to offset the City's portion of utility costs.

FY22: Phase II condensation control project - replace dehumidifiers (City will contribute a maximum of $55,000 of the $150,000 project)
FY23-FY25: Various Repairs ($10,000)
FY26: Construction of a second sheet of ice ($8,000,000, Of the $6,000,000 in contributions, $1,000,000 anticipated from Washington County)

Justification

Supports the Hagerstown Ice Amateur Athletic Association who operates the Ice Rink, which is a city owned building.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	55,000	10,000	10,000	10,000	8,000,000	8,085,000
Total	55,000	10,000	10,000	10,000	8,000,000	8,085,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)					1,000,000	1,000,000
CIP Fund Balance	5,000					5,000
Contribution by Others		2,500	2,500	2,500	6,000,000	6,007,500
Grants-State					1,000,000	1,000,000
Transfers to CIP-General Fund	50,000	7,500	7,500	7,500		72,500
Total	55,000	10,000	10,000	10,000	8,000,000	8,085,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0849

Project Name Public Safety Radios and In-Station Alerting



Type Replacement
Useful Life 10 years
Category Machinery and Equipment
Location: Fire Dept Admin
Year Submitted: 2012

Department Fire
Contact Lohr
Priority Public Safety
Status Active

Description

FY22: Replacement of public safety portable radios - $585,000 ($525,000 Federal Grant, $60,000 City match)
FY22: Replacement of G5 pagers - $60,000

On February 11, 2021 a regional Assistance to Firefighters Grant (AFG) request was submitted by the Sharpsburg Volunteer Fire Company on behalf of 20 fire and rescue entities in Washington County including the Hagerstown Fire Department (HFD). By signing on to a regional grant rather than submitting an individual grant this increases the chances of HFD receiving an award . In either case, a minimum 10% match is required for the city portion of any grant.

Justification

Portable Radios are still in FY22 pending collaboration decisions from both HPD and more importantly, Washington County Division of Emergency Services. The $15,000 maintenance of effort dollars should be established in operating for breakage, batteries and accessories each year.

IT infrastructure remains a challenge for the HFD. IT has agreed to run and install basic internet surface separate and distinct from the current volunteer controlled installs that have been prone to failures. Future IT replacements beyond FY22 should occur in operating as well, not CIP. The City infrastructure would be locked out to anyone other than city employees to provide reliable payroll, email and other reporting.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	645,000					645,000
Total	645,000					645,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	120,000					120,000
Grants-Federal	525,000					525,000
Total	645,000					645,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0853

Project Name Marsh Run Walls Rehabilitation



Type Maintenance
Useful Life 30 years
Category Amenities
Location: Marsh Run
Year Submitted: 2013

Department Engineering
Contact Tissue
Priority Cost Avoidance

Status Active

Description

In August 2013, Engineering staff completed an extensive inspection of this facility from Municipal Stadium to Park Circle. 88 areas were noted to be experiencing cracks, loss of wall section, spawl, or in need of re-pointing mortar. Repairs of the 5 worst areas were completed in August 2013. Additional repairs completed in 2017 and 2019. This is an ongoing maintenance issue.

FY25: Ongoing repairs to continue on other areas identified during inspection.

Justification

This work will help avoid larger expenditures and costly operating maintenace repairs in the future.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance				350,000		350,000
Total				350,000		350,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)				350,000		350,000
Total				350,000		350,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0860

Project Name Mobile License Plate Readers



Type Unassigned
Useful Life 5 years
Category Machinery and Equipment
Location: Police Department
Year Submitted: 2014

Department Police
Contact Kifer
Priority Public Safety
Status Active

Description

FY23 and FY24: One new additional unit in FY23 and one replacement unit in FY24 at $30,000 each.

Justification

LPR technology uses specialized cameras and computers to quickly capture large numbers of license plate photographs and compare them to a list of plates of interest. LPR systems can identify a target plate within seconds of reading it, allowing law enforcement to identify target vehicles that may otherwise be overlooked.

The LPR is a tool with a variety of uses, including the detection of stolen vehicles, vehicles with revoked or suspended registrations, uninsured vehicles, vehicles operated by drivers with suspended or revoked licenses. It is also used to detect vehicles involved in other crimes, and in finding wanted and missing persons.

Budget Impact/Other

Post-warrranty maintenance is assumed in the department operating budget.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings		30,000	30,000			60,000
Total		30,000	30,000			60,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to CIP-General Fund		30,000	30,000			60,000
Total		30,000	30,000			60,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0868
Project Name Public Art



Type Improvement
Useful Life 50 years
Category Land Improvements
Location: City-Wide
Year Submitted: 2015

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

City-Council appointed Public Art Commission evaluates opportunities and makes recommendations to City Council. They identify sites within the City for the placement of art that would be site-specific works of art. Most grants require a 1:1 match to any money they supply to the project.

FY22: Washington Street Bridge Mural (approved by City Council -City funds); $3,000 new "Faces of Hagerstown"; planning work for Park Circle (where gas station removed) and 2nd phase of cultural trail.

FY23-FY26: Projects to be determinded

Listed in Mayor and Council's "Goals & Priorities" 2018-2020

Justification

Public art makes a significant statement about the community and is free for people to enjoy and interpret. This is a wonderful opportunity to enrich the cultural experience in our community. The proposed art will not only employ artists but will also build on the economic development aspects of Hagerstown as an artistic destination. Frequently businesses investigating locations for extension of their operations will view such collaborative projects as a strong indicator of the community's forward-thinking ability.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	33,000	10,000	10,000	10,000	10,000	73,000
Total	33,000	10,000	10,000	10,000	10,000	73,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	23,000					23,000
Grants-State	10,000	5,000	5,000	5,000	5,000	30,000
Transfers to CIP-General Fund		5,000	5,000	5,000	5,000	20,000
Total	33,000	10,000	10,000	10,000	10,000	73,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0870

Project Name Fire Facilities City Owned Buildings



Type Maintenance
Useful Life Indefinite
Category Buildings and Structures
Location: Various locations
Year Submitted: 2017

Department Fire
Contact Lohr
Priority Planned Improvement
Status Active

Description

FY22: Two separate projects are requested short term for FY22. 1) Partial upgrades and remodeling to the current HFD headquarters to reconfigure office space for the fire marshals and administrative staff and 2) provide separate female restroom facilities that are code compliant for both employees and the public. The anticipated costs are expected to be between $150-$300 / square foot or approximately $150,000. If operating budget monies are not available to maintain E-3, T-3; the training center and Church St headquarters, then we request an additional $100,000 in CIP for each city owned facility

Justification

Two city owned facilities: Headquarters/Shift Commanders Office in a portion of the Market House (25 West Church St) which Public Works maintains approximately 60% of the facility for use as the Farmer's Market; and E-3 & T-3 @ 100 Eastern Boulevard are the only remaining City owned response facilities. The county consultant's study rated the Market House facility as poor, Eastern Blvd. as good. Finally, the HFD training center is owned and maintained by the city on Bowman Avenue. A separate CIP exists for that facility. It was not rated in the study. Both facilities are in need of point of capture exhaust extraction systems for all apparatus. Both City-owned facilities are fully sprinklered.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	150,000	300,000	300,000	300,000	300,000	1,350,000
Total	150,000	300,000	300,000	300,000	300,000	1,350,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	30,000					30,000
Transfers to CIP-General Fund	120,000	300,000	300,000	300,000	300,000	1,320,000
Total	150,000	300,000	300,000	300,000	300,000	1,350,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0871

Project Name Fire Equipment



Type Replacement
Useful Life 10 years
Category Machinery and Equipment
Location: Administrative Office
Year Submitted: 2020

Department Fire
Contact Lohr
Priority Planned Improvement

Status Active

Description

FY23: Community Risk Reduction Boards for each Fire Station ($150,000),

Justification

The first defense against fire is prevention. Getting the message out to the citizens of Hagerstown, really to everyone, to prevent the 911 call is the goal of the fire service. The Fire Department not only responds to emergencies we also work to educate the public about safety. Electronic Sign Boards at all the City fire stations with prevention messages will provide important, and potential lifesaving information.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings		150,000				150,000
Total		150,000				150,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-Federal		135,000				135,000
Transfers to CIP-General Fund		15,000				15,000
Total		150,000				150,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0872

Project Name Traffic Beacons



Type Improvement
Useful Life 30 years
Category Infrastructure-Utilities
Location: City -wide
Year Submitted: 2018

Department Engineering
Contact Tissue
Priority Public Safety

Status Active

Description

Furnish and install RRFB traffic beacons with signs and push buttons with ramps as needed

FY22: Radar boards on Maryland Avenue and Summit Avenue and RRFB traffic beacon at Northern Avenue at Short Road ($195,000 - 80% Federal, 20% City funded).

FY23:RRFB beacons at Hagers Crossing, and also at Salem at Rhode Island ($80,000 - 80% Federal, 20% City Funded). Design ($4,000)

Justification

Justified per "Mid-Block Crosswalk Policy" to advise drivers of crosswalks and other conditions.

School students walking to elementary schools will be aided by beacon activation.

Board of Education requested beacon @ Hagers Crossing Drive and Salem @ Rhode Island

The Comprehensive Plan recommends that the City's transportation network, including roads, transit, and bicycle and pedestrian facilities, will meet the mobility needs of its residents, businesses, and visitors.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design		4,000				4,000
Construction/Maintenance	195,000	80,000				275,000
Total	195,000	84,000				279,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
CIP Fund Balance	35,000					35,000
Grants-Federal	156,000	67,200				223,200
Transfers to CIP-General Fund	4,000	16,800				20,800
Total	195,000	84,000				279,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 45-C0875

Project Name Urban Improvement Project (Plaza)



Type Improvement
Useful Life 50 years
Category Infrastructure-Parks
Location: Behind Maryland Theater
Year Submitted: 2017

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

In conjunction with our partners, the City of Hagerstown is planning the construction of the proposed plaza associated with the Urban Improvement Project. The Plaza will serve as a public multi-purpose public space and will be used for informal student gatherings, downtown events, and staging for buses and theater production vehicles. A final phase of the Cultural Trail (CIP 0140) will extend through the plaza. With the conclusion of this project, the Hagerstown Cultural Trail and the Market Walk will link the City Park and the Washington County Museum of Fine Arts, the Downtown Arts and Entertainment District, and the City Farmers' market, the oldest continuously operating farmers' market in the State of Maryland.

Justification

A partnership between the Board of Washington County Commissioners, the City of Hagerstown, the Washington County Board of Education (BOE), the Maryland Theatre and the University System of Maryland at Hagerstown (USMH) has been formed in support of several key projects that tie into the revitalization of the urban core of the City of Hagerstown. Projects include the planning and construction of a plaza, expansion of the Maryland Theatre, an urban educational complex with BOE and USMH components.

The Comp Plan recommends the continuation of a full range of physical improvements on an incremental basis to the downtown area. These should be aimed at improving the downtown's image and attractiveness through traffic calming measures; gateway and pedestrian enhancements; landscaping and streetscaping.

Budget Impact/Other

Based on a 20 year term at 4.00%, preliminary annual debt service impact for the future 2022 general fund supported bond issue of $172K is $12.7K.

Based on a 20 year term at 3.89%, annual debt service impact for the 2015 general fund supported bond issue of $650K is $46.7K.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Land Acquisition	399,000					399,000
Construction/Maintenance	1,022,000					1,022,000
Total	1,421,000					1,421,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (General Fund)	172,000					172,000
Grants-State Community Legacy	400,000					400,000
Grants-State Governor Bond Bill	650,000					650,000
Prior Bond Proceeds	199,000					199,000
Total	1,421,000					1,421,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0090

Project Name Electric Vehicles



Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Electric Department
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Replace fleet vehicles scheduled for replacement under the Vehicle Replacement Program.
FY22: Replace 2007 Full Size Pick Up Truck #102 ($30,000)
FY23: Replace 2003 Bucket Truck #124 ($250,000); 2007 Full Size Pick Up Truck #101 ($30,000)
FY24: Replace 2007 Full Size Pick Up Trucks #122, #126, and #131 ($40,000 each); 2005 Meter Van #137 ($40,000); 1990 Air Compressor #134 ($20,000)
FY25: Replace Dump Truck #107 ($150,000); Stakebody #116 ($65,000)
FY26: Replace 2004 Bucket Truck #128 ($250,000)

Justification

Replace deteriorating mobile equipment to improve safety for workers and to reduce service restoration time.

Budget Impact/Other

Maintenance costs will be reduced with the replacement of older fleet vehicles.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	30,000	280,000	180,000	215,000	250,000	955,000
Total	30,000	280,000	180,000	215,000	250,000	955,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	30,000	280,000	180,000	215,000	250,000	955,000
Total	30,000	280,000	180,000	215,000	250,000	955,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **50-C0111**

Project Name **Telemetry Equipment**



Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: Electric Department
Year Submitted: 1997

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Construction of communication networks (wired and wireless) to facilitate transmission of data and/or voice from installed devices in the electric system. These devices may be located in City owned facilities or equipment.

Justification

FY23 funds are budgeted to complete the fiber optic installation between Fairgrounds Aveune and Mitchell Avenue for SCADA communication. FY22, FY24, and beyond provide for maintenance of operation. There are presently no plans for vehicle or electric meter communications. Any necessary SCADA software upgrades will be in conjunction with C0441.

Budget Impact/Other

HLD installation of communications for SCADA, metering, and system monitoring.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	5,000	5,000	5,000	5,000	5,000	25,000
Equip/Vehicles/Furnishings		10,000				10,000
Total	5,000	15,000	5,000	5,000	5,000	35,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	5,000	15,000	5,000	5,000	5,000	35,000
Total	5,000	15,000	5,000	5,000	5,000	35,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0118

Project Name Central Substation



Type Improvement
Useful Life 25 years
Category Infrastructure-Utilities
Location: Church Street
Year Submitted: 2006

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Construct new 34.5/13.8 kV package substation near City Center to offload substations on the northwest end of town.
Located at HLD owned property in the rears of the 200 block of Jonathan Street and the unit block of West Church Street and/or the property located at 300 West Memorial Boulevard.

Justification

Needed to meet future power requirements in City Center and on the outskirts of town.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance			150,000	100,000	100,000	350,000
Equip/Vehicles/Furnishings			50,000	400,000	100,000	550,000
Total			200,000	500,000	200,000	900,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund			200,000	500,000	200,000	900,000
Total			200,000	500,000	200,000	900,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

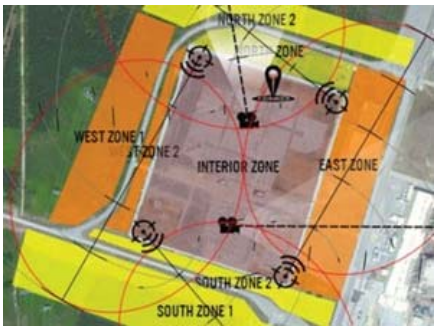
City of Hagerstown, Maryland

Project # 50-C0178
Project Name Security Improvements

Type Improvement
Useful Life 30 years
Category Buildings and Structures
Location: 425 E. Baltimore Street
Year Submitted: 2017

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active



Description

Upgrade site security system and add video surveillance to the substation properties and control houses.
FY22: Improve Security at Wesel Substation
FY23: Improve Security at Mitchell and Bulldog Substations
FY24: Improve Security at Fairground and Frederick Street Substations
FY25: Improve Security at Zayre and Plant Substations

Justification

Deter theft and/or vandalism of Electric Utility assets.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	10,000	20,000	20,000	20,000		70,000
Equip/Vehicles/Furnishings	15,000	30,000	30,000	30,000		105,000
Total	25,000	50,000	50,000	50,000		175,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	25,000	50,000	50,000	50,000		175,000
Total	25,000	50,000	50,000	50,000		175,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0220

Project Name Wesel Boulevard Development



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Wesel Boulevard
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Provide for electric service in the HLD service territory along Wesel Boulevard, for the NorthPoint Development.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

If development occurs, service will be extended to new customers.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	17,500	12,500				30,000
Equip/Vehicles/Furnishings	17,500	12,500				30,000
Total	35,000	25,000				60,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	35,000	25,000				60,000
Total	35,000	25,000				60,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0259

Project Name System Reconductoring



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: City-Wide
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Upgrade 13.8kV distribution and 600V or less secondary services as recognized for infrastructure improvement or forecasted load increases.
FY22: Rebuild overhead line along Marshall Street to provide capacity for Kilpatrick Woods Development (C0550).
FY23: Completion of overhead rebuild for Kilpatrick Woods Development (C0550).
FY24: Haven Road from Pennsylvania Avenue to Outer Drive
FY25: Wilson Boulevard from Frederick Street to Rose Hill Avenue
FY26: Northern Avenue from Country Club Road to Pennsylvania Avenue

Justification

This project is required to improve service and reliability by replacing undersized or deteriorated cable/wire and associated equipment, prior to failure.

Budget Impact/Other

Operational costs may occur as deteriorated or undersized wire fails.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	90,000	20,000	20,000	20,000	20,000	170,000
Equip/Vehicles/Furnishings	97,500	30,000	30,000	30,000	30,000	217,500
Total	187,500	50,000	50,000	50,000	50,000	387,500

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	187,500	50,000	50,000	50,000	50,000	387,500
Total	187,500	50,000	50,000	50,000	50,000	387,500

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0388

Project Name Pedestrian Lighting



Type Improvement
Useful Life 25 years
Category Infrastructure-Utilities
Location: City-Wide
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Install ornamental street lighting in areas designated by the Mayor and City Council.

FY24: 400 Block of North Potomac Street

FY25: 500 Block of North Potomac Street

Justification

Improve aesthetics along the main streets and walks within the City.

Budget Impact/Other

Additional lighting will increase street light operation and maintenance budgets for HLD. It will also increase electricity usage charges to the General Fund.

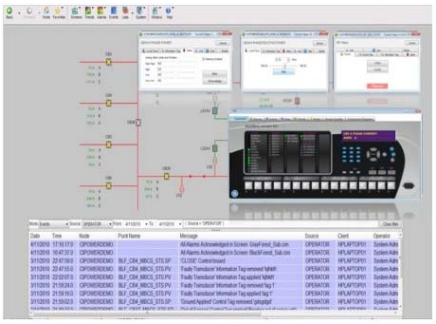
Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance			50,000	50,000		100,000
Equip/Vehicles/Furnishings			50,000	50,000		100,000
Total			100,000	100,000		200,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund			100,000	100,000		200,000
Total			100,000	100,000		200,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0441
Project Name SCADA System



Type Upgrade
Useful Life 10 years
Category Infrastructure-Utilities
Location: 425 E. Baltimore Street
Year Submitted: 2017

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Maintain the current SCADA software and hardware to improve device monitoring and interrogation within the substations.

Justification

Miscellaneous software programming improvements to enhance communication performance. Any necessary hardware installation will be in conjunction with C0111.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	5,000	5,000	5,000	5,000	5,000	25,000
Total	5,000	5,000	5,000	5,000	5,000	25,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	5,000	5,000	5,000	5,000	5,000	25,000
Total	5,000	5,000	5,000	5,000	5,000	25,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0540

Project Name Underground Replacement



Type Replacement
Useful Life 30 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2016

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Replace aging primary underground cable in various areas throughout the HLD service territory, identified by the feeder inspection program.

Justification

Replacing sections of aged primary cable will improve electric reliability in various developments/locations.

Budget Impact/Other

Decrease extensive labor to locate fault and replace cable during unplanned outages.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	7,500	7,500	7,500	7,500	7,500	37,500
Equip/Vehicles/Furnishings	5,000	5,000	5,000	5,000	5,000	25,000
Total	12,500	12,500	12,500	12,500	12,500	62,500

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	12,500	12,500	12,500	12,500	12,500	62,500
Total	12,500	12,500	12,500	12,500	12,500	62,500

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0542

Project Name HLD Distribution & Administrative Office Building



Type Improvement
Useful Life 30 years
Category Buildings and Structures
Location: 425 E. Baltimore Street
Year Submitted: 2001

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Contingency funds to improve the HLD facility on East Baltimore Street.

Justification

There is miscellaneous equipment (such as HVAC and lighting equipment) that has been in place since the City's ownership of this facility in the mid to late 1980's. The request for these funds are to be made available in the event that replacement or significant repairs are required.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	25,000	25,000	25,000	25,000	25,000	125,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	25,000	25,000	25,000	25,000	25,000	125,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0544

Project Name Bulldog Substation



Type Demolition
Useful Life 25 years
Category Infrastructure-Utilities
Location: Burhans Boulevard
Year Submitted: 2001

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

FY26: Remove aging station transformer, and related equipment, from service following the expansion of Mitchell Substation to accommodate a third bay (in conjunction with C0778).

Justification

This station may no longer be required if plans to install a third bay at the Mitchell Substation move forward. There would also be scrap/salvage value which cannot be estimated at this time.

Budget Impact/Other

Removing transformer and/or station will result in lower station maintenance costs and increase reliability of service.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance					30,000	30,000
Equip/Vehicles/Furnishings					20,000	20,000
Total					50,000	50,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund					50,000	50,000
Total					50,000	50,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0546

Project Name Streetlight Replacement



Type Replacement
Useful Life 30 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2016

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Replace direct buried streetlight circuit, obsolete fixtures, and non-standard poles as needed.

Justification

Unable to provide for replacement materials for uniformity. Contingent upon a failure of the existing direct buried cable along Noland Drive and Pangborn Boulevard.

Budget Impact/Other

Decrease extensive labor to locate fault and replace.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	2,500	2,500	2,500	2,500	2,500	12,500
Equip/Vehicles/Furnishings	7,500	7,500	7,500	7,500	7,500	37,500
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0550

Project Name Kilpatrick Woods



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Marshall Street and Salem Ave
Year Submitted: 2020

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Provide electric power and service to the undeveloped lands between Marshall Street and Salem Avenue (east of I-81), that are within the HLD service territory. Approximately 241 residential lots are expected to be connected.

Justification

Provide new electric service to lots as they develop.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	172,750	10,000				182,750
Equip/Vehicles/Furnishings	52,750	15,000				67,750
Total	225,500	25,000				250,500

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Contribution by Others	120,000					120,000
Electric Fund	105,500	25,000				130,500
Total	225,500	25,000				250,500

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0552

Project Name 273 E Memorial Blvd



Type Improvement
Useful Life 30 years
Category Infrastructure-Utilities
Location: 273 Memorial Blvd
Year Submitted: 2021

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Redevelopment of the former Hagerstown Fiber Plant, across from the MELP property at E Memorial Blvd and Eastern Blvd South, requiring new 34.5 kV underground service to their indoor substation. FY22 funds are contengent on any follow-up work being required.

Justification

Provide electric service to a new customer within the service territory of the HLD.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	2,500					2,500
Equip/Vehicles/Furnishings	2,500					2,500
Total	5,000					5,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	5,000					5,000
Total	5,000					5,000

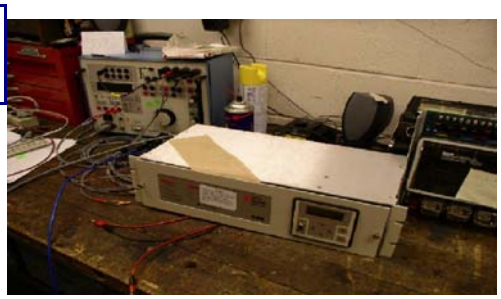
CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0609

Project Name Test Equipment



Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: 425 E. Baltimore Street
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Procure/repair test equipment to improve maintenance programs and power quality for customers, record voltages, record energy usage, test revenue meters, substation equipment maintenance testing, distribution equipment maintenance testing, etc.

FY22: Meter Test Board

FY23 & Beyond: Contingency Funds

Justification

Improve reliability of service and meet testing and calibration requirements set forth by the Maryland Public Service Commission.

Budget Impact/Other

Test equipment will assist staff in verifying that installed facilities are operating at peak efficiency. It will also ensure that periodic maintenance programs are accomplishing expected results which, most importantly, are to reduce equipment out-of-service time and customer outages.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	40,000	20,000	20,000	20,000	20,000	120,000
Total	40,000	20,000	20,000	20,000	20,000	120,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	40,000	20,000	20,000	20,000	20,000	120,000
Total	40,000	20,000	20,000	20,000	20,000	120,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0616

Project Name Substation Controls



Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: Light Department
Year Submitted: 2021

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Procure and replace obsolete and degraded substation control equipment to maintain system fault protection and system reliability. Equipment includes batteries to maintain the 125VDC operating voltage, battery chargers, control handles, relays, other IED components, etc.

Justification

Replace inferior equipment to maintain system reliability, public & workforce safety, and system integrity.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	12,500	12,500	12,500	12,500	12,500	62,500
Equip/Vehicles/Furnishings	12,500	12,500	12,500	12,500	12,500	62,500
Total	25,000	25,000	25,000	25,000	25,000	125,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	25,000	25,000	25,000	25,000	25,000	125,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **50-C0707**

Project Name **Burhans Village**



Type Increase Capacity
Useful Life 50 years
Category Infrastructure-Utilities
Location: North Burhans Blvd.
Year Submitted: 2006

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Proposed development, across from TBH Concrete and connecting Burhans Boulevard and Mitchell Avenue, requiring underground electric service to 46 townhome units.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Developer will install all conduits and street lighting. HLD crews will pull and terminate underground conductors, set transformers, and meters.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	42,000	2,500				44,500
Equip/Vehicles/Furnishings	17,000	2,500				19,500
Total	59,000	5,000				64,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Contribution by Others	25,000					25,000
Electric Fund	34,000	5,000				39,000
Total	59,000	5,000				64,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0776

Project Name Substation Breaker Replacement



Type Improvement
Useful Life 25 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2009

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

To provide for the replacement of substation breakers that have reached their lifespan. Replacement of substation breakers will be determined by the number of operations, performance test results, age, and type.

FY22: Contigency funds provided in the event of failure and emergency replacement.

FY23 - FY26: Reestablish the preventative maintenance program.

Justification

Replacement of aged and deteriorated breakers will reduce unnecessary outages and ensures proper coordination of the distribution system.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	10,000	30,000	30,000	30,000	30,000	130,000
Equip/Vehicles/Furnishings	15,000	30,000	30,000	30,000	30,000	135,000
Total	25,000	60,000	60,000	60,000	60,000	265,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	25,000	60,000	60,000	60,000	60,000	265,000
Total	25,000	60,000	60,000	60,000	60,000	265,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0778

Project Name Substation Upgrades



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Mitchell Avenue
Year Submitted: 2009

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Improve flexibility in operations, and customer reliability, by providing materials and labor for system improvements and electrical capacity increases within substations.

FY22: Completion of a third bay at the Wesel Substation, for a fifth feeder, to split the load between Wesel and Mitchell Substations in conjunction with C0842.

FY25 - FY26: Expansion of Mitchell Substation to accommodate a third station class transformer to improve system reliability and for an opportunity to remove the Bulldog substation from service (C0544).

Justification

To continue to provide reliable electric distribution service to customers.

Budget Impact/Other

Increase reliability for the service territory.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	20,000			25,000	25,000	70,000
Equip/Vehicles/Furnishings	5,000			100,000	250,000	355,000
Total	25,000			125,000	275,000	425,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	25,000			125,000	275,000	425,000
Total	25,000			125,000	275,000	425,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0797

Project Name Equipment Refurbishment



Type Maintenance
Useful Life 25 years
Category Machinery and Equipment
Location: Various locations
Year Submitted: 2009

Department Electric Fund
Contact Fridinger
Priority Planned Improvement
Status Active

Description

Refurbish substation class voltage regulators, distribution class transformers, and padmounted switchgear to maintain proper operation.

Justification

Replace/refurbish/repair equipment as needed to extend the life cycle.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	45,000	45,000	45,000	45,000	45,000	225,000
Total	45,000	45,000	45,000	45,000	45,000	225,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	45,000	45,000	45,000	45,000	45,000	225,000
Total	45,000	45,000	45,000	45,000	45,000	225,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0802

Project Name Wildlife Protection on Distribution System



Type Improvement
Useful Life 25 years
Category Machinery and Equipment
Location: Various locations
Year Submitted: 2009

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Purchase and install wildlife protection on substation and distribution equipment.

Justification

Power outages caused by wildlife within the substations will be reduced and reliability will increase. There will also be a decrease in maintenance repair and/or replacement costs of damaged equipment caused by wildlife.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	5,000	5,000	5,000	5,000	5,000	25,000
Equip/Vehicles/Furnishings	5,000	5,000	5,000	5,000	5,000	25,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

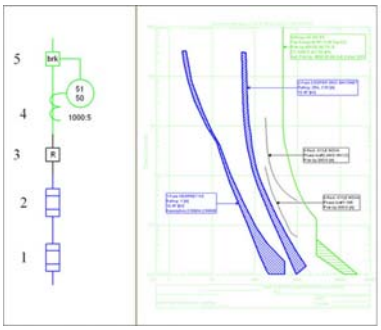
CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0833

Project Name Feeder Coordination



Type Improvement
Useful Life 10 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2012

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Remove, relocate, replace, and/or adjust circuit breakers, reclosers, fuses, switches, capacitors, etc. to improve system reliability and power quality. Project will follow Coordination study by Electric Division engineers.

Justification

Improve system reliability and power quality.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	10,000	10,000	10,000	10,000	10,000	50,000
Equip/Vehicles/Furnishings	10,000	10,000	10,000	10,000	10,000	50,000
Total	20,000	20,000	20,000	20,000	20,000	100,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund	20,000	20,000	20,000	20,000	20,000	100,000
Total	20,000	20,000	20,000	20,000	20,000	100,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 50-C0842
Project Name Circuit Upgrades



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Wesel to Burhans
Year Submitted: 2006

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Improve the ability to switch load between substations, improve service outage restoration times during outages caused by downed lines or source loss, and provide the ability to offload largest distribution feeders by providing additional tie points with increased capacity.

FY23 - FY24: Construction of the fifth feeder from the Wesel Substation in conjunction with C0778.

FY25 - FY26: Construction of the 34.5 kV tie between Wesel and Mitchell Substations.

Justification

Improve system reliability.

Budget Impact/Other

Will provide further options to switch load and expedite restoration of service to customers.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance		50,000	50,000	50,000	50,000	200,000
Equip/Vehicles/Furnishings		100,000	100,000	100,000	100,000	400,000
Total		150,000	150,000	150,000	150,000	600,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Electric Fund		150,000	150,000	150,000	150,000	600,000
Total		150,000	150,000	150,000	150,000	600,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0117

Project Name Water Vehicles



Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Water Department
Year Submitted: Ongoing

Department Water Fund
Contact Luhn
Priority Planned Improvement

Status Active

Description

FY22: Replace 2005 F550 Service Truck #208 ($85,000); 2009 Dump Truck #211 ($100,000)
FY23: Replace 2001 Backhoe #228 ($150,000); Dump Truck 1-Ton #233 ($85,000); 2012 F450 Service Truck #206 ($90,000)
FY24: Replace 2013 SUV #201 ($30,000); 2012 F550 Service Truck #260 ($90,000); 2014 SUV #261 ($30,000); 2006 Backhoe #223 ($150,000)
FY25: Replace 2014 International Dump Truck #207 ($175,000); 2012 Ford Escape #226 ($30,000); 2013 SUV #242 ($30,000)
FY26: Replace Ford F150 #200 ($35,000); Ford F150 #203 ($35,000); 2015 Ford Service Van #209 ($55,000); Excavator #224 ($150,000); 2015 SUV #244 ($30,000)

Justification

Replace fleet vehicles scheduled for replacement under the Vehicle Replacement Program. No additional vehicles are being added to the Water Department fleet.

Replace deteriorating mobile equipment to improve safety for workers and customer service request time.

Budget Impact/Other

Maintenance costs will be reduced with the replacement of older fleet vehicles.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	185,000	325,000	300,000	235,000	305,000	1,350,000
Total	185,000	325,000	300,000	235,000	305,000	1,350,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Water Fund	185,000	325,000	300,000	235,000	305,000	1,350,000
Total	185,000	325,000	300,000	235,000	305,000	1,350,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0166

Project Name Willson Treatment Plant



Type Replacement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Willson Plant
Year Submitted: Ongoing

Department Water Fund
Contact Luhn
Priority Planned Improvement

Status Active

Description

FY22: Replace the roof and gutters on the Operations Building ($350,000); Chlorine scrubber driven by EPA Risk Management Plan ($250,000); Various plant improvements ($150,000).

FY23 - 26: Various plant improvements each year for equipment replacement to include pumps, motors, communication equipment, etc. Expected work includes rebuilding high service pumps, new phone system, etc. ($200,000/year).

Note: This work is independent of the planned Phased Plant Improvement Projects.

Justification

Improve service and increase system reliability.

Budget Impact/Other

Replace and/or upgrade deteriorating equipment. In some cases a cost savings may be realized when equipment is replaced or upgraded to near original conditions.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	300,000	50,000	50,000	50,000	50,000	500,000
Equip/Vehicles/Furnishings	400,000	150,000	150,000	150,000	150,000	1,000,000
Engineering	50,000					50,000
Total	750,000	200,000	200,000	200,000	200,000	1,550,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Water Fund	750,000	200,000	200,000	200,000	200,000	1,550,000
Total	750,000	200,000	200,000	200,000	200,000	1,550,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0167

Project Name Willson Transmission Mains



Type Improvement
Useful Life 75 years
Category Infrastructure-Utilities
Location: Willson Plant
Year Submitted: 2006

Department Water Fund
Contact Luhn
Priority Planned Improvement
Status Active

Description

FY22 - FY24: Funding for Emergency Valve Replacement.

FY24 - FY26: Begin Phase 2 which includes engineering study/design to extend the 36" Transmission Mains from Bottom Road to the Conococheague Creek (work will include a directional bore under the Conococheague Creek).

FY26: Begin Phase 3 which includes design to extend new 36" Transmission Mains from the Conococheague Creek to Governor Lane Blvd.

Justification

To replace deteriorated infrastructure in order to safeguard the water system and in conjunction with the City's Comprehensive Plan, the two existing 24" transmission mains must be replaced. The current transmission mains are the limiting factor in the transfer of water from the R.C. Willson Water Treatment Plant to the City of Hagerstown. In conjunction with the engineering study, the clearwell at the R.C. Willson Water Treatment Plant (as it pertains to chlorine contact time), and the overall hydraulic capacity of the plant will need to be evaluated.

This project has been identified and is consistent with recommendations in the City Comprehensive Plan. The old Cast Main was installed in the 1920's and the concrete main was installed in the 1950's. Distribution crews repair numerous pipe/joint failures each year.

Budget Impact/Other

Replace and/or upgrade deteriorating infrastructure to increase reliability.

Operational costs should decrease as a result of this project associated with time and materials to repair and road repair.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	200,000	200,000	700,000	8,200,000	8,200,000	17,500,000
Engineering	20,000	20,000	200,000	500,000	500,000	1,240,000
Total	220,000	220,000	900,000	8,700,000	8,700,000	18,740,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing-MDE (Water Fund)			500,000	8,000,000	8,000,000	16,500,000
Water Fund	220,000	220,000	400,000	700,000	700,000	2,240,000
Total	220,000	220,000	900,000	8,700,000	8,700,000	18,740,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0168

Project Name Edgemont Reservoir Improvements



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Watershed - Smithsburg
Year Submitted: Ongoing

Department Water Fund
Contact Luhn
Priority Planned Improvement

Status Active

Description

FY22: Continue to monitor reservoir seepage (Hazen and Sawyer) and make required Maryland Department of the Environment (MDE) improvements.
FY22: Continue the Improvement and Restoration Design in accordance with direction provided by the Mayor and City Council and as approved by MDE Dam Safety Division. Design period extended as a result of the Ogee and Spillway not meeting current Probable Maximum Flood criteria (PMF).
FY22 - FY25: Continue MDE required reservoir improvements.
FY22 - FY26: $150,000 each year for Watershed land acquisition and improvements in the Watershed.

Justification

Improve system and increase reliability - work will ensure the Edgemont Reservoir is repaired and maintained in accordance with MDE Dam Safety Division requirements.

Funding from Earnings on Investment on the Appalachian Trail will be used to help fund Watershed work.

Budget Impact/Other

Planned improvement to address regulatory requirements.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	50,000	500,000	5,000,000	5,000,000	1,500,000	12,050,000
Other	150,000	150,000	150,000	150,000	150,000	750,000
Engineering		1,000,000	500,000	400,000	150,000	2,050,000
Total	200,000	1,650,000	5,650,000	5,550,000	1,800,000	14,850,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing-MDE (Water Fund)		500,000	4,000,000	5,000,000	1,500,000	11,000,000
Grant-State MDE			1,000,000			1,000,000
Water Fund	200,000	1,150,000	650,000	550,000	300,000	2,850,000
Total	200,000	1,650,000	5,650,000	5,550,000	1,800,000	14,850,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0322

Project Name Risk and Resiliency/Security



Type Improvement
Useful Life 5 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: 2020

Department Water Fund
Contact Luhn
Priority Public Safety

Status Active

Description

FY22 - FY23: Improve the security of the Water Plants and Pump Stations (including redundant pumps and equipment that may become needed in natural disasters); Improve the security of the communication systems at the water plants, pump stations, and storage tanks (including communications line on Bottom Road to the Plant); Improve the SCADA systems by installing hardware/software to protect in the Cyber Security arena.

FY23 - FY26: Miscellaneous maintenance of security equipment.

Justification

Due to an EPA mandate, the Water Department is currently conducting a "Risk and Resiliency Assessment" to determine areas of vulnerability. These improvements have been identified as areas that will add to the security of the water system as a whole.

Budget Impact/Other

Planned improvements to address regulatory requirements.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	325,000	125,000	50,000	50,000	25,000	575,000
Total	325,000	125,000	50,000	50,000	25,000	575,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Water Fund	325,000	125,000	50,000	50,000	25,000	575,000
Total	325,000	125,000	50,000	50,000	25,000	575,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0323

Project Name Zone 3 Standpipe



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: 2001

Department Water Fund
Contact Luhn
Priority Planned Improvement

Status Active

Description

This project will result in a hydraulic analysis of Zone 3, and will address pumping and storage capacity. Project is required as a result of an agreement with Sierra Nevada Corporation (SNC). It is likely that Pump Station 3 will be upgraded (suction, discharge, and all assorted equipment and infrastructure) to meet Zone 3 fire flow requirements because of tank elevation restrictions in FFA regulations.

Justification

Water quality associated with Zone 3 storage needs to be addressed in order to maintain compliance with the Safe Drinking Water Act.

To address system deficiencies in Zone 3; improvement required by Sierra Nevada Corporation (SNC) Agreement.

Cost share of $100,000 from SNC.

Budget Impact/Other

Planned improvement to enhance reliability.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings					100,000	100,000
Total					100,000	100,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
ARDI Fund Balance					100,000	100,000
Total					100,000	100,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0405

Project Name Breichner WTP Improvements



Type Improvement
Useful Life 25 years
Category Infrastructure-Utilities
Location: Breichner Plant
Year Submitted: Ongoing

Department Water Fund
Contact Luhn
Priority Planned Improvement

Status Active

Description

Upgrades will be a result of the implementation of existing and proposed Safe Drinking Water Act requirements as well as Clean Water Act requirements. Upgrades will be necessary to convert the Briechner Plant to Chloramination once the Willson Phase IV work is complete. Additional upgrades will include the electrical and SCADA equipment, internal piping, and enhanced filtration sufficient to treat the raw water supply. Upgrade(s) will likely cost $6,500,000 (engineering and construction). Upgrades will be phased in once the Willson Plant upgrades are complete.

FY22 - FY24: $20,000 annually for miscellaneous required rehab/replacement projects.

FY24 - FY25: Begin design for plant upgrades for compliance with Safe Drinking Water Act Disinfectant By-Product Rule (Stage 2) requirements and the Long Term 2 Enhanced Surface Water Treatment Rule. Improvements and Edgemont Viability Study must be completed prior to this work commencing.

Justification

Replace and/or upgrade aging equipment to achieve compliance with the Safe Drinking Water Act Dininfectant By-Product Rule and the Enhanced Long Term 2 Surface Water Treatment Rule requirements and to continue to ensure a back-up water supply.

MDE Clean Water Act Program (NPDES) will require that no ammonia or phosphorus treated water discharged to the wastewater lagoon thus increasing the upgrades expenses for the plant improvements.

The Comprehensive Plan recommends that the City ensure adequate future water system supply by continuing to monitor system capacity and water use. This includes ensuring that the Edgemont Reservoir/Breichner WTP is a reliable backup source of water and the need for a capacity increase permit for R.C. Willson WTP.

Budget Impact/Other

Planned improvements to enhance reliability.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	20,000	20,000	20,000	3,000,000	3,000,000	6,060,000
Engineering			500,000	400,000	100,000	1,000,000
Total	20,000	20,000	520,000	3,400,000	3,100,000	7,060,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing-MDE (Water Fund)				3,000,000	3,000,000	6,000,000
Water Fund	20,000	20,000	520,000	400,000	100,000	1,060,000
Total	20,000	20,000	520,000	3,400,000	3,100,000	7,060,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **52-C0648**

Project Name **Adm. & Engineering Equipment**

Type Improvement
Useful Life 5 years
Category Infrastructure-Utilities
Location: Wastewater treatment plant
Year Submitted: Ongoing

Department Water Fund
Contact Luhn
Priority Planned Improvement

Status Active

Description

FY22 - FY26: Upgrade computer equipment and Info-Water Program (Hydraulic Model and GIS).

The Hydraulic Model is included in this CIP which is interfaced with the City GIS Project.

Justification

To replace and/or upgrade engineering computer hardware and software.

Budget Impact/Other

To ensure accuracy and reliability of engineering equipment.

Will require funding through the operations budget 5274001 to keep software maintenance agreements current.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Software	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Water Fund	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0651

Project Name Pump Station Improvements



Type Improvement
Useful Life 25 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: Ongoing

Department Water Fund
Contact Luhn
Priority Planned Improvement
Status Active

Description

FY22 - FY26: $125,000 for replacement of critical equipment at all stations (pumps, motors, etc.) ; Installation of VFDs at Pump Station 3.
FY23: Design of new suction and discharge mains at Pump Station 6 at Greendale Street ($150,000); Misc. pump replacements (developer driven).
FY24 - FY26: Construction of the Pump Station 6 improvements (suction and discharge). Work will be contingent on the Water Master Plan Update recommendations.
FY26: Design for the relocation of Pump Station 2 ($400,000); Construction of new Pump Station 2 ($1,500,000) - Note PS2 is located on Northern Avenue (developer driven).

Justification

Replace and/or upgrade deteriorating infrastructure to improve reliability.
Pump Station 2 (Northern Ave.) relocation will be development driven. It is possible that a portion of the funding will be through developer contribution.

Budget Impact/Other

Replace and/or upgrade deteriorating infrastructure to improve reliability.
Compliance with Stage 2 DBPR - Nitrification Control.
Upgrades to the pump stations will not likely change the overall operating cost.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	125,000	100,000	575,000	325,000	1,975,000	3,100,000
Engineering	20,000	150,000	150,000	25,000	400,000	745,000
Total	145,000	250,000	725,000	350,000	2,375,000	3,845,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Contribution by Others		175,000	650,000	275,000	2,300,000	3,400,000
Water Fund	145,000	75,000	75,000	75,000	75,000	445,000
Total	145,000	250,000	725,000	350,000	2,375,000	3,845,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0653

Project Name Distribution Services - Meter Program



Type Replacement
Useful Life 25 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: 2004

Department Water Fund
Contact Luhn
Priority Cost Avoidance
Status Active

Description

The Distribution System has approximately 28,000 meters - useful life of a meter is 25 years. There are approximately 330 large meters which are tested annually. MDE Policy requires we reduce our unaccounted for water to 10% or less - our lost water is about 20%. The meter program is the most cost effective way to reduce lost water through accurate metering devices. This work also ensures that all customers are paying their share of the cost to treat and deliver the water.

FY22 - FY26: Investigate a fire line metering program for existing unmetered fire line accounts which will include the evaluation of unmetered fire lines and installation of a fire meter if evaluation shows consistent use on the fire line.

Funding in FY22 through FY26 is set aside for the Meter Program to replace meters and upgrade software and/or hardware associated with the Sensus meter reading system.

Justification

Replace aging equipment to ensure water and sewer rates are an accurate reflection of the required revenue.

Budget Impact/Other

Unaccounted for water will be reduced and the appropriate fees will be collected from each customer served by Water and/or Sewer.

When project is complete, department efficiencies will increase - also expect revenues to increase associated with better read accuracy.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	300,000	300,000	300,000	300,000	300,000	1,500,000
Allocated Labor	25,000	25,000	25,000	25,000	25,000	125,000
Total	325,000	325,000	325,000	325,000	325,000	1,625,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Water Fund	325,000	325,000	325,000	325,000	325,000	1,625,000
Total	325,000	325,000	325,000	325,000	325,000	1,625,000

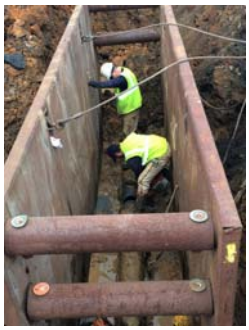
CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0709

Project Name Distribution System Rehab - Main Replacement



Type Replacement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: Ongoing

Department Water Fund
Contact Luhn
Priority Planned Improvement

Status Active

Description

FY22: Continue the leak detection program; Continue to replace aging infrastructure throughout the Distribution System located at Iroquois Dr. in Smithsburg (work will be coordinated with City/County and State road projects).

FY22 - FY26: Continue to replace aging infrastructure throughout the Distribution System; $50,000 per year will be dedicated to the hydrant and valve program.

Justification

Replace deteriorating infrastructure, improve safety for workers, and improve customer service.

Main replacement will be based on age of mains, main failure and the removal of transite (asbestos concrete) pipe.

The Comprehensive Plan recommends upgrades to the water treatment and distribution system to meet existing demand and future development.

Budget Impact/Other

Replace and/or upgrade deteriorating infrastructure to improve reliability.

Reduction in operating cost associated with road repairs as distribution system is upgraded (materials and road repairs).

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	300,000	170,000	170,000	175,000	180,000	995,000
Allocated Labor	100,000	55,000	60,000	70,000	80,000	365,000
Total	400,000	225,000	230,000	245,000	260,000	1,360,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Water Fund	400,000	225,000	230,000	245,000	260,000	1,360,000
Total	400,000	225,000	230,000	245,000	260,000	1,360,000

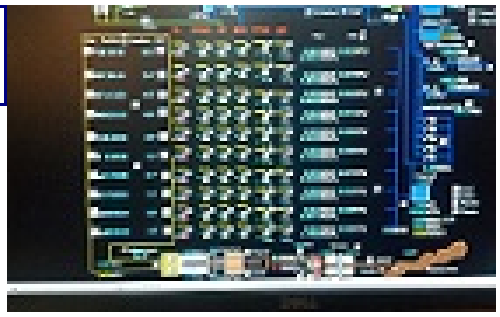
CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 52-C0820

Project Name Water System SCADA Improvements



Type Improvement
Useful Life 15 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: Ongoing

Department Water Fund
Contact Luhn
Priority Planned Improvement

Status Active

Description

FY22: Switchgear PLC upgrade ($50,000); Pump Station Ifix upgrade ($25,000); Potassium and Trac-Vac ($50,000) ; Pump Station I/O ($35,000); Miscellaneous items ($25,000)

FY23 - FY26: Miscellaneous maintenance of SCADA System.

FY24 - FY26: Breichner Plant SCADA Upgrade ($400,000) - work will be contingent on the Edgemont Source Water Viability Study.

Justification

Replace and/or upgrade aging equipment and facilities. SCADA upgrades will increase operational efficiency.

Budget Impact/Other

Upgrades will replace aging equipment. Maintain existing SCADA to ensure treatment efficiencies.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	185,000	100,000	100,000	400,000	400,000	1,185,000
Engineering			25,000	35,000		60,000
Total	185,000	100,000	125,000	435,000	400,000	1,245,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing-MDE (Water Fund)				300,000	300,000	600,000
Water Fund	185,000	100,000	125,000	135,000	100,000	645,000
Total	185,000	100,000	125,000	435,000	400,000	1,245,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0004

Project Name Wastewater Vehicle Replacement



Type Replacement
Useful Life 6 years
Category Automobiles and Trucks
Location: CS, WWTP, Admin.
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

FY22: Replace 2003 #507 Ford F550 1-T with crane ($165,000)
FY23: Replace 1993 #513 Kohler Generator ($65,000); 2008 #515 Chevrolet Silverado 3500 ($45,000); 2001 #518 Ford E350 Camera Rig Truck (430,000)
FY24: Replace 2005 #535 New Holland Tractor ($25,000); 2011 #506 Chevrolet HHR Van ($25,000); 2006 #528 Jet-Vac Cleaner ($750,000)
FY25: Replace 1991 #522 Ingersol Rand Light Plant ($45,000); 1999 #509 Volvo Trailer Mounted Generator ($75,000)
FY26: Replace 2006 #591 Chevrolet 2500 HD 4X4 w/ Snow Plow ($45,000)

Justification

Replacement units - reduced maintenance costs anticipated.

Budget Impact/Other

Newer vehicles require less maintenance thus reducing O&M costs.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	165,000	540,000	800,000	120,000	45,000	1,670,000
Total	165,000	540,000	800,000	120,000	45,000	1,670,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	165,000	540,000	800,000	120,000	45,000	1,670,000
Total	165,000	540,000	800,000	120,000	45,000	1,670,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0267

Project Name Manhole Raising



Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: City-Wide
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Public Safety

Status Active

Description

Raise manholes to meet new street grade, replace three-inch thick lids with lighter more accessible lids.

FY22 - FY26: Manhole raising frame replacement ($25,000/year).

Justification

Annual overlay projects.

Budget Impact/Other

Reduction of liability cost - road improvements.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	25,000	25,000	25,000	25,000	25,000	125,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	25,000	25,000	25,000	25,000	25,000	125,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0299

Project Name Pump Station Improvements



Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: System-wide
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Public Safety

Status Active

Description

Replacement and upgrades to Collection System Pump Stations; these stations convey wastewater to wastewater treatment plant from low lying areas.

FY22 - FY26: Muffin Monster Motors, Drive Gear, and Cutters ($45,000); New Soft Starts at various stations ($25,000); Replace Motorola SCADA units with new Avista SCADA Systems at all pump stations ($5,000)

Justification

Reduce maintenance and increase safety and security of stations.

Budget Impact/Other

Replacing obsolete equipment is needed due to the unavailability of parts for existing units. New soft starts reduce the peak inrush of power required to start large pump motors which helps reduce electric bills.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	75,000	75,000	75,000	75,000	75,000	375,000
Total	75,000	75,000	75,000	75,000	75,000	375,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	75,000	75,000	75,000	75,000	75,000	375,000
Total	75,000	75,000	75,000	75,000	75,000	375,000

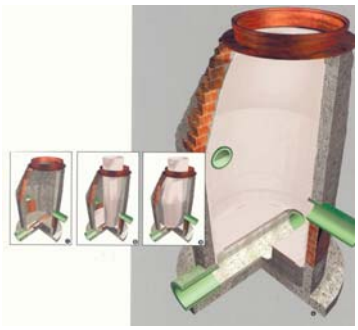
CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0327

Project Name Collection System Rehabilitation



Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: City-Wide
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Public Safety
Status Active

Description

FY22 - FY26: Collection System personnel to continue point repairs throughout the system (estimated at $150,000 / year); Service connection & main rehabilitation ($150,000); Manhole rehabilitation ($100,000). Total annual costs are $400,000.

FY24: Re-route forcemain for Station #8 to discharge into Station #18 & #26 (Developer driven) ($1,200,000).

Justification

Reducing the inflow and infiltration will provide future recapturing of allocation for the WWTP.

Consistent with Comprehensive Plan - identified need to address long term wastewater issues with projected capacity deficits.

By rerouting the forcemain for Station #8 into #18 & #26, it will reduce the burden on Station #4 and open that area up to development.

Budget Impact/Other

Reduction of I/I will free up capacity for future growth (future revenues).

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	400,000	400,000	1,600,000	400,000	400,000	3,200,000
Total	400,000	400,000	1,600,000	400,000	400,000	3,200,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (Wastewater Fund)			700,000	200,000	200,000	1,100,000
Contribution by Others			700,000			700,000
Wastewater Fund	400,000	400,000	200,000	200,000	200,000	1,400,000
Total	400,000	400,000	1,600,000	400,000	400,000	3,200,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0565

Project Name East End Pump Station



Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: East End
Year Submitted: 2001

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

Construction of Lift Station on Hebb Road, west of Dual Highway.

2,400' gravity sewer main, 4,000" force main, and jack and bore with sleeve 250' under Dual Highway. Project would be completed by a developer in the future.

Justification

Pump Station #9, formerly Four Points, has reached capacity and a new station is needed to promote growth and development.

Budget Impact/Other

Possible increase in electrical cost and pump station maintenance.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design		75,000				75,000
Construction/Maintenance		500,000	500,000	500,000		1,500,000
Total		575,000	500,000	500,000		1,575,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing-MDE (Wastewater Fund)		500,000	500,000	500,000		1,500,000
Wastewater Fund		75,000				75,000
Total		575,000	500,000	500,000		1,575,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0584

Project Name WWT Plant Equipment



Type Replacement
Useful Life 20 years
Category Machinery and Equipment
Location: Wastewater treatment plant
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Public Safety

Status Active

Description

Replaces various aging equipment or adds additional new equipment to maintain efficient operations, permit compliance, and security.

FY22: Replace the electrical controls for Final Clarifiers 4, 5 & 6 in the Main Control Building (Engineering/Design and Construction $75,000); Rehab and/or replace motorized gates at all 3 entrances with new camera systems and monitors in operating building ($75,000); Replace the Return Sludge Pump Control Panel in the Operations Building (Engineering/Design and Construction $100,000); The controls for the UV Disinfection System are over 10 years old and in need of replacement due to periodic malfunctioning being experienced ($100,000).

FY23 - FY26: Upgrade the PLC's and control panels for the Nitrate Recycle Pumps and replace the obsolete and unsupported programming software systems currently in place in the WWTP ($250,000/year).

Justification

Deteriorating equipment that has reached the end of its useful life cycle requires repalcement to maintain reliable, continuous operations.

Budget Impact/Other

Will update control equipment and software that is obsolete and no longer supported by the manufacturer.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design	50,000					50,000
Construction/Maintenance	300,000	250,000	250,000	250,000	250,000	1,300,000
Total	350,000	250,000	250,000	250,000	250,000	1,350,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	350,000	250,000	250,000	250,000	250,000	1,350,000
Total	350,000	250,000	250,000	250,000	250,000	1,350,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0585

Project Name WWT Buildings and Structures



Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: 1 Clean Water Circle
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

Wastewater Buildings: renovations, repairs and maintenance.

FY23: Construct pole barn structure over storm water pumps for WWTP ($25,000).

FY24 - 26: Renovations, repairs, and maintenance as needed ($25,000).

Justification

Aging structures that require repairs and improvements.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance		25,000	25,000	25,000	25,000	100,000
Total		25,000	25,000	25,000	25,000	100,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund		25,000	25,000	25,000	25,000	100,000
Total		25,000	25,000	25,000	25,000	100,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0657

Project Name Oxygen System Improvements



Type Replacement
Useful Life 20 years
Category Infrastructure-Utilities
Location: Wastewater treatment plant
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Public Safety
Status Active

Description

Specialized Services includes work by an outside consultant to continue efforts to integrate controls for oxygen control panels into Plant SCADA System.

FY22: Miscellaneous repairs and equipment replacement on oxygen skid and on OAB Deck ($60,000).

FY23 - FY26: Continued improvements ($20,000/year).

Justification

Improve reliability, efficiencies, and maintain MDE compliance.

Budget Impact/Other

Anticipated reduction in plant maintenance costs associated with the oxygen process.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	60,000	20,000	20,000	20,000	20,000	140,000
Total	60,000	20,000	20,000	20,000	20,000	140,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	60,000	20,000	20,000	20,000	20,000	140,000
Total	60,000	20,000	20,000	20,000	20,000	140,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0712

Project Name Synagro Facility Upgrade Improvements



Type Improvement
Useful Life 20 years
Category Machinery and Equipment
Location: Wastewater treatment plant
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Contract Obligation

Status Active

Description

Phase 2 improvements of the sludge processing and handling facilities, which consisted of replacing all equipment needed to produce marketable sludge pellets, is now complete with the exception of some minor issues being addressed by Synagro. Replacement of the Pellet Silo, which is used to store the finished pellets, was deleted from the scope of the Phase 2 project. Funds will be budgeted over the next 2 years to either replace or rehabilitate the silo.

Justification

This is a major component of the Pelletizer Facility and there are issues that need repaired (if possible).

Budget Impact/Other

This is a major component of the Pelletizer Facility and there are issues that need repaired (if possible).

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	450,000	300,000				750,000
Total	450,000	300,000				750,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	450,000	300,000				750,000
Total	450,000	300,000				750,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0713

Project Name Collection System Equipment



Type Improvement
Useful Life 15 years
Category Machinery and Equipment
Location: Clean Water Circle
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

Replace various aging equipment and add additional new equipment to maintain efficient operations and permit compliance.

FY22: Various hoses, cables, and parts (including cctv and satelite camera) to keep the camera unit and flusher truck in operation ($30,000); New 80kVA trailer mounted portable emergency generator for Pump Stations ($50,000).

FY23 - FY26: Maintenance and replacement parts to keep the camera truck, flusher trucks, and components of the 23 pumping stations that continually convey wastewater to the wastewater treatment plant operational ($80,000/year).

Justification

The addition of this new trailer mounted gen set provides the capability to now have generators for every Pump Station.

Budget Impact/Other

The camera truck is a critical unit that is used on a daily basis to identfy problems with mains and services that may need to be addressed. Keeping the camera unit operational is key to minimizing the guess work on where to dig problems up.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	80,000	80,000	80,000	80,000	80,000	400,000
Total	80,000	80,000	80,000	80,000	80,000	400,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	80,000	80,000	80,000	80,000	80,000	400,000
Total	80,000	80,000	80,000	80,000	80,000	400,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0745

Project Name Laboratory Equipment



Type Replacement
Useful Life 15 years
Category Machinery and Equipment
Location: Wastewater treatment plant
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

Replaces various aging equipment or adds additional new equipment to maintain efficient operations and permit compliance.

FY22: New hood and ventilation system ($100,000).

FY23 - FY26: Unexpected equipment breakdowns ($10,000/year).

Justification

Improve reliability of existing equipment.

Budget Impact/Other

No impact on future operating budgets.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	100,000	10,000	10,000	10,000	10,000	140,000
Total	100,000	10,000	10,000	10,000	10,000	140,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	100,000	10,000	10,000	10,000	10,000	140,000
Total	100,000	10,000	10,000	10,000	10,000	140,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0767

Project Name Grinder Pump Replacement Program



Type Replacement
Useful Life 10 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2007

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

The City is responsible for approximately 330 Grinder Pumps that have been installed in four locations (Brightwood East, Fairway East, Fairway Meadows & Woodlands North). Grinder pumps are used in situations where sewer service lines leaving a home or business is lower than the public sewer main. The Grinder Pump is used to pump the wastewater into the public sewer main.

This program will replace 20 grinder pumps, including the discharge assemblies, per year (Annual Program $100,000/year) and will be entering its 13th year in the budget process.

Grinder pump discharge assemblies for inventory ($12,000/year)

Justification

Replace deteriorating equipment.

Budget Impact/Other

Reduction of annual maintenance costs is anticipated.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	112,000	112,000	112,000	112,000	112,000	560,000
Total	112,000	112,000	112,000	112,000	112,000	560,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	112,000	112,000	112,000	112,000	112,000	560,000
Total	112,000	112,000	112,000	112,000	112,000	560,000

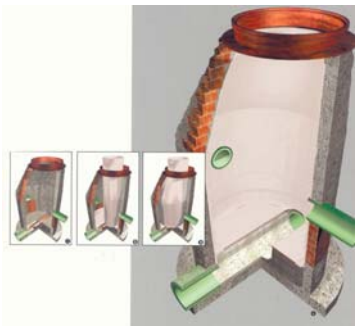
CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0800

Project Name Citywide - CS Rehabilitation



Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: City-Wide
Year Submitted: 2008

Department Wastewater Fund
Contact Moss
Priority Public Safety

Status Active

Description

FY22: Correct infiltration and inflow into the wastewater collection system by replacing or re-lining defective piping ($460,000).

FY23 - FY26: Continue efforts to identify and eliminate sources of I & I throughout the wastewater collections systems ($100,000/year).

The application for grant funding from ARC has been approved in the amount of $200,000 for this project. Another $200,000 will come from the Wastewater fund. Bids will be solicited to complete this project in FY22.

This work will repair segments of sewer mains that were identified in the 2007 Sanitary Sewer Evaluation Study (SSES). It is a continuation of the Phase 1A project.

Justification

Reducing the inflow & infiltration will provide future re-capturing of allocation for the WWTP.

Consistent with Comprehensive Plan - identified need to address long-term wastewater issues with projected capacity deficits.

Budget Impact/Other

Reduction of I/I will free up capacity for future growth (future revenues).

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	460,000	100,000	100,000	100,000	100,000	860,000
Total	460,000	100,000	100,000	100,000	100,000	860,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-ARC	200,000					200,000
Wastewater Fund	260,000	100,000	100,000	100,000	100,000	660,000
Total	460,000	100,000	100,000	100,000	100,000	860,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0832

Project Name Pump Station Modifications



Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2016

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

FY22: Design of gravity main and package pump station to eliminate Pump Station #6 ($50,000)

FY23: Pump Station #15 (Noland Village) may need new pumps or may be demolished if nearby gravity piping is completed by others ($25,000).

Justification

Reduce annual operating costs.

Budget Impact/Other

Eliminate the cost of operating over-sized pump stations.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design	50,000	25,000				75,000
Total	50,000	25,000				75,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Wastewater Fund	50,000	25,000				75,000
Total	50,000	25,000				75,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 54-C0834

Project Name Trunk Lines and Laterals



Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Contract Obligation

Status Active

Description

The purchase of infrastructure is necessary to connect the City and County Systems. New Trunk Lines and Laterals installed by developers will be transferred to the City upon completion of projects.

Justification

Provide efficient use of wastewater infrastructure throughout system.

Budget Impact/Other

These funds are designated for the purchase of Right of Ways and/or Easements sometimes needed to connect City and County infrastructure.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Land Acquisition	15,000	15,000	15,000	15,000	15,000	75,000
Construction/Maintenance	250,000	150,000	150,000	150,000	150,000	850,000
Total	265,000	165,000	165,000	165,000	165,000	925,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Contribution by Others	250,000	150,000	150,000	150,000	150,000	850,000
Wastewater Fund	15,000	15,000	15,000	15,000	15,000	75,000
Total	265,000	165,000	165,000	165,000	165,000	925,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 56-C0173

Project Name Parking Facilities - 3rd Parking Deck



Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: To be determined
Year Submitted: 2011

Department Parking Fund
Contact Deike and Tissue
Priority Planned Improvement

Status Active

Description

A parking study conducted in 2012 by Rich & Associates and a downtown "Community City Center Plan" completed in 2014 by Urban Partners both noted the need for a catalyst project in which to link a new parking deck. Existing parking resources are currently adequate. A catalyst project for a new parking deck began in 2018. The Urban Improvement Project (UIP) involves the expansion of the Barbara Ingram School for the Arts (BISFA), the Maryland Theatre and the private development of several properties along West Washington Street. The Urban Partners Study states "once capacity of existing off-street facilities is exhausted, it is the intention of the City to construct additional off-street parking facilities."

FY24: Land acquisition ($700,000)
FY25: Design phase ($667,000)
FY25: Construction phase of a new, approximately 359 space deck ($6,633,775).

Justification

Provide additional needed parking to support redevelopment of the City center area including: educational, office, and commercial development, as well as any other downtown revitalization projects. Intent is to get paying customers above the current level as funding sources do not include any general fund support.

Budget Impact/Other

For this deck to be financially viable to the City, it is critical to have new and additional paying parking system customers in our downtown area beyond current levels. The operating revenue from a third deck, combined with other Parking Fund revenue, would need to meet total Parking operating expenses plus related debt service expenses to avoid general fund subsidies and revenue shortfalls.

Bond financing to fund either all or a portion of the planning/design phase, land acquisition, and construction will be needed. Based on a 25 year term at 4.75%, the preliminary annual debt service impact for the FY24 bond issue of $700.0K is $47.1K and the FY25 bond issue of $7.3M is $485.5K.

Annual operation costs are estimated to be approximately $204.6K for a full year in FY26.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design				667,000		667,000
Land Acquisition			700,000			700,000
Construction/Maintenance				6,633,775		6,633,775
Total			700,000	7,300,775		8,000,775

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (Parking Fund)			700,000	7,300,775		8,000,775
Total			700,000	7,300,775		8,000,775

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 56-C0749

Project Name Upgrades to Parking Decks



Type Maintenance
Useful Life 10 - 20 years
Category Buildings and Structures
Location: Downtown
Year Submitted: 2007

Department Parking Fund
Contact Deike
Priority Planned Improvement

Status Active

Description

Provides funding for upgrades and refurbishments for both parking decks.

FY22 - FY26: Funding provided for general repairs and improvements to both decks.

Justification

University District Deck opened in 1986 and received major refurbishments in 2013 and 2014. No major structural issues at this time. Continued refurbishments prevent deterioration of the facility. The Arts & Entertainment District Deck opened in 2007 and also requires upkeep and upgrades to maintain and improve the parking experience.

Budget Impact/Other

Refurbishment prevents further deterioration of the facilities and costlier repairs.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	15,000	15,000	15,000	10,000	10,000	65,000
Total	15,000	15,000	15,000	10,000	10,000	65,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Parking Fund	15,000	15,000	15,000	10,000	10,000	65,000
Total	15,000	15,000	15,000	10,000	10,000	65,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 56-C0829

Project Name Parking Fund Vehicles



Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: North Potomac Street
Year Submitted: Ongoing

Department Parking Fund
Contact Deike
Priority Planned Improvement
Status Active

Description

Per Vehicle and Equipment schedule:

FY23: Supervisor Pickup Truck #033 ($35,000)

Justification

Vehicle repair costs and maintenance increase with the age of a vehicle. On average, vehicles should be replaced every 10 years. Some equipment and vehicles should be replaced sooner than 10 years while others can go longer.

Budget Impact/Other

New vehicles and equipment should operate more efficiently and need less maintenance. Newer vehicles will have better fuel economy and less labor and material costs for maintenance.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings		35,000				35,000
Total		35,000				35,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Parking Fund		35,000				35,000
Total		35,000				35,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 56-C0857

Project Name Parking Lot Improvements



Type Maintenance
Useful Life 15 - 25 years
Category Buildings and Structures
Location: Various locations
Year Submitted: 2014

Department Parking Fund
Contact Deike
Priority Planned Improvement

Status Active

Description

Improve the overall condition of surface parking lots to include: preservation of the pavement, sidewalk improvements, lighting, and handicap accessible ramps.

FY23: Improvements to Rochester Parking Lot to include wall caps, fencing, and stairs

FY22 & FY24 - FY26: Maintenance to be determined.

Justification

Preservation of the pavement (crack sealing, overlay) allows the pavement to last much longer before total replacement is necessary. Sidewalk improvements include handicap accessible ramps to meet ADA requirements. Light improvements by transitioning to LED lights improve security while reducing energy costs.

Budget Impact/Other

Reduction in electrical costs for parking lot lighting. LED light saves 50% to 75% in utility costs.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	10,000	80,000	10,000	10,000	10,000	120,000
Total	10,000	80,000	10,000	10,000	10,000	120,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Parking Fund	10,000	80,000	10,000	10,000	10,000	120,000
Total	10,000	80,000	10,000	10,000	10,000	120,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 57-C0395

Project Name Golf Course - Vehicles/Equipment



Type Improvement
Useful Life 5 years
Category Automobiles and Trucks
Location: Greens at Hamilton Run
Year Submitted: Ongoing

Department Golf Fund
Contact Tissue
Priority Cost Avoidance

Status Active

Description

See vehicle and equipment replacement schedule.

FY22: Replace 2004 Cushman Sprayer #389 ($38,000)
FY23: Replace Top Dresser #373 ($37,000)
FY24: Replace Zero Turn Mower #322 ($12,000) and Greens Mower #321 ($35,000)
FY25: Replace Rough Mower #326 ($40,000)
FY26: Replace Mower #334 ($35,000)

Justification

Replace deteriorated equipment. Maintain reliable and efficient equipment necessary to operate and maintain golf course.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings	38,000	37,000	47,000	40,000	35,000	197,000
Total	38,000	37,000	47,000	40,000	35,000	197,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Golf Fund	38,000	37,000	47,000	40,000	35,000	197,000
Total	38,000	37,000	47,000	40,000	35,000	197,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 57-C0825
Project Name Golf Course Improvements



Type Improvement
Useful Life 25 years
Category Land Improvements
Location: Greens at Hamilton Run
Year Submitted: 2018

Department Golf Fund
Contact Tissue
Priority Improve Service
Status Active

Description

The Greens is enjoying a new appreciation by the T6 community and play is up 25% in 2020. The T6 course is in excellent condition. Continue to invest in course as needed to continue the momentum.

FY22: Rebuild clubhouse deck where failure occurred ($5,000); Repave cart paths ($30,000); Install additional fencing to deter vandalism and trespassing by public ($15,000); Chemical storage addition ($10,000)

FY23: Replace nets at senior center ($12,000)

Justification

To provide a more enjoyable experience to the customers with the enhancements to the course.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities; public sidewalk repairs and enhancements; street tree planting; and traffic island installation.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	60,000	12,000				72,000
Total	60,000	12,000				72,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Golf Fund	30,000	12,000				42,000
State Highway User Revenue	30,000					30,000
Total	60,000	12,000				72,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 58-C0755
Project Name Alms House Repairs



Type Maintenance
Useful Life 20 years
Category Buildings and Structures
Location: 239 N. Locust Street
Year Submitted: 2009

Department Property Management Fund
Contact Deike
Priority Planned Improvement
Status Active

Description

Construct a police substation in the two lower levels of Alms House. This project is contingent upon receiving CDBG Program Income revenues from a future sale of the City-owned 36-40 N. Potomac Street property. All required CDBG planning and citizen participation steps for this project would occur after CDBG Program Income revenue is received and this is tentatively budgeted for Fiscal Year 2023.

Justification

Provides a police presence in the northeast quadrant of the City.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance		550,000				550,000
Total		550,000				550,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Transfers to Prop Mgmt-CDBG Fund		550,000				550,000
Total		550,000				550,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 58-C0803

Project Name Elizabeth Hager Center



Type Replacement
Useful Life 15 - 25 years
Category Buildings and Structures
Location: 10-14 N. Potomac St.
Year Submitted: 2010

Department Property Management Fund
Contact Deike
Priority Planned Improvement

Status Active

Description

FY22: Replace several windows on the second floor. Paint exterior to meet code regulations.
FY22 - 26: Painting, various leasehold improvements, and continued replacement of HVAC units on an as needed basis.

Justification

The windows are original steel frame, uninsulated windows. Window sills need repaired/replaced.

Budget Impact/Other

New HVAC should be more efficient, saving on heating/cooling costs. Replace as needed.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	30,000	20,000	20,000	20,000	20,000	110,000
Total	30,000	20,000	20,000	20,000	20,000	110,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Property Management Fund	30,000	20,000	20,000	20,000	20,000	110,000
Total	30,000	20,000	20,000	20,000	20,000	110,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 58-C0828

Project Name 60 West Washington Street



Type Improvement
Useful Life 25 - 50 years
Category Buildings and Structures
Location: 60 W Washington Street
Year Submitted: 2011

Department Property Management Fund
Contact Thompson
Priority Planned Improvement

Status Active

Description

The City continues to support small business through the building located at 60 West Washington Street. The Burobox Entrepreneur Resource Center, located in the middle portion of the building, includes a collaborative workspace, three offices, and conference room. The Burobox provides incubation, assistance, and networking opportunities for new and existing downtown businesses.

FY22: Total building roof replacement ($120,000).

Justification

As part of the City of Hagerstown's commitment to enhance economic development in the City Center, the building was acquired in April 2011 in order to create a small business incubator. The small business incubator will aide in the creation of small businesses and allow small businesses to grow and expand.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	120,000					120,000
Total	120,000					120,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Property Management Fund	120,000					120,000
Total	120,000					120,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 58-C0836

Project Name 36-40 North Potomac Street



Type Improvement
Useful Life 25 - 50 years
Category Buildings and Structures
Location: 36-40 N Potomac St
Year Submitted: 2012

Department Property Management Fund
Contact Thompson
Priority Planned Improvement

Status Active

Description

The Artist Lofts and Cooperative Gallery, located at 36-40 North Potomac Street, is an impactful redevelopment project that created live/work spaces for artists seeking to live in the downtown. The Engine Room Art Space has closed. The intent is to find a viable commercial tenant for the space.

FY22 - 26: General repairs and replacements.

Justification

In keeping with the goals of the City of Hagerstown's Comprehensive Plan, the building located at 36-40 N Potomac Street was acquired in September 2011 in order to create artist housing in the A&E District.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Property Management Fund	10,000	10,000	10,000	10,000	10,000	50,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **59-C0064**

Project Name **Stormwater Vehicles**



Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Public Works
Year Submitted: 2018

Department Stormwater
Contact Deike and Tissue
Priority Planned Improvement

Status Active

Description

Per Vehicle and Equipment Schedule.

This CIP funds three vehicles: two sweepers and one dump truck.

FY25: 2014 Ford F550 Dump Truck #18 ($125,000)

Justification

Vehicle repair costs and maintenance increase with the age of a vehicle. On average, vehicles should be replaced every 10 years. Some equipment and vehicles should be replaced sooner than 10 years while others can go longer.

Budget Impact/Other

New vehicles and equipment should operate more efficiently and need less maintenance. Newer vehicles will have better fuel economy and less labor and material costs for maintenance.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Equip/Vehicles/Furnishings				125,000		125,000
Total				125,000		125,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Stormwater Fee				125,000		125,000
Total				125,000		125,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 59-C0255

Project Name Stormwater Facilities



Type Improvement
Useful Life 25 years
Category Buildings and Structures
Location: Eldridge Drive
Year Submitted: 2021

Department Stormwater
Contact Deike and Tissue
Priority Planned Improvement

Status Active

Description

FY22: Pole barn shed at Eldridge Drive ($30,000)

Justification

As required by MDE, the pole barn is needed at the site where the street sweeper drops loads. The pole barn would cover the temporary stockpile of swept materials and washout bay to prevent rain from washing into it.

Budget Impact/Other

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	30,000					30,000
Total	30,000					30,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Stormwater Fee	30,000					30,000
Total	30,000					30,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **59-C0444**

Project Name **Stormdrain System Upgrades**



Type Maintenance
Useful Life 100 years
Category Infrastructure-Storm Drains
Location: Various locations
Year Submitted: Ongoing

Department Stormwater
Contact Tissue
Priority Planned Improvement

Status Active

Description

FY22: $20,000 - remediate issues from initial video inspection or design work.

FY23-FY26: $150,000 per year for unspecified work to deal with aging system. Specific projects will be determined after planned CCTV inspection of the storm drainage system to locate failures, in response to identified flooding or drainage problems, and emergencies requiring immediate attention.

Justification

Replace deteriorating system as problems arise or install new storm drain based on complaints.

The Comprehensive Plan recommends that the City reduce its non-point source loads through more stringent stormwater management requirements for development, selective stormwater retrofits, and other actions as appropriate.

Budget Impact/Other

Decrease potential problems with drain as current system is over 100 years old. New stormdrain will cost less than $5,000 per mile/per year to maintain based on current spending.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	20,000	150,000	150,000	150,000	150,000	620,000
Total	20,000	150,000	150,000	150,000	150,000	620,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Stormwater Fee	20,000	150,000	150,000	150,000	150,000	620,000
Total	20,000	150,000	150,000	150,000	150,000	620,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 59-C0459

Project Name Curb Replacement Program



Type Improvement
Useful Life 40 years
Category Infrastructure-Curbs
Location: City-Wide
Year Submitted: 2020

Department Stormwater
Contact Tissue
Priority Planned Improvement

Status Active

Description

Replacement of existing deteriorated curbs on planned street overlay streets and other locations.

Justification

The Maryland Attorney General has determined that curbs are part of the City's drainage system. As of May 29, 2020, the City Council approved the use of Stormwater Protection Program funds and its user fee. The burden of curb maintenance will be removed from property owners and will now become the responsibility of the City. Sidewalks will be replaced by the general fund under CIP 0458.

Budget Impact/Other

As the City is now taking over responsibility for curb maintenance, this will be a new, ongoing expense. The City will use competitive bidding to select a contractor to perform this work. The Stormwater User Fee rate took into account this new expense, and the collected fees will be used to fund this work.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	100,000	100,000	100,000	100,000	100,000	500,000
Total	100,000	100,000	100,000	100,000	100,000	500,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Stormwater Fee	100,000	100,000	100,000	100,000	100,000	500,000
Total	100,000	100,000	100,000	100,000	100,000	500,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **59-C0594**

Project Name **Reforestation Using SPP Funds**



Type Improvement
Useful Life 80 years
Category Infrastructure-Reforestation
Location: City-Wide
Year Submitted: 2020

Department Stormwater
Contact Tissue
Priority Planned Improvement

Status Active

Description

The purpose of this project is to plant trees to reforest both existing pervious and impervious areas to earn credits that will help the City comply with the 20% restoration requirement in the NPDES permit. Also, see General Fund CIP 0594 for tree planting using Forest Conservation Funds.

FY23-FY26: Maintenance of DNR-planted trees.

Justification

Development of the Stormwater User Fee rate schedule included the assumption that a significant portion of the City's strategy to comply with the NPDES permit requirements would include tree planting. To qualify for credits, the trees must be planted in compliance with MDE's definition of "forest". Trees may be planted City-wide, or lands outside corporate limits that are owned or controlled by the City.

Budget Impact/Other

The City will competitively bid a contract to install and provide initial maintenance of the trees; this will be an ongoing expense funded by the Stormwater User Fee.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance		25,000	25,000	25,000	50,000	125,000
Total		25,000	25,000	25,000	50,000	125,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Stormwater Fee		25,000	25,000	25,000	50,000	125,000
Total		25,000	25,000	25,000	50,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 59-C0637

Project Name Storm Water Protection Program Implementation



Type Improvement
Useful Life Indefinite
Category Infrastructure-Storm Drains
Location: City-Wide
Year Submitted: Ongoing

Department Stormwater
Contact Tissue
Priority Planned Improvement

Status Active

Description

As part of the overall Stormwater Protection Program, the purpose of these projects are to address Environmental Protection Agency and Maryland Department of the Environment mandates to reduce the pollutants discharged into State waterways and the Chesapeake Bay. As part of the new NPDES MS4 General Permit issued in 2018, the City will be required to remove or provide treatment for 20% of the existing impervious area which doesn't have treatment. This will be accomplished by the construction of retrofit facilities, tree planting, and other Best Management Practices.

Retrofit of existing flood-control stormwater facilities to provide water quality benefits:

FY22: MKS Business Park - $500,000

FY24: North High - $1,250,000
FY24: Fairgrounds Park (Ice Rink) - $366,000

FY25: Community Rescue Service - $140,000

FY26: Hagerstown Industrial Park - $250,000

Justification

Compliance with NPDES permit will require significant funding for analysis, design, construction, and maintenance of new or enhanced stormwater management facilities. While the City will continue to seek grant funding to design and construct these projects, it is unlikely that this will be sufficient to meet the permit mandates. The City has implemented a Stormwater Utility fee which will generate revenue to fund this program.

The Comprehensive Plan recommends that the City reduce its non-point source loads through more stringent stormwater management requirements for development, selective stormwater retrofits, and other actions as appropriate.

Budget Impact/Other

As new stormwater facilities are constructed, maintenance costs for the City will increase accordingly.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	500,000		1,616,000	140,000	250,000	2,506,000
Total	500,000		1,616,000	140,000	250,000	2,506,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Bond Financing (Stormwater)			1,250,000			1,250,000
Stormwater Fee	500,000		366,000	140,000	250,000	1,256,000
Total	500,000		1,616,000	140,000	250,000	2,506,000

CAPITAL IMPROVEMENT PROGRAM

FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # 59-C0639

Project Name Green Streets



Type Improvement
Useful Life 50 years
Category Storm Water
Location: Various locations
Year Submitted: 2014

Department Stormwater
Contact Tissue
Priority Planned Improvement

Status Active

Description

Modifications to existing streets to improve pedestrian access, decrease impervious surfaces, and construct new planting beds and tree pits to provide stormwater management. Part of overall Watershed Protection program and compliance with EPA/MDE mandates requires reduction in runoff by eliminating unnecessary pavement.

FY22: West Hillcrest Road (between Pennsylvania and St. Clair Street) - $100,000

FY24: Woodland Way (between May Street and Irvin Avenue) - $300,000

Justification

Anticipated NPDES (National Pollutant Discharge Elimination System) regulations will require the City to provide stormwater management for existing impervious surfaces; "Green Street" elements can be incorporated in narrow street corridors where there is not sufficient space for traditional facilities, and can enhance the envrionmental value of the streetscape.

The Comprehensive Plan recommends that the City reduce its non-point source loads through more stringent stormwater management requirements for development, slective stormwater retrofits, and other actions as appropriate.

Budget Impact/Other

The City's Department of Public Works will be responsible for maintaining the new stormwater management features (including trees, landscape plantings, cleaning, and maintenance of structures, etc.).

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Construction/Maintenance	100,000		300,000			400,000
Total	100,000		300,000			400,000

Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Stormwater Fee	100,000		300,000			400,000
Total	100,000		300,000			400,000

CAPITAL IMPROVEMENT PROGRAM FY '22 *thru* FY '26

City of Hagerstown, Maryland

Project # **59-C0866**
Project Name **Stream Restorations**



Type Improvement
Useful Life 50 years
Category Storm Water
Location: Various locations
Year Submitted: 2021

Department Stormwater
Contact Tissue
Priority Planned Improvement
Status Active

Description

FY22 and FY23: Hamilton Run flows adjacent to Longmeadow Park and is severely eroding the banks. In conjunction with local landowners, this project will improve the stream and recreational opportunities at the park. In conjunction with Canaan Valley Institute, city staff applied for a Federal Grant for this project. City match will be from the Stormwater Protection Fund.
FY22: Design ($262,500)
FY23: 900' Long stream restoration project ($1,000,000 -half funded by grant and half from the stormwater fund)

FY23: Hamilton Run at the golf course is contained in an artifical channel that overtops its banks and floods portions of the course, increasing maintenance costs and decreasing playability. Design of relocation and stabilization is complete.
FY23: Construction of stream relocation/restoration ($800,000 funding from stormwater fee).

FY23: City Park Stream Restoration ($160,000).

Justification

Streams are eroding and impacting properties and the golf course.

The Comprehensive Plan recommends that the City continue to recognize and protect sensitive areas, and encourage the planting of native tree species in stream buffer zones.

Budget Impact/Other

Minimal impact, additional maintenance, street light operations. Less than $5,000 annually.

Expenditures	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Planning/Design	262,500					262,500
Construction/Maintenance		1,960,000				1,960,000
Total	262,500	1,960,000				2,222,500

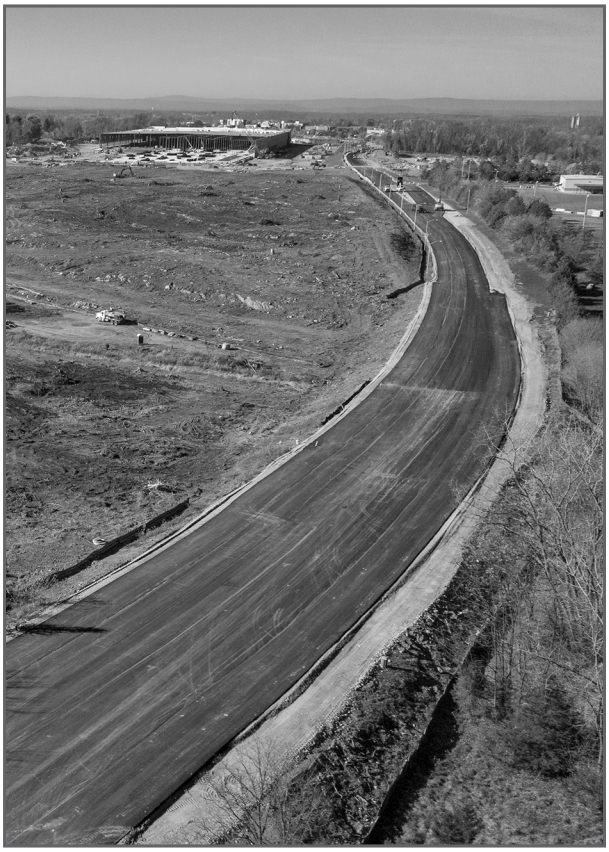
Funding Sources	FY '22	FY '23	FY '24	FY '25	FY '26	Total
Grants-Federal		500,000				500,000
Stormwater Fee	262,500	1,460,000				1,722,500
Total	262,500	1,960,000				2,222,500

Economic Development

City of Hagerstown









SCHEDULE OF FEES AND SERVICE CHARGES
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SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2021/2022

NAME OF FEE/PURPOSE	EFF DATE	FY21 RATE	FY22 PROPOSED	FY20 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CITY CLERK						
01030022 - 4271				**$ 2,606**		
Auctioneer-to Conduct an Auction					Baltimore County: $180	Ordinance
Annual Fee	1992	$25	$25			
Peddler:						Ordinance
Peddler (Door-to-Door) Annual Fee	2014	$250	$250		Baltimore City $75-$375	
Vendor (Stand or Truck) Annual Fee	2014	$250	$250		Salisbury: $50 + $1,000 Surety Bond	
Temporary Peddler Daily Fee	2014	$25	$25			
Transient Dealer Annual Fee	2014	$1,000-$3,500	$1,000-$3,500		Cumberland $375/2 months	Ordinance
Parade Per Event Fee	1992	$125	$125		Baltimore $80	Ordinance
Circus/Carnival Weekly Fee	1992	$125	$125		Salisbury: $10/day	Ordinance
Special Sales(Auctions, Going-out-of Business, Etc.)	1992	$125	$125			Ordinance
Theatre Annual Fee	1967	$100	$100			Ordinance
01030022 - 4221				**$ -**		
City Code Annual Fee	1990	$125	$125		Available on-line, free of charge	Admin Order
City Code Supplement	1998	$40	$40			Admin Order
01030021 - 489903				**$ -**		
Souvenirs/Maps		Various	Various			
SUPPORT SERVICES						
01070022 - 4494				**$ 113**		
Bad Check Fee Per Check (To compensate the City for Bank charges & employee time)	2007	$35	$35		$35 Area Banks	Admin Order
01072012 - 4490				**$ 27,759**		
Pay-By-Phone Transaction Fee (waived most of 2020)	2012	$10	$10		Potomac Edison $7	Admin Order
COMMUNICATIONS						
01030062-4899 (FY17)				**$ 1,344**	Cumberland - First 20 pages free; $0.25/page	
Public Information Requests	2002				or $1.00 per page for certified copy	Admin Order
Fee Per Page:					Rockville - First 40 pages free; $0.20/page B&W	
20 pages or less		Free	Free		or $1.00 per page for color	
21 pages or more		$1.25 plus $0.25/each addtl page	$1.25 plus $0.25/each addtl page		Frederick - First 20 pages free; $0.25/page	
DVD/2GB Thumb Drive		$5.00	$5.00		Salisbury - First 4 pages free; $0.25/page	
Document Retrieval & Review beyond 2 hrs		Billed at employee's hourly rate	Billed at employee's hourly rate		Annapolis - First 10 pages free; $0.25/page;	
COMMUNITY DEVELOPMENT BLOCK GRANT FUND						
10000002 - 441596				**$ -**		
Loan Processing Fees:					Baltimore County-Closing/recording costs	
Multifamily Residence	1986	$50	$50		able to be included in the loan.	Admin Order
Mixed Use or Commercial		$50	$50		Frederick County-No application or origination	
Economic Development		$100	$100		fees. Cost of title search included in loan.	
BUSINESS REVOLVING LOAN FUND						
14000001 - 4899				**$ 713**	Kent County- $100 Application Fee/1%	
Miscellaneous Revenue	2001				origination fee is added to loan principal	
Based on loan request amount:		,			at closing.	Admin Order
$5,000- 50,000		$100	$100			
$50,001- 100,000		$150	$150		Tri-County Council for Western Maryland-	
$100,001- 150,000		$200	$200		$250 Application Fee/1.5% Loan Origination Fee	
$150,001 - 200,000		$250	$250		at closing.	
MARKET HOUSE						
01402042-481005				**$ 2,800**		
Market House Stall Rentals:	2016				Washington County Farmer's Market	Admin Order
					$10 per day Wed. & Sat. Receive 10%	
Reg Space: 6ft Quarterly Fee		$0.00	$0.00		discount if choose to be part of the entire season	
Reg Space: 3ft Quarterly Fee		Decision by Mayor and Council	Decision by Mayor and Council		(Approx 20 weeks-Outdoor)	
Prem Space: 6ft Quarterly		in FY20 to allow vendor booths	in FY20 to allow vendor booths			
Prem Space: 3ft Quarterly		to be free.	to be free. Expected to be		Boonsboro Farmers Market	
Electric Quarterly Fee			reviewed for FY22.		$5 per day; $100 per season (Outdoor)	
Rates apply to 6' and 3' equivalent space where vendor is using open space or vendor-provided tables/furniture					Town of Williamsport Farmers Market $5 per week; $50 per season (Outdoor)	
UNIVERSITY PLAZA						
01030052-4810-P0860				**$ 150**		
University Plaza Rentals:	2020					Admin Order
Any events that are free and open-to-the-public		$0	$0		Washington County Park Pavilion Rentals	
Up to 3 hours for private/ticketed events		$25	$25		$60 (resident); $80 (non-resident)	
Up to 8 hours for private/ticketed events		$50	$50			
Up to 16 hours for private/ticketed events		$75	$75		Shaffer Park, Boonsboro (gazebo & pavilion)	
Bathroom fee		$50	$50		$45 (resident); $55 (non-resident)	
Bathroom fee if alcohol at event		$100	$100			

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2021/2022

NAME OF FEE/PURPOSE	EFF DATE	FY21 RATE	FY22 PROPOSED	FY20 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PLANNING						
01090012 - 441131				**$ 600**		
Subdivision: Simplified Plat, Condo Plat, Replat	2015	$355	$355		Washington County-$365	Admin Order
01090012 - 441122				**$ 7,615**	Washington County:	
Subdivision: Final Plat	2015	$590+$50/lot	$590+$50/lot		$665+$250/lot (<50 lots) $665+$150/lot (>50 lots)	Admin Order
01090012-441124				**$ -**		
Subdivision: Sketch Plans						
Nonresidential - 2 ≤ acres	2015	$590	$590		N/A	Admin Order
Nonresidential - > 2 acres	2015	$1,200	$1,200		N/A	Admin Order
Residential - < 50 lots	2015	$590	$590		N/A	Admin Order
Residential - ≥ 50 lots	2015	$1,200	$1,200		N/A	Admin Order
01090012 - 441121				**$ 17,745**		
Subdivision: Development Plan	2015	$1,200+$50/lot	$1,200+$50/lot		Washington County -$915+$100/Lot	Admin Order
01090012 - 441125				**$ 1,065**		
Minor Subdivision	2015	$355	$355		Washington County-$365	Admin Order
01090012 - 441126				**$ -**		
Subdivision Variance/Waiver Request	2015	$100	$100		Washington County-$115	Admin Order
01090012 - 441161				**$ -**		
Concept Plan/Sketch Plans:						
CR Sketch Plan	2015	$1,200	$1,200			Admin Order
Multi-Family Development	2015	$1,200	$1,200			Admin Order
01090012 - 441119				**$ 4,065**		
BZA Filing Fee:						
Special Exception	2015	$590	$590		Washington County-$500	Admin Order
Variances:						
Residential	2015	$155	$155		Washington County-$150	Admin Order
Non-Residential	2015	$310	$310		Washington County-$300	Admin Order
Residential Fence Variance	2015	$155	$155		Washington County-$150	Admin Order
Nonconforming Uses:						
Change	2015	$590	$590		Washington County-$500	Admin Order
Expansion	2015	$590	$590		Washington County-$500	Admin Order
Administrative Appeals	2015	$250	$250		Washington County-$150	Admin Order
01090012 - 441112				**$ 590**		
Rezoning Fees:						
Preliminary Consultation	2015	$590	$590		Washington County-$515+$20/acre	Admin Order
Rezoning Filing Fee	2015	$2,400+$15/APO	$2,400+$15/APO		Washington County - $2015+$20/acre	Admin Order
Local Conversation District	2015	$590	$590			Admin Order
PUD Master Plan	2015	$2,400+$15/APO	$2,400+$15/APO		Washington County - $1030+$30/lot	Admin Order
01090012 - 441102				**$ 14,954**		
Full Site Plan Fees:						
Concept Plan for Environmental Site Design		0	0		Washington County - $215	Admin Order
Residential	2006	$1000 + $15/unit	$1000 + $15/unit		Washington Co - Res. $765+$10/unit	Admin Order
Nonresidential	2006	$1000 + $50/acre	$1000 + $50/acre		Washington Co -Non $765+$50/acre	Admin Order
01090012 - 441101				**$ 2,360**		
Minor Site Plan	2015	$590	$590		Washington Co - Res. $665	Admin Order
01090012 - 441103				**$ -**		
Site Plan Variance/Waiver Request	2015	$100	$100		Washington County-$115	Admin Order
01090012 - 441111				**$ 16,585**		
Zoning Certificate Fees:						Admin Order
Home Work Stations & CC-MU	2015	$50	$50		Washington Co - $65	Admin Order
All other commercial	2015	$125	$125		Washington Co - $165	Admin Order
Blanket for Multi-Vendors	2015	$400	$400			
Zoning Verification Letter: One SFR	2015	$50	$50		Washington Co - $100	Admin Order
Zoning Verification Letter: All Others	2015	$100	$100		Washington Co - $100	Admin Order
Fence Permits:	2015					
Residential: Single Family, Two-Family		$40	$40		Washington Co - Res. $50	Admin Order
Commercial, Industrial, Multi-Family		$125	$125		Washington Co -Non $165	
01090012 - 489603				**$ -**		
Comprehensive Plan	2015	$25	$25		Washington County - $50 ($5 on CD)	Admin Order
01090012 - 489604				**$ -**		
Land Management Code	2015	$25	$25		Washington County - $20 zoning; $12 subdivision	Admin Order
Design Review Guidelines	2015	$25	$25		Washington County - $100	Admin Order
01090012 - 441141				**$ -**		
Zoning Text Amendment	2015	$2,400	$2,400		Washington County - $2,015	Admin Order
Subdivision Text Amendment	2015	$2,400	$2,400		Washington County - $2,015	Admin Order
01090012 - 4899				**$ 96**		
Copies of Recorded Meetings	2015	$30/mtg + $12/disc	$30/mtg + $12/disc			
Notary Fees	2015	$4/per page	$4/per page			
Photo Copies	2015	$0.25/page B&W, $0.75/page Color	$0.25/page B&W, $0.75/page Color			Admin Order
01090012 - 426902				**$ 5,213**		
Forest Conservation Fee:						
Delineation	2015	$290	$290		Washington Co-$265	Admin Order
Final Plan & Easements	2015	$590+$15/acre	$590+$15/acre		Washington Co. $750+$10/acre	Admin Order
Forest Conservation Waiver/Variance Request	2006	$30	$30		Washington Co-$40	
Forest Conservation Exemption Certification	2015	$0	$0		Washington Co-$25	
17090012 - 426999				**$ 186,445**		
Forest Conservation FIL	2013	$0.325/sq feet	$0.335/sq feet		Washington Co-$.30-$.36 sq feet	
01090012 - 441151				**$ 4,562**		
Pre-Annexation Agreement Review Fees:						
Infill residential lot - 1 or 2 units	2012	$150	$150		N/A	Admin Order
Minor residential development - ≤ 5 units	2012	$500	$500		N/A	Admin Order
Major residential development - ≥ 5 units	2012	$1,000 +$15/unit	$1,000 +$15/unit		N/A	Admin Order
Nonresidential	2012	$1,000+$50/acre	$1,000+$50/acre		N/A	Admin Order

NAME OF FEE/PURPOSE	EFF DATE	FY21 RATE	FY22 PROPOSED	FY20 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CODE ADMINISTRATION						
01140012-441505				$ -		
Expedited U&O's (within 24 Hours of Final Inspection)	2021	$50	$50		Washington County - $75	Admin order
After Hours Inspection Request	2021	New in FY22	$50			Admin order
01140012 - 4210				$ 318,240	Washington County: Comm app $150+ $15 tech fee+ $0.15 per sq ft	Ordinance
Building Permits:					Res app $65 + $15 tech + $.10 per sq ft.	
Application Fee		$20	$20			
Tech Fee	2011	$20	$20			
Commercial, Apartments & New Residential:						
up to $10,000	1996	$8.50 / thousand	$8.50 / thousand			
$10,000 and greater	2019	$6.00 / thousand	$6.00 / thousand			
Misc Residential:						
up to $10,000	1996	$8.50 / thousand	$8.50 / thousand			
$10,000 and greater	2019	$4.50 / thousand	$4.50 / thousand			
Change of Use Permits	2016	$75	$75			Admin Order
01140012 - 421101				$ 61,536	Wash.Co.$65 Res/$125Comm+$15 tech fee	Ordinance
Plumbing Permits:	2011					
Application Fee: Residential/Comm/Apmt		$50/$100/$100	$50/$100/$100			
Tech Fee		$20	$20			
Fixture fees (varies)		$4- $40	$4- $40			
Single fixture (app fee is waived)		Tech fee + fixture only	Tech fee + fixture only			
01140012 - 4202				$ 5,010	Wash. Co.(2 yr) Master $50/res, $100 non-res	Ordinance
Plumbers license/registration (Biennial):	2007	($40 of fee is tech fee)	($40 of fee is tech fee)		Journeyman $20/$40 Apprentice $15/$30	
Master		New: $150/ Renew: $125	New: $150/ Renew: $125			
Journeyman		New: $95/ Renew: $70	New: $95/ Renew: $70			
Apprentice		New: $85/ Renew: $60	New: $85/ Renew: $60			
If license has lapsed more than 30 days		New rate is charged	New rate is charged			
01140012 - 421102				$ 114,199	Wash Co: $65 Res/ $125 Comm+$15 tech+ $15-$50 fixture fees	Ordinance
Electrical Permits	2011					
Application Fee: Residential/Comm/Apmt		$50/$100/$100	$50/$100/$100			
Tech Fee		$20	$20			
Fixture fees (vary)		$3-$50	$3-$50			
01140012 - 421103				$ 54,138	Wash Co: $65Res/$125Comm+$15 tech+	Ordinance
Mechanical Permits:	2011					
Application Fee: Residential/Comm/Apmt		$50/$100/$100	$50/$100/$100			
Tech Fee		$20	$20			
Fixture fees (vary)		$5 -$30	$5 -$30			
01140012 - 4203				$ 14,280	Wash Co Mechanical (2yr): $50/res, $100 non-res	Ordinance
Contractor's Licenses (Biennial)	2011	($40 of fee is tech fee) $125	($40 of fee is tech fee) $125			
01140012 - 4204				$ 4,730	Wash Co (3 yr): Mstr or low volt $150, inactive $50	Ordinance
Electrician's Licenses (Biennial)	2007	($40 of fee is tech fee)	($40 of fee is tech fee)			
Master/ Restricted Master		New: $150/ Renew: $125	New: $150/ Renew: $125			
If license has lapsed more than 30 days		New rate is charged	New rate is charged			
01140012 - 441593				$ 5,286		Admin Order
Administrative Fee for Excise Tax	2005	2% of 72% of excise tax	2% of 72% of excise tax			
01140012 - 450102				$ 26,235	Most citations are $200-$1,000; however, trash citations start at $25	Ordinance
Municipal Infractions: Fee Per Citation	2008	$25-$1,000	$25-$1,000			
01140012 - 4205				$ 694,800	Cumberland: $25 per unit (annual)	Ordinance
Rental Registration Fee	2014				Annapolis: $100 per unit (annual)	
Per Unit Fee		$75	$75		College Park: $125-$244 per unit (annual)	
Per Rooming House + Per Unit Fee		$100+$10	$100+$10			
01140012 - 4504				$ 37,870		Admin Order
CAD Administrative Fees:	2003					
Snow Removal Fee + Tech Fee		$50+$20	$50+$20			
All Others: Fee + Tech Fee	2011	$100+$20	$100+$20			
Refuse Pickup Admin Fee	2013	$50	$50			
Refuse Pickup Tech Fee	2013	$20	$20			
Trash Pickup Fee	2013	$5 per bag	$5 per bag			
Trash Pickup Tech Fee	2013	$20	$20			
Trash Pickup Bulk Item Fee	2021	New Fee for FY22	$25 per item			
01140012 - 4505				$ 150		
Appeals Fee-Board of Code Appeals	2002					Admin Order
Fee Per Case		$50	$150		Wash Co $250/case	
01140012 - 441503				$ 750	Wash Co: 1st- $50, 2nd- $75, 3rd- $100	Admin Order
Reinspection fee	2011	$50	$50			
01140012 - 441504				$ 70,356		
Property Abatement Billings:						
Grass/High Weed Removal	2001	$100-$1,000+	$100-$1,000+			Ordinance
Trash and Debris Removal	2001	$50-$1,500+	$50-$1,500+			Ordinance
Securing of Vacant Structures	2008	$100	$100			Admin Order
Snow Removal From Public Sidewalks	2004	$25-$250+	$25-$250+			Admin Order
Admin Fee		$50-$100	$50-$100			
Tech Fee	2016	$20	$20			
01140012-441111				$ -		
Code Compliance/Status Verification for one SFR or one residential unit	2021	$50	$50		Washington Co. - $100; Frederick Co. $49	Admin Order
For all others per property	2021	$100	$100		Washington County -$100; Frederick County $27-$118 per address or tenant space	
01140012 - 441512				$ 35,100		Ordinance
Vacant Structures, Residential	2014	$100-$500	$100-$500			
01140012 - 441513				$ 2,000		Ordinance
Vacant Structures, Commercial	2014	$250-$1,000	$250-$1,000			
01140012 - 441594				$ (74)		Ordinance
Secure Vacant Structure:	2007					
Fee Per Building	2011	$100	$100			
Admin fee		$100	$100			
Tech fee		$20	$20			
Material fees		Various	Various			
01140012 - 441595				$ 30,080		Admin Order
Technology Fees	2004	$20	$20			
01140012-441597				$ 1,000		Ordinance
Unattended Donation Bin Registration	2015	$100-$200	$100-$200			
01140012 - 449001				$ 1,113		Ordinance
Credit Card Convenience Fee	2013	$2	$2			
01140012 - 449101				$ 41,263		
Rental License Late Fee, Per Incident	2011	$50	$50			Ordinance

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2021/2022

NAME OF FEE/PURPOSE	EFF DATE	FY21 RATE	FY22 PROPOSED	FY20 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
ENGINEERING						
01090042 - 421202				**$ 80,506**		
Street Cutting Permits	2015	Varies	Varies		Some streets can cost thousands depending	Ordinance
Per Cut Minimum Fee		$25 to $1500	$25 to $1500		on situation	
Tech Fee					Washington County $35/cut	
01090042 - 4899				**$ 4,025**		
Sale of Construction Documents	Varies Per Contract	Varies from $5-$200	Varies from $5-$200		Frederick City $20 Washington Co $25-50	Admin Order Admin Order
01090042 - 4896				**$ 767**		
Sale of Maps	2012	$0.65 - $10.00/SF	$0.65 - $10.00/SF		Frederick County $3/map	Admin Order
Sale of Prints/Copies					Washington Co. $3 or .50-/SF	
Varies based on papers size		$0.50/SF to $7.50/SF	$0.50/SF to $7.50/SF			
Varies based on papers size with aerials		$1.00/SF to $15.00/SF	$1.00/SF to $15.00/SF			
Burning to a CD/DVD		$1.00 per CD/DVD	$1.00 per CD/DVD			
Scanning-additional charge		$2.00/ per scan	$2.00/ per scan			
01090042 - 421203				**$ 2,015**		
Curb/Sidewalk/Driveway Permits	1995				Cumberland $15,Fred.Co $35+bond	Resolution
Fee Per Driveway		$25	$25			
Fee Per Curb/Sidewalk		$10	$10			
Plus Tech Fee		$5	$5			
01090042 - 421205				**$ 169,971**		
Site Grading Permit	2004				Fred Co $109 Minor,$239 Major or 1.5%	Admin Order
Flat Fee for Site Cost		$15	$15		Wash Co $25 minor,5 acre min-$20 ac	
Plus % of Total Work Cost		1%	1%			
Plus Tech Fee		$25	$25			
01090042 - 421201				**$ 24,559**		
General Street Construction Permit Fee:	2003				Based on % so rate adjusts	Ordinance
Flat Fee		$25	$25		automatically as project costs change	
Plus % of Total Work Cost		2%	2%			
Plus Tech Fee		$25	$25			
01090042 - 421204				**$ 37,536**		
Storm Water Management Permit	1995				Based on % so rate adjusts automatically	Admin Order
Flat Fee		$25	$25		as project costs change	
Plus % of Total Work Cost		2%	2%			
Plus Tech Fee		$25	$25			
01090042 - 441201				**$ 44,974**		
Engineering Review Fees	2013					Admin Order
Fee Per Lot - Subdivision		$150 + $60/Lot	$150 + $60/Lot		Washington County - Min Fee of $600: -	
Fee Per AC-Site Plan		$150+$200/acre	$150+$200/acre		$150 + $280/acre (<10 acres)	
Sim. Plats		$100	$100		$150 + $140/acre (>10-<50 acres) $150 +	
01090042 - 421206				**$ 3,402**		
Right of Way Closure Permit	2005				None - Washington County	Admin Order
Application Fee		$10	$10			
Tech Fee		$5	$5			
Closure Fee		Fee Varies	Fee Varies			
PARKS & RECREATION						
01450002 - 481013			Effective March 1,2021	**$ 9,945**		
Pavilion Facility Reservations:	2017	$60	$65		Washington Co: Residents $60; Nonresidents $80	Admin Order
Bandshell Facility Reservations:	2013				Arts Pavilion $80 R/$100 NR	Admin Order
		$100	$150		Pen-Mar (Dance Pavilion) $125 R/$150 NR	Admin Order
01450002 - 481010				**$ 300**		
Fairground Park Multipurpose Fields & Courts	2013	$75/$175	$85/$185			Admin Order
*Rates below include $25 Admin Fee						
Non-Tournament		$75	$85			
Tournament		$175	$185			
Stable Rental	2013	$275	$285			Admin Order
01400012-481013				**$ 3,725**		
FIT Room at Fairgrounds Park						
Rental - 4 Hr Min	2017	$50/hr + $25 Admin Fee	$50/hr + $25 Admin Fee plus $75 Covid Cleaning fee		Elementary School Gyms:$75 for 3 hours	Admin Order
01450002 - 481011				**$ 6,530**		
Fairground Park Special Event Rentals						
Special Events:	2013					Admin Order
Entire Park		$1,025	$1,025			
Multipurpose Fields & Courts						
All Day Rate	2013	$75	$85			Admin Order
01404022-448701				**$ 1,648**		
Hager House	2017				Miller House: $5/person	Admin Order
Adults		$5	$6		Free for ages 12 & Under	
Senior Citizens; Students: Age 13-17		$3	$4		Free for Members & Partners	
Children: Age 6-12		$2	$3		Group Rates available for parties of 10 or more	
Children: 5 & Under		Free	Free			
Group (Min. 10 people)		$3/person	$4/person			
01402022 - Various Accounts				**$ 53,973**		
Potterfield Pool:					County Pool:	
Daily Rates:	2011				2 & Under: Free	Admin Order
2 and Under/Pre-school		Free/$3	Free/$3		Pre-School: $2.00	
Youth: Ages 5-12		$4	$4		Ages 5-17: $3.50	
Adult: 13 and Older		$4	$5		Ages 18-61: $4.00	
Senior: 62 and Older		$3	$4		Ages 62+: $3.00	
Family: (up to 5)		N/A	N/A			
Season Pass - City Residents:	2011					
Age 2 & Under		Free	N/A		County Pool:	
Pre-school/Youth		$25/$55	N/A		$60/child,$80/Adult,$150/Family	

NAME OF FEE/PURPOSE	EFF DATE	FY21 RATE	FY22 PROPOSED	FY20 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKS & RECREATION (continued)						
Individual		$75	$85		(max 5 + $10/pp additional)	
Family (up to 5)		$150	$160			
Season Pass - Non-City Residents:	2011					
Age 2 & Under		Free	N/A			
Pre-school/Youth		$40/$80	N/A			
Individual		$100	$110			
Family (up to 5)		$175	$210			
Pool Rentals:	2017					Admin Order
1-50 People Hourly Rate		$125	$125		6:30pm - 8:30pm (rates are for 2 hrs):	
51-75 People Hourly Rate		$175	$175		0-75 $150	
76-100 People Hourly Rate		$250	$250		76+ $210	
Over 100 People		Special Quote	Special Quote			
Swim Lessons	2017	$59	TBA HASS Swim Club			
01404032 - 448601				**$ 1,175**		Admin Order
202 Train Exhibit	2017					
Adults		$4	$5		Roundhouse:	
Seniors; Students - Age 13-17		$2	$3		Ages 16+: $6.00	
Children: 6-12/5 & Under		$1/Free	$2/Free		Ages 4-15: $1.00	
Group Tours (Min. 10 people)		$2/ per person	$3/ per person		Ages 3 & under: Free	
Facility Rentals: 01404032-4810	2017					
Pavilion, Tommy 202 & Museum (min 3 hr)		$300(3hr)+$50 (ea addl hr) + $25 Admin fee	$300(3hr)+$50 (ea addl hr) + $25 Admin fee			
Pavilion & Museum		$200 (3hr)	$200 (3hr)			
Pavilion Only		$100 (4 hr)	$100 (4 hr)			
RECYCLING AND TRASH COLLECTION						
01300012 - 4416				**$ 2,758,237**		
Recycling & Refuse Collection	2018				Private Contract Hauler $106/Qtr	Admin Order
Quarterly Fee - Residence		$47	$49.50		plus $25/Mo for Yard Waste	
Yearly Fee - Commercial		$100	$105		*increase to add "At Your Door" program	
01300012 - 4417				**$ 11,580**	Maryland Junk Removal: $120	
Bulk Trash Pick-up and Disposal Fee:	2008				Junk Removal Express: $99	Admin Order
Per Load Fee		$25	$25			
Appliance with Freon Fee		$25	$25			
01300012 - 4493				**$ 35,990**		
Utility Monthly Late Fee	2014	1% per month on past due unpaid balance	1% per month on past due unpaid balance			Ordinance
POLICE DEPARTMENT						
01100012 - 4896						
Copy Charges	2019	Incident reports: The cost is $5.00 per report plus mailing fees if applicable. Accident reports: Free to involved parties if emailed or received at HPD; mailing costs if printed and mailed. All others: $5.00 plus mailing costs if applicable.	Incident reports: The cost is $5.00 per report plus mailing fees if applicable. Accident reports: Free to involved parties if emailed or received at HPD; mailing costs if printed and mailed. All others: $5.00 plus mailing costs if applicable.	**$ 7,136**	WCSO-$5/1st page,$1/each add'l page	Admin Order
01100012 - 489607				**$ -**		
Body-Worn Camera Footage	2018	Video footage free to person in interest, and flat fee of $25.00 for non-involved party regardless of time. All videos sent via online access. For all, Body-Worn Camera administrator's hourly wage beyond 2 hours of review and redaction	Video footage free to person in interest, and flat fee of $25.00 for non-involved party regardless of time. All videos sent via online access. For all, Body-Worn Camera administrator's hourly wage beyond 2 hours of review and redaction			Admin Order
01100012 - 441301		Cost of Media +	Cost of Media +	**$ -**		
Electronic Media Duplication	2004	External Cost	External Cost		WCSO-$10/1st hour, $5 each add'l hour.	Admin Order
01104012 - 441331				**$ 59,206**		
Special Assignments- Hrly Fee	2014	115% of Top Officer's	115% of Top Officer's		Fluctuates with Top Officer's Pay Rate	
(Dance, School Event, etc)		Pay Rate	Pay Rate		per AFSCME 3373 Barg. Agrmt (Art 5; Sect 8)	Barg. Agrmt
01100012 - 4503				**$ 24,665**		
Vehicle Storage Fee Per Day	2007	$20	$20		WCSO - $25; max. $1,125	Admin Order
Storage, Towed Vehicles, Public Auctions						
01100012-4551				**$ 2,934**	Annapolis Frederick	Ordinance
Red Curb & Handicap Fines	2014					
Fine - Parking on Red Curb		$25	$25		$100 red, $40 yellow $ 30 yellow	
Fine - Parking on Handicap Zone		$100	$100		$100 $100	
Fine - Parking in Fire Lane		$25	$100		$100 $100	
Fine - Parking in front of Fire Hydrant		$100	$100		$100 $100	
Late Fees for Fines paid After 10 days/After 30 days		$10/$20	$10/$20			Ordinance
01104072 - 4509		$40	$40	**$ 855,276**	Annapolis Frederick	
Speed Camera Fine	2012				$40 $40	Ordinance
01104082-4508				**$ 164,700**	Annapolis Frederick	
Red Light Camera Fine	2017	$75	$75		$75 $75	Ordinance

NAME OF FEE/PURPOSE	EFF DATE	FY21 RATE	FY22 PROPOSED	FY20 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
FIRE DEPARTMENT						
01120012 - 441402				$ -		
False Call/Failure to notify FD working	2012	$250	$250			Ordinance
01120012 - 421302				$ 350		
Blasting Permits	2012	$50	$50			Ordinance
01120012 - 4210				$ 89,829		
Assembly Permit	2012	$50	$50		1,000>$360; 301-1000: $240; 50-300: $120	Ordinance
Building Permits:					Fairgrounds/Parks: 9 bldgs or less $240;	
% of Total Building Permit Fee	2019	30%	30%		10 bldgs>$480	
01120012 - 421301				$ 1,500		
Firework Permits	2007	$250	$250			Ordinance
01120012 - 441401				$ -		
Reinspection Fee	2012	$150	$150		State Fire Marshal 1st $200; 3rd $250	Ordinance
Plan Review & Inspection for Fire		$100 with add'l chgs	$100 with add'l chgs		State Fire Marshal $150/system with	Ordinance
Protection System Installation		per system fixture	per system fixture		add'l charges per system fixture or	
Per System		or $1.50 per device	or $1.50 per device		device $2.00	
01120012 - 4507				$ 2,000		
Fire Code Violations	2007	$250 or Court Ordered amount	$250 or Court Ordered amount			Ordinance
01120012 - 4899				$ 275		
Technical Assistance Hourly Fee	2013	$50	$50		State Fire Marshall Office $75/hr	Ordinance
Municipal Infractions & Misc. Revenues	2006	Various	Various			Ordinance
Fire Report Fee	2004	$5 for 4 pages	$5 for 4 pages			Admin Order
01120012 - 441403				$ -		
Juvenile Intervention Program	2004	$150	$150			Admin Order
01120012 - 441404				$ -		
Fire Call Service Charges:	2011					Ordinance
Engine Hourly Rate		$150	$150			
Utility Hourly Rate		$100	$100			
Officer Hourly Rate		$50	$50			
Fire Marshall Hourly Rate		$50	$50			
Truck Hourly Rate		$150	$150			
01120012 - 441405				$ -		
Responding to Motor Vehicle Collisions						Ordinance
Engine: Hourly Rate (Min Billing Amt)	2012	$150				
Utility: Hourly Rate (Min Billing Amt)	2012	$100	No longer billing			
Officer: Hourly Rate (Min Billing Amt)	2013	$50				
Truck: Hourly Rate (Min Billing Amt)	2012	$150				
PUBLIC WORKS						
01160032 - 483006				$ 52,500		
Signal-State Highway Administration	2005					
Fee Per Intersection		$1,500	$1,500		$1,500 each	Admin Order
ELECTRIC DEPARTMENT						
50000002 - 442101				$ 12,307,162		
50000002 - 442102						
Residential - All KWH	2005				Potomac Edison -MD (Jan to May 2021)	Maryland PSC
Base rate		$0.06263	$0.06263		$5.70 per month plus $0.0978/kWh	
Purchased Power Adj. Rate (Est Ave rate)		$0.01484	$0.01484			
50000002 - 442201				$ 4,838,617		
50000002 - 442202						
General and Commercial	2005				Potomac Edison	Maryland PSC
1st 700 KWH		$0.08314	$0.08314		Jan to May 2021 = $0.09387/kwh	
>700 KWH		$0.05257	$0.05257			
Demand over 7.5 KW		$4.06817	$4.06817			
Purchased Power Adj. Rate (Est. aver. rate)		$0.01484	$0.01484			
50000002 - 442301				$ 1,723,704		
Industrial-Low Load	2005					Maryland PSC
1st 100,000 KWH		$0.05040	$0.05040		AP Schedule "PP"	
Over 100,000 KWH		$0.04220	$0.04220		No comparison due to AP Large Industrial	
Demand all KW		$3.409	$3.409		customers experiencing hourly load pricing	
Purchased Power Adj. Rate (Est. ave. rate)		$0.01484	$0.01484			
50000002 - 442302				$ 4,118,402		
Industrial-High Load	2005				AP Schedule "PH"	Maryland PSC
1st 100,000 KWH		$0.04052	$0.04052		No comparison due to AP Large Industrial	
Over 100,000 KWH		$0.03606	$0.03606		customers experiencing hourly load pricing	
Demand all KW		$6.26929	$6.26929			
Purchased Power Adj. Rate (Est. ave. rate)		$0.01484	$0.01484			
50000002 - 4424				$ 20,508		
Outdoor Lighting	1996				No comparison due to structuring	Maryland PSC
175 Watt Monthly Fee		$5.25	$5.25		difference	
250 Watt Monthly Fee		$6.96	$6.96			
400 Watt Monthly Fee		$10.03	$10.03			
Purchased Power Adj. Rate (Est. ave. rate)		$0.01484	$0.01484			
50000002 - 442501				$ 615,367		
Street & Highway Lighting Per KWH	2005	$0.06842	$0.06842		No comparison	
Purchased Power Adj. Rate (Est. ave. rate)		$0.01484	$0.01484			Maryland PSC
50000002 - 442502				$ 22,034		
Traffic Lights Per KWH					No comparison	Maryland PSC
1st 700 KWH	1996	$0.06749	$0.06749			
>700		$0.03865	$0.03865			
Purchased Power Adj. Rate (Est. ave. rate)		$0.01484	$0.01484			
50000002 - 442303				$ 103,825		
High Voltage-Cascades	1995				Rate was abolished in Nov. 2020; Cascades	Maryland PSC
Demand Per KW		$10.538	$0.000		sold property	
Per KWH		$0.01092	$0.00000			
Purchased Power Adj Rate (Est Ave Rate)		$0.02474	$0.00000			
50000002 - 481813				$ 38,697		
Pole Rental - Fee Per Pole	2001	$20	$20		No comparison	Maryland PSC
Pole Rental (Prior 2001 grandfathered)	1966	$4.50	$4.50			
50000002 - 481815				$ 44,803		
50000002 - 481816						
Central Maintenance Garage Monthly Fee	2012	$3,450/month	$3,500/month		Sub-staion will be removed per agreement	
Rent from Sub-Station	2007	$3,403/year	$0.00		with Cascades (previous owner).	Admin Order
50000002 - 489908				$ 3,320		
50000002 - 4238				$ 64,555		
Connection Fees	1984	$10	$10		No comparison	Maryland PSC
Reconnection Fees		$15	$15			
Call out charge-Reconnect		$85	$85			
Call out Charge-Pole Reconnect		Est. Actual Cost	Est. Actual Cost			
50000002-4494				$ 2,475		
NSF Fees	2012	$35.00/check	$35.00/check		No comparison	Admin Order
50000002 - 4493				$ 139,529		
Utility Late Penalty Fees	2014	Max of 5% of unpaid bill (excluding State charges)	Max of 5% of unpaid bill (excluding State charges)		Per COMAR	Maryland PSC
50000002-481814				$ 33,667		
Rental Property - Energy Storage System						
-Snook	2017	$1,083.33/mo.	$0		Lease agreements cancelled in March 2020	
-Fairgrounds	2019	$500/mo.	$0			
-Memorial Blvd.	2019	$500/mo.	$0			

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2021/2022

NAME OF FEE/PURPOSE	EFF DATE	FY21 RATE	FY22 PROPOSED	FY20 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WATER DEPARTMENT						
52000002 - 4249				**$ 26,674**		
Contracted service-payment for services	1991				Frederick - Labor 38.5%,Material 10%	Admin Order
rendered not w/in the existing level		$2.64 Multiplier	$2.64 Multiplier			
Labor Fee		Material,25% Equip	Material,25% Equip			
52000002 - 4231				**$ 53,973**		
52000002 - 4245						
Water Plan Review/Inspection Fee	2006	$50	$50			Ordinance
Per Application Fee		$50	$50			
Plus Fee Per Ft Main Review		$0.50	$0.50			
Inspection Fee Per Ft		$3	$3			
PS Fee Per Gallon (Minimum of PS Capacity)		$14	$14			
52000002 - 4235				**$ 66,372**		
Non-Utility Misc-payment for providing	Annual					Admin Order
consumption data to Washington County	Per Agreement					
Fee Per Account/qtr	2012	$2.95	$2.95			
52000002 - 481002				**$ 26,400**	Subject to annual review of the rental	
Rent-City Employee					agreement.	Admin Order
Smithsburg (Tenants Pay Fuel)	2016	$700	$720			
Edgemont (Tenants Pay Fuel)	2016	$700	$720			
Ritchie Rd (Tenants Pay Fuel)	2016	$800	$825			
52000002 - 481003				**$ 11,500**	Increase every 5 years based on consumer	
Cell Tower Rental	2007	$958.30/month	$958.30/month		price index. Last increase was in Jan 2017	Motion
52000002 - 4899				**$ 229,891**		
Misc. Other Revenues	2006					Admin Order
Hunting Permits		$20	$20			
Maps (Free with Permit)		$5	$5			
52000002 - 4240				**$ 55,650**		
Transfer Fee	2007	$50	$50		Frederick City $50 for prop transfer fee	M&C
Meter Testing Fee	2007	$50	$50		Frederick County $50 for meter testing fee	
52000004 - 4722		Eff July 1, 2020	Eff July 1, 2021	**$ 1,015,410**		
Benefit charges-charged to new	2019	3% Rate Increase	3% Rate Increase		Washington County -initial alloc is $2,825 for	Ordinance
customers for impact of additional					200 gpd (includes meter fee)	
demand to major system components					Frederick City - impact fee for single	
Fee Per Gallon		$13.27	$13.67		dwelling-$5,981	
Initial Fee Minimum 200 Gallon		$2,654	$2,734		$23.92/gal-250 gals per EDU	
52000002 - 443201		Eff July 1, 2020	Eff July 1, 2021	**$ 2,372,113**	5 Year Rate Increases approved by	
52000002 - 443101		3% Rate Increase	3% Rate Increase		Mayor and Council for FY2020 to FY2024	
Metered Sales - Inside City:						Ordinance
Residential/Rate per 1,000 gallons:	2019					
First 18,000 gallons		$1.72	$1.77		Frederick City FY2022/quarterly rates:	
Over 18,000 gallons		$3.27	$3.37		1st 6,000 gals - $4.41 / 1000 gals	
Fixed Fee per meter size: 5/8" - 10"		$7.61-$1,050.18	$7.84-$1,081.92		6,001 to 15,000 gals - $5.51 / 1000 gals	
Non-Residential/Rate per 1,000 gallons:					15,001 to 120,000 gals - $6.51 / 1000 gals	
First 18,000 gallons		$1.72	$1.77		120,001 to 750,000 gals - $7.71 / 1000 gals	
Over 18,000 gallons		$1.52	$1.57		over 750,000 gals - $8.82/1000 gals	
Fixed Fee per meter size: 5/8" - 10"		$7.61-$1,050.18	$7.84-$1,081.92		Fixed meter fees, size 3/4"-8" =$42.43 - $2,262.79	
52000002 - 443202		Eff July 1, 2020	Eff July 1, 2021	**$ 8,935,572**	5 Year Rate Increases approved by	
52000002 - 443102		3% Rate Increase	3% Rate Increase		Mayor and Council for FY2020 to FY2024	
Metered Service - County:						Ordinance
Residential/Rate per 1,000 gallons:	2019					
First 18,000 gallons		$4.15	$4.27		Washington County for FY2021:	
Over 18,000 gallons		$7.88	$8.12		Residential -	
Fixed Fee per meter size: 5/8" - 10"		$22.16-$3,058.08	$22.82-$3,149.16		1st 6000 gallons minimum of $104.76	
Non-Residential/Rate per 1,000 gallons:					Over 6000 gallons = $11.78 per 1000 gals	
First 18,000 gallons		$4.15	$4.27		Commercial I:	
Over 18,000 gallons		$3.73	$3.84		1st 6000 gallons minimum of $104.76	
Fixed Fee per meter size: 5/8" - 10"		$22.16-$3,058.08	$22.82-$3,149.16		Over 6000 gallons = $12.05 per 1000 gals	
52000002 - 4237		Eff July 1, 2020	Eff July 1, 2021	**$ 170,929**		
Fire Protection:	2019	3% Rate Increase	3% Rate Increase			Ordinance
City - 4" - 12"		$204.16-$1,834.98	$210.28-$1,890.02			
County - 4" - 12"		$273.03-$2,447.46	$281.22-$2,520.87			
52000002 - 4232				**$ 402,495**		
New Services:	2020					Resolution
3/4" (5/8" meter)		$815	$815			
1" Single (3/4" meter)		$1,025	$1,025		Will include fees in the rate model	
1" Double (two 3/4" meters)		$1,300	$1,300			
1" RS Special		$1,610	$1,610			
2" Service		$1,890	$1,890			
Application Fee		$50	$50			
52000002 - 4238				**$ 36,220**		
Reconnection Fee:					Washington County - $50 turn off and $50 turn on	Ordinance
8:00am-3:00pm	2020	$50	$50		during business hours; $75 each after hours	
After 3:00pm		$100	$100			
Water Meter Pull per customer's request		$50	$50		Meter will be pulled and re-installed upon customer's request	
Water Meter Install per customer's request		$50	$50			
52000002 - 4494				**$ 2,138**		Admin Order
NSF Fees	2012	$35.00/check	$35.00/check			
52000002 - 4493				**$ 97,890**	Frederick City - 1% per month	
Utility Monthly Late Fee	2014	10% one-time	10% one-time		Washington County - $30 per bill	Ordinance
		late fee	late fee		Town of Smithsburg- 10% one time fee(excluding bay fee)	
52000002-489914				**$ 27,831**		
Emergency Load Response Program	2014	Capacity at 75% of	Capacity at 75% of			M & C
		market clearing price	market clearing price			

NAME OF FEE/PURPOSE	EFF DATE	FY21 RATE	FY22 PROPOSED	FY20 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WASTEWATER DEPARTMENT						
54000002 - 4243				**$ 4,800**		
Connection Charge:	2003					Ordinance
Lateral connection		$1,300	$1,300			
Wye for side by side (duplex)		$200	$200		Will include in the rate model	
54000002 - 4242				**$ 12,508**		
54000002 - 4245						
Sewer Plan Review/Inspection Fee:	2006					Ordinance
Application Fee + Review Fee Per Ft.		$50 + $0.50	$50 + $0.50			
Inspection Fee Per Ft.		$3	$3			
PS Fee Per Gal. (Minimum of PS Capacity)		$14	$14			
54000002 - 4810				**$ 13,905**		
Rental Income per year	1984	$365	$365		50 year lease to expire in Oct. 2034; no increase in rent	Admin Order
Cell Tower Rental	2015	$1,159/month	$1,194/month		3% increase/year	Resolution M&C
54000004 - 4722		Eff July 1, 2020	Eff July 1, 2021	**$ 1,228,286**		
55000004 - 4722		3% Rate Increase	3% Rate Increase		Washington County - $7,300 per EDU	
Benefit Charges-Fee Per Gallon:	2019				Frederick City impact fee - for single	Ordinance
In City - minimum of 200 gallons		$23.34/gallon	$24.04/gallon		dwelling-$5,250	
In County - minimum of 200 gallons		$26.52/gallon	$27.32/gallon		$21/gal and 250 gals per EDU	
54000002 - 444201		Eff July 1, 2020	Eff July 1, 2021	**$ 7,315,414**	5 Year Rate Increases approved by	
54000002 - 444101		2% Rate Increase	2% Rate Increase		Mayor and Council for FY20-FY24	
Sewer Service Charges-City	2019				Frederick City-FY22	Ordinance
Consumption: Per 1,000 Gallons		$5.72	$5.83		All gallon's usage per quarter- $6.06/1,000 gals.	
Fixed Charges: 5/8" - 10"		$23.46-$3,237.48	$23.93-$3,302.34		Sizes 3/4" to 8" or larger - $41.32-$2,203.60	
54000002 - 444202		Eff July 1, 2020	Eff July 1, 2021	**$ 3,470,405**	5 Year Rate Increases approved by	
54000002 - 444102		2% Rate Increase	2% Rate Increase		Mayor and Council for FY20-FY24	
Sewer Service Charges- County	2019					Ordinance
Consumption: Per 1,000 Gallons		$9.58	$9.77		Wash County FY21: 1st 6,000 gals., minimum of $130.31	
Fixed Charges: 5/8" - 10"		$38.98-$5,379.24	$39.76-$5,486.88		over 6000 gals - $7.54 per 1000 gals	
54000002 - 444203		Eff July 1, 2020	Eff July 1, 2021	**$ 2,520,557**	5 Year Rate Increases approved by	
54000002 - 444103		2% Rate Increase	2% Rate Increase		Mayor and Council for FY20-FY24	
Sewer Service Charges-Joint County	2019					Ordinance
Consumption: Per 1,000 Gallons		$8.32	$8.49		Wash County FY21: 1st 6,000 gals., minimum of $130.31	
Fixed Charges: 5/8" - 10"		$33.90-$4,678.20	$34.58-$4,772.04		over 6000 gals - $7.54 per 1000 gals	
54000002 - 4443				**$ 106,046**		
Low Pressure Systems	2010					Ordinance
Per Dwelling Quarterly Fee		$97.80	$97.80			
If 2 Dwelling Pump Quarterly Fee		$53.73	$53.73			
54000002 - 4246				**$ 746**		
Monitoring Report/Lab Testing Fees:	2012				Washington County:	
Meter Set-Up Charge Per Test		$85	$85		Sample Collection $25	Admin Order
Biochemical Oxygen Demand		$30	$30		Biochemical Oxygen Demand $25	
Chemical Oxygen Demand		$30	$30		Chemical Oxygen Demand $35	
Fats, Oils & Grease		$40	$40		Oil & Grease $25	
Suspended Solids		$15	$15		PH (Corrosivity) $6	
PH		$8	$8			
Metals		$15	$15			
54000002 - 4241				**$ 104,612**		
54000002 - 4244					Washington county: Pretreatment Prog Permit Fees:	
Industrial Permit Fee/year	2001	$250 - $2,000	$250 - $2,000		SIU's and Non SIU's = $300 and $150	
Industrial Surcharge Per 1,000 lbs:	2008				Permit Maintenance Annual Fees:	
Chemical Oxygen Demand Fee		$0.33	$0.33		< 1000 gpd -$250	Ordinance
Suspended Solids Fee		$0.82	$0.82		1000 -9999 gpd - $500	
Grease & Oil Fee		$0.47	$0.47		10,000-25000 gpd - $1000	
Biochemical Oxygen Demand		$0.82	$0.82		>25,000 gpd - $2000	
54000002 - 4493				**$ 154,577**	Frederick City - 1% per month	
Utility Monthly Late Fee	2014	10% one-time late fee	10% one-time late fee		Washington County - $30 per bill	Ordinance
					Town of Smithsburg- 10% one time fee(excluding bay fee)	
PARKING FACILITIES						
56740112 - 4451				**$ 238,173**		
56740122 - 4451						
Parking Deck Permits - Monthly Fee:					Annapolis: $90-$250/month	
Regular Customers	2021	$68	$70		Cumberland: $55-$90/month	Resolution
Personally Assigned Space	2014	$120	$120		Frederick: $97/month	Resolution
					Winchester:$50-$60/month	
56740112 - 4452				**$ 93,831**		
56740122 - 4452						
Parking Deck Fees					Annapolis: $1 for 1st hr up to	Resolution
Minimum Fee	2010	$1	$1		$20 for hours 6 - 8; $20 max	
Maximum Daily Rate	2012	$8	$8		Winchester: $1/hr; $15 max	
Monthly	2021	$68	$70		Frederick: $1/hr; $12 max; $5	
Exiting Fee Between 4pm-6am	2014				afterhours rate	
weeknights & Saturdays		$2	$2		Cumberland: $1/hr, $8 max	
Sundays	2014	Free	Free			
56740112 - 4453				**$ 1,590**	Annapolis: Market Rate Pricing	
Special Event Parking (i.e. Augustoberfest)		$5	$5		Frederick: Market Rate Pricing	
					depends on event	
56740112 - 4455				**$ 19,651**		
Web Based Validations	2010	$0.80	20% Discount			Resolution
56740132 - 4457, 445701, 445702				**$ 122,885**		
445703, 445704, 445705, 445706						
Parking Meter Fees						Resolution
Twelve (12) Minutes	2012	$0.10	$0.10		Annapolis: $2.00/hour	
Thirty (30) Minutes	2012	$0.25	$0.25		Cumberland: $0.50/hour	
Sixty (60) Minutes	2012	$0.50	$0.50		Winchester: $0.75/hour	
Thirty Minute Parking Meters					Frederick: $1.00-$2.00/hour meters active Mon.-Sat.	
Six (6) Minutes	2003	$0.10	$0.10			Resolution
Twelve (12) Minutes	2003	$0.20	$0.20			
Thirty (30) Minutes	2003	$0.50	$0.50			
56740132 - 445801, 445802				**$ 126,652**		
445803, 445804						
Monthly Permit Fees Parking Lots:						
Student Rate	2019	$25	$25			
Central Lot	2021	$54	$56		Annapolis:$90-$225/month	Resolution
Church Street Lot	2021	$54	$56		Cumberland: $30- $35/month	
Market Lot	2021	$54	$56		Winchester: not available	
Rochester Lot	2021	$54	$56		Frederick: not available	
56740132 - 445899				**$ 24,337**		
Department Charges Monthly Fee	2021	$58	$63			Admin Order
56740142 -4551, 455101, 4552, 455201				**$ 92,969**		
4553, 4559, 483005, 4899						
Parking/Expired Meter	2003	$10/$25/$35	$10/$25/$35		Annapolis: $50/expired,$500/handicap	Ordinance
Fire Hydrant		$100/$110/$120	$100/$110/$120		Cumberland: $25/expired	
Non-Meter/All Other		$15/$25/$35	$15/$25/$35		Winchester: $10/expired,$100 handicap	
Handicap Zone		$100/$110/$120	$100/$110/$120		Frederick: $20/expired,$250/handicap	
Parking Boot Fee		$100	$100			Resolution

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2021/2022

NAME OF FEE/PURPOSE	EFF DATE	FY21 RATE	FY22 PROPOSED	FY20 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
GOLF COURSE						
57000002-446501				**$ 117,202**		
Greens Fees at Hamilton Run	2015		Effective January 1, 2021		Black Rock Golf Course	Admin Order
9 Hole/18 Hole		$11/$14	$13/$16		$15/$28	
Senior 9 Hole/Senior 18 Hole		$9/$12	$11/$14		$12/$20	
Weekend or Holiday 9 Hole/18 Hole		$14/$17	$16/$19		$33/ 18 hole	
57000002-446601				**$ 13,623**		
Season Pass (City Residents Only)	2012		Cart Not Included		Caledonia Golf Club	Admin Order
Individual		$425	$625		Individual: $450	
Senior Individual		$299	$399		Couples: $800	
Season Pass (Non-City Residents)	2017				Maple Run Golf Club	
Individual		$625	$825		Individual: $1,075	
Senior Individual		$499	$599		Family: $1,525	
57000002-4467, 446707				**$ 8,549**		
Tournaments & Specials	2011	Varies	Varies			Admin Order
57000002-481801				**$ 80,580**		
Cart Rentals, Per Person:					Black Rock Golf Course	Admin Order
9 Hole/18 Hole	2012	$8.00/$12.50	$8/$13		$10/$18	
Senior 9 Hole/Senior 18 Hole	2012	$7.00/$10.50	$7/$11		$8/$10	
Pull Cart Fee	2015	$2.50	$3			
PROPERTY MANAGEMENT						
58740532-489916				**$ 5,773**		
Burobox Membership Dues	2017					Resolution
Monthly Membership		$50 Basic, $100 Office	$50 Basic, $100 Office		Hagerstown Community College $150/Month Individual	
Conference Room Rental		Up to 4 hrs $75 Non-Profit/Government Agency $135 For Profit Business 4 to 8 Hours $150 Non-Profit/Government Agency $270 For Profit Business	Up to 4 hrs $75 Non-Profit/Government Agency $135 For Profit Business 4 to 8 Hours $150 Non-Profit/Government Agency $270 For Profit Business			
STORMWATER MANAGEMENT						
59000002-444701				**$ -**		
Stormwater Utility Fee Annual Fee	March 1, 2021	$32 per 1000 square feet of impervious area	Rate increases to $34 per 1000 square feet of impervious area on 1/1/2022		Greencastle, PA: $250 annually (currently suspended) Berkeley County WV: $42 annually Baltimore City: $40 to $120 annually Howard County: $15 to $90 annually Gaithersburg: $44 annually Rockville: $127 annually Tacoma Park: $92 annually Anne Arundel: $34 to $170 annually	Resolution

Hagerstown Gives Back

City of Hagerstown









FISCAL POLICIES AND GLOSSARY
SECTION 9

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The policies described below represent summarized versions of the existing policies and are not intended to represent the full policy. These policies should not be considered all inclusive of the policies and procedures of the City of Hagerstown.

OPERATING BUDGET POLICY

1. The budget will be prepared, presented and administered by the City Administrator. The budget is a resource-allocation policy document for the Mayor and City Council.
2. The budget document will be prepared so that it facilitates public study and effectively communicates key economic issues and fiscal policies. The budget process will encourage public involvement.
3. By Charter, the budget must be balanced. Revenues must equal or exceed expenditures. As a general rule, current operating revenue needs to be sufficient to support current operating expenditures.
4. Debt or bond financing will not be used to finance current operating expenditures.
5. Every effort will be made to maintain existing levels of essential public services.
6. All enterprise funds will be fully self-supporting, pay their own way and provide for their own system improvement and expansion needs.
7. Each fund will budget for, and pay, their fair share of public utility and public service costs or fees. Each fund is to be treated as though it were a private customer or taxpayer to properly provide for payments between funds.
8. In addition to its annual operating budget, the City will prepare five-year budget projections, as well as, an analysis of its past financial trends to obtain a broader, more comprehensive picture of the impact of decisions involving the current year's budget or other financial plans.
9. The City will develop a program to integrate performance measurement and productivity indicators with the annual budget.
10. Whenever possible, the City will take advantage of technological improvements to improve productivity and lower costs.
11. Budget performance will be monitored and reported on throughout the year. The department managers are an integral part of the budget control process and will be responsible for their individual department's performance.
12. Prior year's fund balances are to be treated as a "rainy day" fund and are not to be used in budgeting for operating expenditures.
13. As a target, annual "pay as you go" capital expenditures, including both capital improvement program (CIP) and non-CIP, funded by current General Fund dollars shall be greater than the annual depreciation on non-infrastructure General Fund assets plus current cost of maintaining the City's streets through the annual resurfacing program. Other infrastructure assets will be funded through grants and/or debt financing.

REVENUE POLICY

1. The City will try to maintain a diversified and stable revenue system to aid in sheltering it from the impact of short-term fluctuations in any one revenue source.
2. The City will attempt to continually search for new revenue, both financial and non-financial, as a way to diversify its revenue base and help ensure a balanced budget.
3. Wherever possible, those receiving the benefits of a government or utility service will pay for what they receive in full; through current fees, charges, or other assessments. This includes the City's own utilities and other departments who are service "users".
4. The City will follow an aggressive policy of collecting the revenues which are due it.
5. Nonrecurring revenues and other financing resources will not be used to finance continuing operations. Long-term financial commitments to continuing outlays will be avoided unless sustained revenue growth is assured.
6. The City will project revenues for five years and will update the projections annually.
7. Revenue estimates will be based on reasonable expectations and be as realistic as possible, unless fund balances become insufficient to absorb occasional shortfalls, then more conservative estimates should be used.
8. The City will annually review its fees and other charges for service, property tax rates, and utilize annual incremental increases in these to ensure that the City is maintaining existing levels of essential public services.
9. Market rates and charges levied by other public and private organizations for similar services will be considered in establishing rates, fees, and charges.

PURCHASING POLICY

1. The City shall attempt to buy materials and services of high quality at a reasonable cost.
2. The City shall make sure that all purchasing actions are fair and impartial with no impropriety or appearance of impropriety. All qualified buyers and sellers shall have access to City business, and no individual or firm shall be arbitrarily excluded.
3. Every attempt will be made to secure the maximum feasible amount of competition.
4. All purchases and contracts shall be made by the City Administrator. The City Administrator may delegate the responsibility for all major construction contracts to the City Engineer and the Director of Utilities, and the responsibility for all other City purchases to the Purchasing Manager.
5. All budgeted purchase requisitions are subject to the following approvals:
   - Purchase requisitions up to $1,000 are to be approved by the Department Manager.
   - Purchase requisitions from $1,000 up to $4,999 are to be approved by the Purchasing Manager.
   - Purchase requisitions from $5,000 up to $9,999 are to be approved by the Finance Director.
   - Purchase requisitions from $10,000 up to $24,999 are to be approved by the City Administrator.
   - Purchase requisitions over $25,000 are to be approved by the Mayor and Council.

   If budgeted funds are not available, the Director of Finance shall be contacted to locate a source of funds prior to any purchase occurring.
6. Purchases of $1,000 and under may be made using the Purchasing Card (PCard) Program.
7. Purchases of $30 and under may be made through petty cash.
8. The City shall maintain a yearly open purchase order system ($200 maximum per transaction) to cover purchases from specified vendors who supply the City with a high volume of the same or similar goods or services during the course of a year.
9. The City of Hagerstown Purchasing Manual shall cover all detailed City purchasing policies and procedures and is available from the Purchasing Department.

INVESTMENT POLICY (Amended September 25, 2012)

1. This Policy's four primary goals are as follows:
   - Assure compliance with federal, state, and local laws governing the investment of public monies under the control of the Director of Finance and Investment Officer.
   - Provide sufficient liquidity to meet normal operating and unexpected expenditures.
   - Protect the principal monies entrusted to the City.
   - Generate the maximum amount of investment income within the parameters of prudent risk management as defined in this Investment Policy.
2. This policy establishes guidelines for the investing of the financial assets for the City, except as specifically excluded by the Mayor and Council or restrictive covenants. Assets held in trust and agency funds (Pension plans and OPEB plans) are exempt from this policy and are covered under separate policies, procedures, and committees.
3. All investments shall conform to the laws of the State of Maryland. Funds are to be managed in such a way that income earned will be maximized and the portfolio capital is preserved, while simultaneously planning for cash flow and budgetary needs.
4. Although the City Administrator must approve each City investment, the Director of Finance and the designated Investment Officer have the authority to develop and maintain written administrative procedures consistent with the Investment Policy.
5. All investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.
6. Internal controls are established by the Director of Finance to prevent loss of funds due to human and market miscalculations.
7. The City's priorities for investment and management of public funds are: Safety of principal, Liquidity, and Return on investments.
8. The Policy designates allowable types of investment instruments with limitations on amounts invested in any one institution. The investment of funds is also restricted by maturity terms.

9. The policy outlines criteria to rate financial institutions to qualify as eligible for City investment purposes. The criteria consider the following items for each financial institution: total assets, core capital-to-total assets ratio, nationally recognized financial statistical rating, and charter.
10. An Investment Committee, consisting of the City Administrator, Director of Finance, and Budget and/or Investment Officer has been established to develop general direction and guidance for the City's investment activities.
11. The detailed investment policies, which have been approved by the Mayor and Council, are available from the City Administrator.

DEBT MANAGEMENT POLICY (Amended December 16, 2014)

1. The City shall maintain adequate operating cash to meet future debt service requirements.
2. The City will assure compliance with debt covenant provisions and appropriate disclosure to investors, underwriters, and rating agencies.
3. The City will comply with Federal, State, and City Charter requirements and adhere to Federal arbitrage regulations for all debt issuances.
4. The City may issue bonds for eligible projects after determining there will be sufficient revenue to pay annual debt service expenditures for the bond.
5. The City will limit its long-term borrowing to capital items and projects.
6. The City will not use long-term debt to fund annual operating costs or to fund capital items and projects that should be funded from sources other than long-term debt.
7. Capital Projects financed through the issuance of bonds shall not be financed for longer than the average expected useful life of all projects and items included in the bond issue, as well as the amount of each item in the bond issue.
8. When available, current operating revenue ("pay-as-you-go") may be used to fund capital items and projects that otherwise would be financed through long-term borrowing. Pay-as-you-go may also be used for projects that do not qualify for bond financing.
9. Interest, operating, and maintenance expenses will be capitalized only for enterprise or utility fund facilities and will be strictly limited to those expenses incurred prior to actual operation of the facilities.
10. The City will avoid the use of short-term tax anticipation or other short term debt for non-capital purposes except when necessitated by cash flow or other "emergency" situations. Any bond anticipation debt will be retired within 6 months after completion of the project it financed. Continual rollover of short term debt without principal pay down will be avoided.
11. The City will maintain good communications with the bond rating agencies about its financial condition and will follow a policy of full and open disclosure on every financial report and bond prospectus.
12. The City's future funding obligations for OPEB and pensions shall also be considered as long-term debt.
13. Neither Maryland State law nor the City Charter mandates a limit on municipal debt.
14. The City will maintain an average maturity of total City general obligation bonds at or below 25 years.

CAPITAL IMPROVEMENT PROGRAM

1. The City will prepare and adopt a five-year Capital Improvement Program which will detail each capital project, the estimated project cost, description, and funding source. The overall goal of the Capital Improvement Plan is to order the City's fiscal expenditures while coordinating public investment with adopted plans and policies to properly manage the City's long term investments. To that end, the program is expected to:
   - increase opportunities to obtain funding from outside sources, such as the state and federal government;
   - assist in the planning, budgeting and coordinating the operation and capital efforts of the various City Departments;
   - provide a rational basis by having supporting public capital commitments; and result in a more favorable bond rating by giving evidence of effective management.
2. Operating expenditures will be programmed to include the cost of implementing the approved Capital Improvement Program and providing all manpower, operating costs and capital outlay required by it.

3. All capital projects must be justified on the basis of providing a basic service, improving or rehabilitating deteriorated facilities, reducing costs, promoting jobs or benefiting a large population segment or a target area of the City. They must also be compatible with other planned projects and overall City development plans.
4. All projects are to be prioritized according to the following criteria levels:
   - FIRST - clear and present danger to the public; or contractual obligation; or written commitment of grant funding.
   - SECOND - documented cost savings; or probable grant commitments; or other justified need.
   - THIRD - future cost avoidance; or planned improvements; or significant improvement of service.
5. Appropriations for all Capital Improvement Projects are approved on an annual basis only. All uncompleted projects must be reconsidered annually to determine if unspent funds need to be recommitted to a given project or reallocated to other planned projects.

ENTERPRISE FUND DIVIDEND TRANSFER POLICY (Amended November 25, 2013)

1. As part of its year end annual financial evaluation process, the City will consider whether it is appropriate and prudent to transfer a portion of the unused retained earnings from an Enterprise Fund to the CIP Fund assigned fund balance. Uses of the fund will include non-recurring capital expenditures for city neighborhoods, downtown redevelopment, economic development projects, park improvements, and special one-time projects.
2. This transfer payment cannot be considered a normal cost of Enterprise Fund operations recoverable through the rate base. Rather, it is to be paid out of the annual net profits of the prior year just as a private investor owned utility would pay their shareholders a dividend from these sources.
3. The following controls will be utilized to ensure that the payment of dividends by an Enterprise Fund does not jeopardize the financial health of the fund.
   - On an annual basis after the prior fiscal year end audited financial statements are presented, an updated financial projection analysis of the Enterprise Funds will be done. The analysis will include all expected sources and uses of funds for the current year as well as funding approved through the current approved budget.
   - Adequate funds within the Enterprise Funds must be provided for debt interest, principal repayments and any debt coverage requirements. A minimum working capital reserve level equal to two months of operating costs must be maintained at all times. Operating cost is defined as total operating expenses less depreciation and interest expense. Additionally, for those Enterprise Funds utilizing a 3R Reserve, 1% of the cost of replacement of the total asset must be maintained in a restricted cash account.
   - Capital expenditures on average during the six year projection period must be at a level at least equal to the average depreciation expense during the projection period. (This control is intended to prevent under funding replacement capital expenditures to allow for dividend transfers).
   - Payment will be made after reviewing the prior year's audited financial statements, and preparation of an updated financial projection analysis for an Enterprise Fund.
   - Mayor and Council shall act on staff recommendation and declare a dividend if appropriate and in compliance with this policy through an approval of a Motion.
4. These needs must be anticipated and adequately provided for in the Enterprise Funds.

FUND BALANCE/RETAINED EARNINGS POLICY (Amended November 14, 2017)

1. This Policy covers three different funds: General Fund, Enterprise Fund and Health Insurance Fund.
   - The City will maintain a minimum unassigned General Fund balance to be used for unanticipated emergencies of not less than seventeen (17) percent of the General Operating Budget (excluding Capital Outlay). This is a minimum level necessary to avoid cash flow interruptions, generate interest income, reduce the need for short-term borrowing and assist in the maintaining an investment grade bond rating. Consideration must also be given to the number of months of coverage the minimum level provides. A minimum level of two (2) months of regular General Fund operating expenditures should be maintained within the fund balance.
   - To the extent that the unassigned General Fund balance exceeds the targeted seventeen (17) percent, the City may draw upon these funds to provide pay-go financing for capital projects or for other one-time capital items. The City may designate parts of the unassigned General Fund balance that would represent tentative

management plans rather than actual restrictions on the use of the funds. The funds may also be used to allow time for the City to restructure its operations in a deliberate manner but only in the context of long-term fiscal planning.

- If the fund balance should fall below the above minimum due to use for an unplanned emergency situation, defined as a sudden steep decline in revenue from which no reasonable expenditure reduction or tax rate increase can be planned and implemented in a timely fashion, the City will budget a portion of General Fund revenue estimated for that fiscal year in an amount to get back to the seventeen (17) percent within five (5) fiscal years.
- The City will strive to maintain sufficient retained earnings in the Enterprise funds to ensure its working capital needs, minor continuing system improvements, and general system improvements needs are met. In addition, there is a review and monitoring of the Enterprise funds retained earnings for the Enterprise Fund Dividend Transfer Policy. This dividend transfer policy includes a minimum working capital reserve level of two (2) months.
- The City will maintain, for the Health Insurance Fund, a minimum unassigned fund balance:
    a. that covers thirty (30) percent of its annual total expenditures excluding transfers to other city funds;
    b. that will adequately fund annual Other Post Employment Benefit (OPEB) trust as determined from prior year actuarial report; and
    c. that covers a minimum level of three and half (3.5) months of regular health insurance fund operating expenditures.
    d. To the extent all of the above conditions are met, transfers of surplus fund balance amounts can be utilized to reimburse other city funds for prior year accumulations based upon percentage of funding provided by each fund.

GRANT MANAGEMENT POLICY

The City, through individual departments, shall actively pursue grant resource opportunities and utilize grant funds to supplement and enhance the City's goals and objectives. Grant application, approval, and administration shall be finalized with the knowledge and participation of the Finance Department and the City Administrator's Office. Grants providing funding of City staff positions must be finalized with the knowledge and participation of the Human Resources Department. The activities of the grant and the expenditure of grant funds will be performed in accordance with the approved application and resulting agreement with the grantor and in accordance with all grant conditions.

1. The City shall generally not solicit grant funds from government and private agencies less than $1,500.
2. All departments may apply for any grants that contribute to the overall mission and goals of the City. Department Managers must approve all grant applications for their respective departments. Department Managers shall report accurate data and information on all applications, consistent with the City's reports, records, and operations.
3. Prior to submitting the grant application to the granting entity, Department Managers must input the application information into the Grant Master module in Munis, and attach complete scans of the grant application and any program or guides into Tyler Content Manager.
4. The Finance Department must be notified that a grant application has been entered for Finance Department review.
5. Electronically submitted grants must include the Director of Finance as an authorizing agent or person. The grantee should be listed as "City of Hagerstown", not the requesting department.
6. Prior to submission of a grant application, the Department seeking the grant must complete all necessary Human Resources Department, Finance Department, City Administrator, and Mayor & Council approvals. This approval requirement applies to both first time and ongoing grants, and will include the following:
    - The Department Manager must approve all new and ongoing grant applications of less than $30,000 and less than $25,000 in City matching funds. The Department must notify the Finance Department of the grant application for review prior to submission.
    - Prior to submission, the Department Manager along with both the Director of Finance and the City Administrator must approve all new grant applications between $30,000 and $50,000 and requiring less than $25,000 in City matching funds, and all ongoing grants greater than $30,000 and requiring less than $25,000 in City matching funds. The Department Manager, Director of Finance, and City Administrator are the only

personnel authorized to sign applications, agreements, contracts and grant documents on behalf of the City for grants of $30,000 or greater.

- Prior to submission, the Department Manager, the Director of Finance, the City Administrator and the Mayor and Council must approve all grant applications that meet any of the following conditions:
    i. Any new grant funding the addition of a new position. Additionally, approval from the Human Resource Director is required for position additions.
    ii. Any new grant in excess of $50,000.
    iii. Any new or ongoing grant requiring City matching of funds of $25,000 or more.
    iv. Any new or ongoing grant requiring either Mayor or Council approval of or understanding of the City's ongoing obligations to retain the grant.

7. The Department Manager shall notify the Finance Department of whether the grant has been awarded or denied and make necessary updates to the grant status in the Grant Master. Copies of the grant award notification, approved grant budget, and conditions must be scanned and attached to the Grant Master through Tyler Content Manager.
8. Upon notification from the Department originating the grant, the Finance Department will establish a new project number for the grant, and set up the appropriate budget, income, and expenditure accounts in the City's General Ledger system. The Finance Department will notify the Department of the new project and account numbers.
9. Grant financial records, supporting documentation and all other records pertinent to the grant shall be retained by the City permanently following the submission of the final report to the grantor. Copies of all applications, award letters, budget notices, award conditions, reimbursement requests, expenditures, quarterly reports, performance measures, and close out reports must be scanned and attached to the Grant Master through Tyler Content Manager.
10. Federal and State grants are subject to annual audits by the City's external auditors and must comply with certain standards. The Finance Department will prepare the Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA) to comply with the City's Single Audit requirements.

GENERAL FUND AGENCY CONTRIBUTION POLICY (Amended October 18, 2019)

1. The City of Hagerstown for many years has funded grants to local community agencies using annual appropriations in the General Fund as the source of this financial support. The purpose of this policy is the following:
    1) To establish the level of General Fund funding support for agency contributions.
    2) To define the City's timeline for this process.
    3) To specify the City's requirements for the information to be provided by agencies seeking funding.
    4) To outline the schedule for the City's distribution of funds to agencies receiving a grant of more than $5,000.
2. The Mayor and Council have established funding to be allocated toward 8 recipients identified by the City as core agencies. These agencies include the following:
    a) Washington County Free Library
    b) Washington County Museum of Fine Arts
    c) Maryland Theatre
    d) Maryland Symphony Orchestra
    e) Hagerstown Municipal Band
    f) Community Rescue Services
    g) Hagerstown Neighborhood Development Partnership
    h) Washington County Historical Society
3. The Mayor and Council have established a $0 contingency for General Fund Agency Contributions.
4. The Mayor and Council have established that the total funding level range for General Fund Agency Contributions is between $205,000 - $284,600 to include funding all current obligations.
5. If needed, the Mayor and Council will consider changes to these funding levels for General Fund Agency Contributions in future fiscal years by the end of October.
6. The City will distribute application packets to community agencies in November.
7. Applications from agencies are due no later than the 2nd Friday of January. Submission of funding requests will not be received after this date.
8. The Mayor and Council will approve Community Agency funding from the General Fund by the end of May.

9. Agencies will be notified of the Mayor and Council's funding decision by mid-June for contributions to be available beginning July 1.
10. The City of Hagerstown will consider a number of factors/criteria in approving funding requests. Agencies requesting more than $5,000 in funding should include the following in their applications for funding:
    1) A full description of how the requested grant from the City would be used to support agency operations, services, and capital improvements.
    2) A summary of other local government funding sources and amounts including any grants received from Washington County or other municipalities.
    3) A copy of the agency's most recent budget.
    4) A copy of the agency's most recent financial report or audit prepared by an independent auditing firm.
    5) A description of how the agency supports the goals of the City for downtown revitalization, expansion of the arts, culture, and education, neighborhood vitality, quality of life.
    6) Agency service data related specifically to providing service and assistance to residents of the City of Hagerstown.
11. As part of the application and approval process, an agency may be requested to make a presentation of their funding request and service information to Mayor and Council during a public work session.
12. The City will distribute grant funds to the agencies on a quarterly reimbursement basis beginning on October 1 of each year for those organizations receiving a grant of more than $5,000. Other agencies can receive the full amount of their grant in July, the first month of the City's fiscal year.

Definitions of terms used in preparation of the Budget are listed below and in the pages that follow.

Accounting System – The total structure of records and procedures that identify, record, classify, summarize, and report information on the financial position and results of operations of a government.

Accrual Basis of Accounting – The method of accounting where transactions are recognized when they occur, regardless of the timing of related cash flows.

AFSCME 1540 – The American Federation of State County and Municipal Employees, Local 1540. The collective bargaining unit that represents general personnel.

AFSCME 3373 – The American Federation of State County and Municipal Employees, Local 3373. The collective bargaining unit for sworn Police personnel.

Appropriations – The legal authorizations made by the Mayor and Council to the departments, offices, and agencies of the City which approves their budgets and allows them to make expenditures and incur obligations for purposes with the accounts approved.

Assessable Base – The total value of all real and personal property in the City which is used as a basis for levying taxes. Tax exempt property is excluded from the assessable base.

Assigned Fund Balance – The portion of net resources intended for a specific use by the City, as determined by the designee of the Mayor and Council.

Balanced Budget – A budget that has operating revenues equal to operating expenditures.

Bloom-Carlile Fund - The Bloom-Carlile Trust Fund was established to segregate funds received from the estates of S. Martin Bloom, Annie Gill Carlile, and others from the general accounts of the City. The donors' intent was to establish a permanent endowment fund. The income earned on investment of the fund is used to provide assistance to the poor and needy of Hagerstown.

Bond – A written promise to pay a specified amount of money, called the principal amount, at specific dates in the future called maturity dates along with interest at specific rate.

Bond Anticipation Notes – Short-term interest-bearing notes issued by a government in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond to which they are related.

Bonds Issued – Bonds sold.

Bond Rating – A rating that indicates the probability of timely repayment of principal and interest on bonds issued.

Budget – A financial plan containing estimated revenues and expenses for an organization. The plans are prepared by the individual departments and reviewed and submitted by the City Administrator to the Mayor and Council for their review and approval.

Budget Year – The fiscal year for which the budget is being considered. (See also FISCAL YEAR.)

Business Revolving Loan Fund - This fund is designed to assist in the recruitment, retention and expansion of businesses within the City of Hagerstown, Maryland.

Capital Budget – The annual adoption of project appropriations by the Mayor and Council. Project appropriations are for the amount necessary to carry out a capital project's expenditure plan, including multi-year contracts for which a total appropriation covering several years planned expenditures may be required.

Capital Improvements Program (CIP) – The annual updated 6-year plan or schedule of projected expenditures for buildings, public facilities, and other improvements which are of significant value and have a useful life of several years. The City's program includes estimated project costs, sources of funding, and timing of work for each project. The capital improvement program is the basis for the annual CIP appropriations and any new bond issues.

Capital Expenses (Outlays) – Departmental expenditures which generally result in the acquisition of furniture, equipment, and/or computers, which have a value of less than $5,000 ($10,000 for Enterprise Funds), and have a useful economic life of more than one year. Capital expenses are reflected in the budget document in each department requesting the items.

Capital Projects – A specific activity or element of the Capital Improvements Program involving expenditures and funding for the creation of permanent facilities or other public assets that have a relatively long useful life.

CDBG – See Community Development Block Grant

CIP – See Capital Improvements Program

Committed Fund Balance – Portion of net resources with imposed limitations set at the highest level of decision making authority. Such authority includes ordinances, resolutions of the Mayor and Council and the City's charter. Formal action at the same level of authority is required to remove such limitations.

Community Development Block Grant (CDBG) – A general purpose, federal grant primarily used to promote rehabilitation and development of residential and commercial neighborhoods, and to meet all urgent community development needs.

Current Year – The fiscal year that is prior to the budget year.

Debt Issuance – The sale or issuance of any type of debt instrument, such as bonds.

Debt Limit – The statutory or constitutional maximum debt that an issuer can legally incur.

Debt Ratios – The ratios that provide measures of assessing debt load and ability to repay debt, which play a part in the determination of credit ratings. They also are used to evaluate the City's debt position over time against its own standards and policies.

Debt Service – The payment of principal and interest on borrowed funds such as bonds.

Deficit – The amount by which a government's budget outlays exceed its budget revenues for a given period, usually a fiscal year.

Dental Care Fund – Similar to the Health Insurance Fund, this Fund manages the Dental Insurance. It allocates the costs by billing a pre-established internal "insurance" rate for each fund's employees, retirees, and dependents. This charge represents funding sources from which the dental care related administrative and reimbursement costs are paid.

Department – The major organizational divisions in the City government with overall responsibility for one or more activities or functions of the City.

Depreciation – An allocation made for the decrease in value of physical assets through wear, deterioration, or obsolescence. It allocates the asset's cost over its useful life.

Distinguished Budget Presentation Award – A voluntary program administered by the Government Finance Officers Association (GFOA) to encourage governments to publish efficiently organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

Economic Redevelopment Fund - This fund is used to account for activities related to the purchase and redevelopment of targeted properties in the City's downtown central business district. These activities are primarily funded by federal and state grants.

Electric Fund - This fund is used to account for the activities of the City's electric distribution operations.

Encumbrance – A firm commitment to pay for future goods and services formally documented with a contract or agreement that may extend over more than one budget year. Both encumbrances and planned expenditures on a project must fit within an agency's appropriation.

Enterprise Fund – A fund used to account for operations that are financed and operated in a manner similar to private business enterprises, where the costs of providing goods or services to the general public are financed or recovered primarily through user charges. The City has seven enterprise funds: Electric, Water, Wastewater, Parking, Golf Course, Property Management, and Stormwater Management.

Estimated Actual (Revenue, Expenditures) – Projected amounts to be paid or collected for the current year estimate through analysis of year-to-date financial trends or schedules.

Excise Tax Fund – This fund accounts for the City's share of the County excise taxes collected by the City. There is a building excise tax on all building construction in Washington County. Effective March 2014, the City stopped assessing and collecting the City's portion of this fee and instead administers and collects only the County's portion less two percent (2%) for the administrative oversight provided**.**

Expenditure – An actual payment made by check, inter-fund transfer, or by recordation of an amount due for goods received or services rendered.

Expenditure Summary – A top-level summary of expenditures by category for each department. The expenditure summary is a component of the departmental Program Summary in the budget document.

Fees – Income resulting from a billing for services or sale made by the City. For example, building permit fees, license fees, and service fees for water, wastewater, and electric, etc.

Fiscal Policies – The City's financial management policies relating to the operating budget, revenues, capital improvements program, general fund balance levels, liability coverage and workers compensation risk management, debt, investments, purchasing, Electric Fund dividend transfer, and Community Betterment Fund use.

Fiscal Year – An organization's accounting or financial year. The City's fiscal year starts July 1 and ends June 30.

Fixed Asset – Assets of a long-term character which are intended to continue to be held and used. Examples of fixed assets include items such as land, buildings, machinery, furniture, and other equipment.

Flexible Spending Fund - This fund was established to account for the City Employee Flexible Spending Account (FSA) Program. Funds are designated on a pre-tax basis to this fund by employees participating in the FSA Program for unreimbursed medical and dependent care costs and reimbursements are made to employees for these costs up to the annual amounts each employee chose to designate. Employer FICA savings are contributed to this fund and are used to pay for administrative costs.

Full-Time Staffing – Indicates the authorized number of full-time employees in each department by position type. Part-time staffing reflected on the full-time staffing schedule does not include temporary and seasonal positions. Full-time staffing levels are reflected in each Program Summary.

Fund – A fiscal and accounting entity with a self-balancing set of accounts recording cash and all other financial resources or assets, together with all related liabilities or outside claims to those assets; and the remaining unclaimed net worth or residual equity in those assets, which are segregated for the purpose of carrying on specific activities or attaining specific program objectives.

Fund Balance – The cumulative difference between expenditures and revenue accumulated over the life of a fund. A negative fund balance is usually referred to as a deficit.

FY – See Fiscal Year.

GAAP – See Generally Accepted Accounting Principles.

GASB – See Governmental Accounting Standards Board.

General Fund – The major operating fund of the City used to account for all financial resources and activities, except those accounted for in one of the City's other funds.

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles as determined through common practice or as promulgated by the Governmental Accounting Standards Boards, Financial Accounting Standards Board, or various other accounting standard setting bodies.

GFOA – See Government Finance Officers Association.

Golf Course Fund - This fund is used to account for all activities relating to the City's public golf course.

Governmental Accounting Standards Board (GASB) – This organization was established as an arm of the Financial Accounting Foundation in April 1984 to promulgate standards of financial accounting and reporting with respect to activities and transactions of state and local governmental entities.

Governmental Fund – The funds through which most government functions are financed. The City's governmental funds are the General, Debt Service, Capital Projects, and Special Revenue Funds.

Grants – A transfer of county, state or federal monies to the City, usually for specific programs or activities.

Health Care Fund (HCF) - The City manages a self-insurance program for health care for its active and retired employees and their dependents in this Internal Service fund. Under this self-funded plan the City pays a standard monthly administrative fee for each covered member and accepts claim risks up to a specific stop loss for each individual covered. In addition, a second level of insurance called the aggregate stop loss assures that the City does not pay more than a maximum of projected expenses. All funds to which employees are assigned participate in the HCF. It allocates to costs by billing a pre-established internal insurance rate for each fund's employees, retirees and dependents. This charge represents the funding sources for the HCF from which all health care related administrative and medical reimbursements costs are paid.

IAFF – International Association of Fire Fighters, Local Number 1605. The collective bargaining unit for sworn Fire personnel.

IBEW – International Brotherhood of Electrical Worker, Local 307. The collective bargaining unit for electrical personnel.

Income & Other Taxes - Taxes levied by one government but shared on a predetermined basis with another government. Previously titled, State & County Shared Taxes.

Infrastructure – The physical assets of a city (streets, water, wastewater, public buildings, and/or parks) upon which the continuance and growth of a community depend.

Interfund Transfers – Payments made from one operating fund to another as a contribution to defray a portion of the recipients fund's costs.

Intergovernmental Revenues – The revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

IT – Department of Information and Technology.

Levy – (Verb) To impose taxes or special assessments for the support of governmental activities. (Noun) A tax or special assessment imposed by a government.

Liabilities – Debts or other legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. This term does not include encumbrances.

Liability Coverage Service Fund – An internal service fund used to provide for potential uninsured liability claims.

Line-Item Budget – The traditional form of budgeting, where proposed expenditures are based on individual types of expenditures within a department or program. The Hagerstown City Budget is a line item budget with summary and program information to aid in obtaining a more complete picture of the budget.

Long-Term Debt – Debt or obligations of the City with a final maturity or payment date of greater than one year.

Major Budget Highlights – A component of the Program Summary that explains significant changes or highlights in each department's proposed budget as compared to the previous year's budget.

Major Budget Year Initiatives – A component of the Program Description that details departmental goals for the fiscal year. These objectives are tied to the City's overall strategic plan.

Matured Bonds Payable – A liability account reflecting unpaid bonds that have reached or passed their maturity date.

MGD – Million Gallons per Day.

Modified Accrual Basis Of Accounting – The accrual basis of accounting adapted to the governmental fund type. It is a modified version of the full accrual basis of accounting in that it, in general, measures financial flow (tax and spend) of an organization, rather than capital accumulation (profit or loss).

Net Bonded Debt – Gross bonded debt less any cash or other assets available and earmarked for its retirement.

Non-Departmental Operating Expenditures – Operating expenditures which are not charged directly to specific departments but are a cost to the City as a whole, such as debt service payments and general liability insurance.

Nonspendable Fund Balance – Portion of net resources that cannot be spent either (a) because of their form, or (b) because they must be maintained intact.

Non-Union – Employees not represented by one of the 4 collective bargaining units.

Obligations – Amounts that a government may be required legally to meet out of its resources. They include not only actual liabilities, but also unliquidated encumbrances.

Operating Budget – The portion of the City's budget that provides resources for the day-to-day operations of the City.

Ordinance – A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the statutes or charter will specify or imply those legislative actions that must be enacted by ordinance and those which may be enacted by resolution.

Parking Fund - This fund is used to account for the activities of the City's parking lots and decks.

Pay-As-You-Go – Capital expenditures which are funded from current revenues.

Payment In Lieu Of Taxes – Payments made by entities not legally required to pay taxes in order that they may receive the same services as private taxpayers.

Per Capita – Per unit of population; by or for each person.

Performance Indicators – A component of the Program Description that reflects statistical indicators of levels of service or performance measures by department. Current fiscal year and budget year are projected.

Personnel (Costs) – Expenditures that include salary costs for full-time, part-time, temporary and contract employees, overtime expenses and all associated fringe benefits.

Prior Year(s) – The fiscal year(s) preceding the current year.

Program Description – One of the major sections of the budget document that serves as an introduction for each department, and includes the department's function, program objectives, and performance indicators.

Program Function – A component of the Program Description that describes the primary responsibility of the department.

Program Summary – One of the major sections of the budget document that details each department's budgetary activity. The summary includes the expenditure summary, major budget highlights, and staffing levels.

Projections – The estimate of budget authority, outlays, receipts, or other amounts extending several years into the future. Projections generally are intended to indicate the budgetary implications of existing or proposed programs.

Property Management Fund - This fund is used to account for all activities related to rental properties owned and managed by the City.

Proposed Budget – Reflects the budget or line-item amount recommended by the City Administrator to the Mayor and Council for their review and consideration. It reflects either her/his assessment of what is needed to accomplish the department's objectives, or the limited resources available to accomplish the intended objectives.

Resolution – A special or temporary order of a legislative body that requires less legal formality than an ordinance or statute.

Retained Earnings – The cumulative annual net income or loss of an Enterprise fund's operations since the inception of the fund which are retained for future operation or needs.

Receipts – Collections from the public based on a government's exercise of its sovereign powers. Governmental receipts consist of receipts from taxes, court fines, gifts and contributions, and compulsory licenses.

Restricted Fund Balance – Portion of net resources with imposed limitations set by either (a) creditors, grantors, contributors, or the laws and regulations of other governments, or (b) laws through constitutional provisions or enabling legislation.

Revenue – Income received by the City to support its program of services to the community. It includes sources such as property taxes, admission fees, service charges, Federal and State grants, and parking fines.

Revenue Anticipation Notes – Notes (sometimes called warrants) issued in anticipation of collection of non-tax revenues, retired after the collection of such revenues.

Revenue Bonds – The type of bonds where principal and interest payments are payable exclusively from the earnings of an enterprise funds. In addition to a pledge of revenues, such bonds sometimes contain mortgages on enterprise fund property.

RFP – Request for Proposals, Federal mandate to request proposals from potential contractors for outsourced government services.

Short-Term Debt – Debt or obligations of the City due within one year or less.

Special Assessment – A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Grant Fund – This fund was created to account for operating grant revenues from various agencies – federal, state, and local.

State & County Shared Taxes – Taxes levied by one government but shared on a predetermined basis with another government.

Stormwater Management Fund - This fund is used to account for the activities resulting from stormwater run-off and management of infrastructure for the City's wastewater systems.

Tax Base – All forms of wealth under the City's jurisdiction that are taxable.

Tax Rate – The amount levied for every $100 of assessed property value, as determined by the Maryland State Assessment Department on both real and personal property within the Hagerstown City limits. Beginning 10/1/2000 the assessable base for real property was increased from 40% to 100% of estimated fair market value. The real estate tax rate was reduced to 40% of the prior rate but since the assessment for personal property did not change, its rate stayed the same or 2.5 times the real property rate. Current State law requires this rate differential to be maintained for Counties and the City is following the same policy.

Unassigned Fund Balance – The portion of net resources in excess of the nonspendable, restricted, committed, and assigned balances.

Unfunded Positions - Positions not currently funded that would require an identified funding source and Mayor and Council approval before being funded again.

Wastewater Fund - This fund is used to account for the activities of the City's sewage collection and treatment operations.

Water Fund - This fund is used to account for the activities of the City's water treatment and distribution operations.

Workers Compensation Fund (WCF) - The City manages its uncovered workers' compensation risks and sets aside assets for claim settlement in this Internal Service Fund. WCF services claims for risk of loss to which the City was exposed for workers' compensation injuries. All funds to which employees are assigned participate in the WCF. It allocates the cost of providing claims servicing and claims payments by charging a premium to each fund based on its exposure. This charge considers recent trends in actual claims experience of the City as a whole and makes provision for catastrophic losses.

Working Capital – A term used to describe the unreserved fund balance calculated by subtracting current liabilities from current assets. This is used for the City's enterprise funds.

Zoning – The partitioning of a city, borough, or township by ordinance into sections reserved for different land use purposes (i.e. residential, offices, manufacturing, commercial, etc.)