CITY OF HAGERSTOWN

CITY ADMINISTRATOR'S ADOPTED BUDGET

Fiscal Year 2022 - 2023

July 1, 2022 - June 30, 2023

CITY OF HAGERSTOWN

STRATEGIC PLAN

VISION STATEMENT

The City of Hagerstown will inspire an inclusive, business-friendly, and sustainable community with clean, safe and vibrant neighborhoods.

MISSION STATEMENT

The City of Hagerstown shall be a community focused municipality.

Neighborhoods Revitalization & Sustainability

The citizens of Hagerstown will experience a high quality of life.

Public Safety

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

Public Facilities and Infrastructure

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

Economic Development

The City of Hagerstown will continue to grow a diverse, business-friendly economy that supports the community's needs.

Citizen-Based Government

The City of Hagerstown is an ethical and financially responsible government.

Fiscal Accountability

The City of Hagerstown will strive for continuous improvement of fiscally responsible decision making.

Parks & Recreation for Active/Healthy Living

The City of Hagerstown supports a 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 improve our Community image.

Economic Development through Sports and Tourism

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

Miscellaneous Projects, Goals, and Legislative Priorities

The City of Hagerstown takes a creative approach at finding solutions.

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Hagerstown
Maryland

For the Fiscal Year Beginning

July 01, 2021



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.

FY 2023 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 2021 through February 2022 and provided opportunities and guidance for the creation of the FY 2023 budget document. A listing of discussion topics and dates are located in the budget message in Section 1.

During the month of December 2021, 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 2, 2021. A second public hearing will be scheduled for April 28, 2022 to discuss further the CDBG funding needs.

Budget review meetings began in January 2022 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 2022 through March 2022, 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 FY2023 Proposed Operating Budget and the Capital Improvements Program for FY2023 – FY2027 for presentation to Mayor and Council.

On March 31, 2022, the City Administrator and Budget staff, in conjunction with City Management, will present the Mayor and Council with the FY2023 Proposed Budget for review. The Mayor and Council and the City's senior management will work together from April 5, 2022 to May 10, 2022 to review and discuss the proposed budget and CIP projects. A public hearing will be scheduled for May 10, 2022 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 10, 2022. 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 17, 2022. To conclude the Budget Development Process, Budget staff will implement the FY2023 Mayor and Council's Adopted Budget and the FY2023 – FY2027 approved CIP budget during June and July 2022. The FY2023 adopted budget will become effective on July 1, 2022. The adopted operating and CIP budget is available on the City's website at www.hagerstownmd.org.

Hagerstown was founded in 1762 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 completion of the National Pike in 1808 and Hagerstown's location along the Philadelphia Wagon Road made the town a prosperous location for trade. The arrival of several railroad companies in the later part of the 19th century cemented Hagerstown's role as a center for trade and manufacturing which led to a building boom in the late 19th and early 20th century. The City's railroading history is preserved at the Hagerstown Roundhouse Museum and at the City Park Train Hub Museum. The City's rich history also includes stories from the Civil War, when the community survived a fierce cavalry battle in the streets on the retreat from Gettysburg in 1863 and managed to spare themselves from ransom and destruction by the Confederate troops in 1864. The City's airplane manufacturing history from the early and mid-20th century is preserved at the Hagerstown Aviation Museum.

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. In the past two years the spike in E-commerce has seen a flood of speculative warehouse development proposals come to the City and nearby suburban tracts along I-81.

The City of Hagerstown is at the heart of a metro area in Washington County of approximately 109,034 residents and at the center of a larger trade area in the Hagerstown-Eastern Panhandle Metropolitan Planning Organization area. The 2020 population of the City of Hagerstown was 43,527 with the suburban fringe around Hagerstown containing another 65,507. In the City of Hagerstown, there are currently 550 housing units with final plats or site plans in various stages of development and construction. There are a total of 1,243 units pending for future development still in planning stages, including 368 units in a proposed annexation. Population growth from these pending housing units could see the City's population increase to approximately 48,000 over the next 10 years.

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. 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. All City employees are supported through the Human Resources department to promote efficient operations.

The City provides a clean, safe, and well-maintained environment in our neighborhoods and community gathering places. 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 helps expand, retain and attract businesses, oversees planning and permitting functions, and provides community events programming. The community receives public safety protection through the operation of the City's career Fire and Police Departments. The City's Fire Department helps backstop the County's volunteer system through a mutual aid agreement.

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 Maryland Theatre Performing Arts Center, 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. 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.

The City of Hagerstown maintains a topnotch parks system with 29 neighborhood and regional parks, playgrounds, and recreation facilities. All parks and recreation facilities owned and managed by the City are smoke-free, with the exception of The Greens at Hamilton Run, a nine-hole golf course overlooking a mountain view. Potterfield Pool is a popular summer retreat for our citizens. The Buys Bandshell at City Park hosts numerous free musical events throughout the summer. The Hagerstown Ice & Sports Complex hosts hockey games, figure skating competitions, and public skate for amateurs on the ice. Fairgrounds Park includes a dog park, BMX track, in-line hockey rink, and softball and soccer fields. In 2022, the City will construct our community's first skateboard park at Fairgrounds Park.

Hagerstown is rich in educational opportunities. 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 County's Barbara Ingram School for the Arts is located downtown. Hagerstown Community College's main campus is located near the City and a new satellite facility for job training programs is proposed for a location in Hagerstown's North End. The University System of Maryland at Hagerstown opened in the heart of downtown in January 2005 and currently there are 5 universities offering 13 undergraduate programs, 10 graduate programs, and 1 doctorate-level degree across a three-building campus. Award Beauty School offers courses in cosmetology, barbering, and nail tech in downtown. Associated Builders & Contractors of the Cumberland Valley offers apprenticeship and craft training programs in 20 trades courses at their school north of downtown. Our newest institution is The Collegium which offers a four-year liberal arts program in downtown Hagerstown. The City and USMH partnered with developers on two projects to renovate existing downtown buildings into apartments for students. The City is continuing to partner with developers on housing projects downtown for students and other interested residents.

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. In FY 2022, the City negotiated annexation agreements for two speculative warehouse development projects that will bring 2.1 million square feet of warehouse space to the region, as well as make the City boundaries contiguous to other properties with pre-annexation agreements.

In the Downtown area, retail, restaurant, housing, open space, and office redevelopments are underway or in the planning stages with approximately $24.3 million in investment. Many of the projects are directly benefitting from City and State grant programs intended to spur private investment downtown. 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. Of particular note is the booming speculative warehouse development market in our community. The Northpoint development on Wesel Boulevard brought $132 million of investment and 1.7 million square feet of flex warehouse space in FY 2021 and FY 2022. Also in FY 2022, plans are under review for 1.95 million square feet of warehouse space on Edgewood Drive in the City.

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 the 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. Imagine Hagerstown celebrates the City's music heritage and features local artists and various music genres at events throughout the summer months.

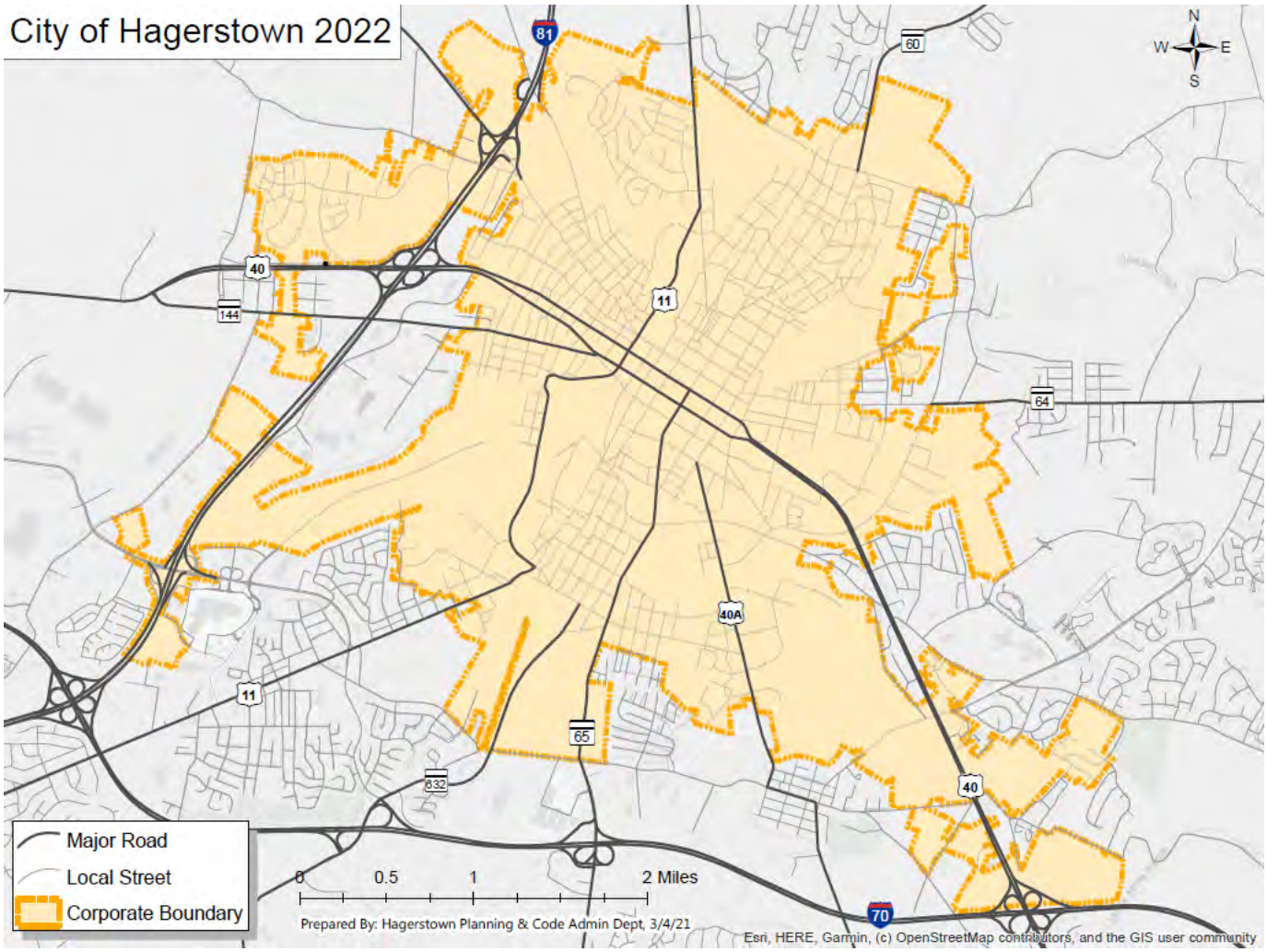
The Hagerstown Cultural Trail was added to the City park system in 2017 and it connects the downtown Arts & Entertainment District with City Park and the Museum of Fine Arts. The trail is one of eight catalyst projects outlined in the Community's City Center Plan, a 10-year roadmap for downtown development 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. An extension of the trail is wrapping up in FY 2022 to connect the trail to W. Washington Street through the new Hatter's Plaza.

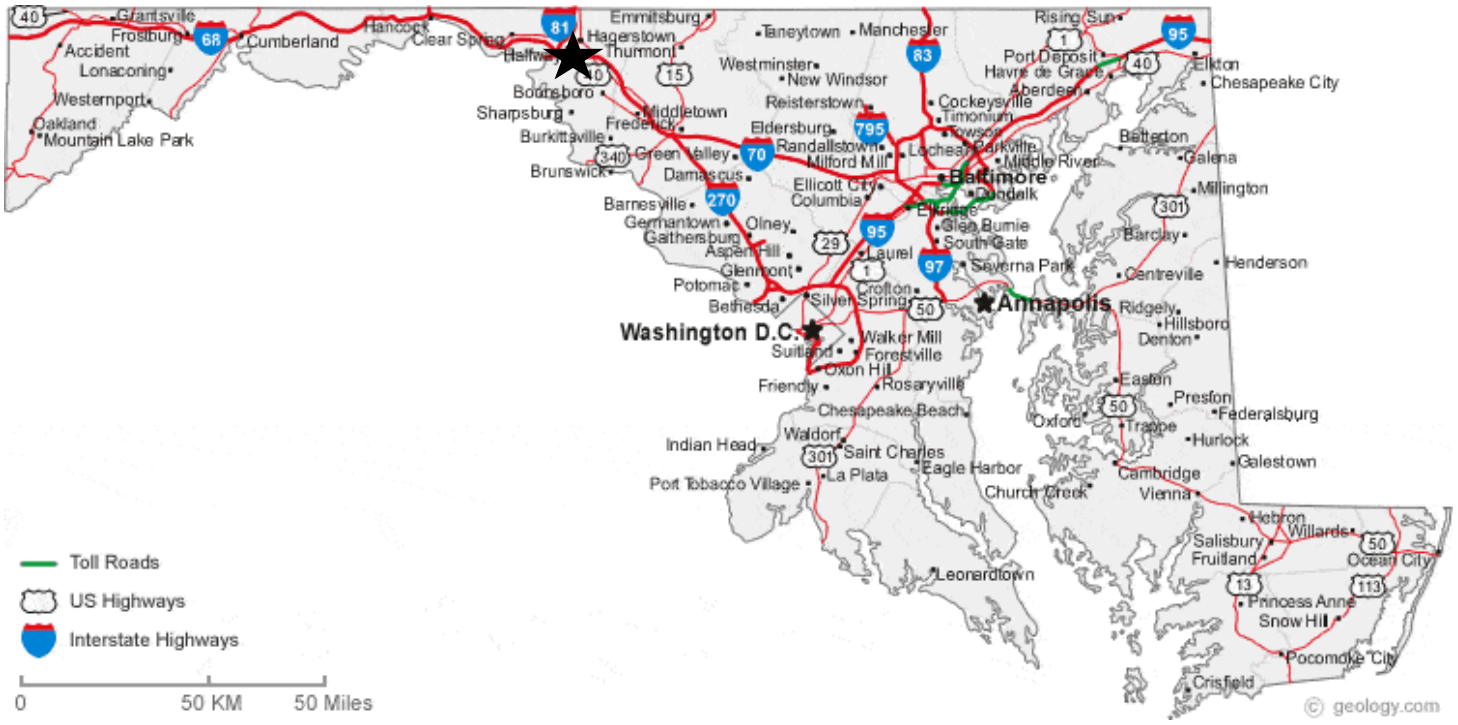
All levels of government, including USMH, the Maryland Theatre, Board of Education, and private developers worked in partnership on the Urban Improvement Project (UIP), a development that has expanded the urban educational complex and helped spur revitalization efforts in downtown Hagerstown. The project included expansions to the Maryland Theatre and Barbara Ingram School for the Arts, new programs in satellite locations downtown for USMH, as well as an outdoor community plaza that ties into the Hagerstown Cultural Trail.

The Maryland Stadium Authority, working in partnership with a team of investors and the Washington County Industrial Foundation, have acquired the property and secured the funds for

UIP II, a proposed $69.5 million dollar Multi-use Sports and Events Facility in downtown Hagerstown. Construction is anticipated to occur in FY 2023-FY 2024. The stadium will host the season of a new Atlantic League baseball team, as well as other sports, cultural, and community events. The announcement of this project spurred investment activity in nearby properties as investors anticipated the revitalization impact of this major investment project. In FY 2023 - FY 2024, the City will construct a public parking structure on West Antietam Street that will support this project as well as implement a recommendation from the City's Downtown Parking Master Plan.

Working in partnership with a private developer, the City is moving ahead with plans to demolish the old Municipal Stadium to make way for the new Hagerstown Field House for indoor turf and court sports. This proposed $10-20 million dollar facility is expected to open in 2024 and will fill a gap in our region for indoor sports and recreation, especially with the expected closing of the Frederick Indoor Sports Center in March 2022.


City of Hagerstown 2022
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
Lochearn
Cockeysville
Timonium
Towson
Parkville
Middle River
Baltimore
Dundalk
Essex
Glen Burnie
South Gate
Severna Park
Ellicott City
Columbia
Barnesville
Germantown
Olney
Gaithersburg
Aspen Hill
Glenmont
Potomac
Bethesda
Silver Spring
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
Leonardtown
Princess Anne
Snow Hill
Pocomoke City
Crisfield
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)	12.57
Fire Department	
Number of Stations (4 volunteer, 1 City owned)	5
Number of Fire Hydrants (within City limits)	886
Responses to Fire alarms	3,978
Average response time (in minutes)	5:10
Public fire education programs	26
Persons in attendance at public education programs	1,015
Parks and Recreation	
Parks and Playgrounds (303 acres)	22
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	613
Police Department	
Parking ticket violations issued	10,674
Net parking fines	$ 156,251
Safe Speed Program citations issued annually	28,765
Calls for service	50,085
Alarm calls (included in above number)	336
Public Works	
Miles of paved streets and alleys	154.79
Number of traffic signals maintained	137

Population – per United States Census

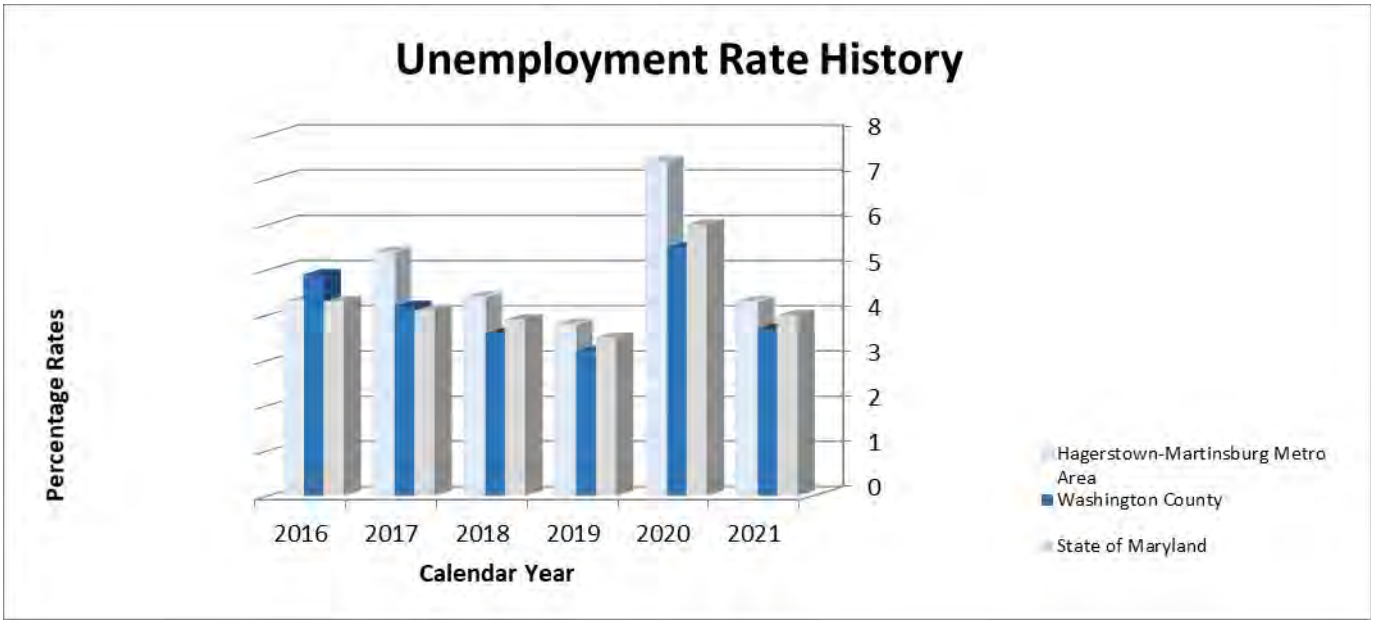
Fiscal Year	Population
1900	13,591
1910	16,507
1920	28,064
1930	30,861
1940	32,491
1950	36,260
1960	36,660
1970	35,852
1980	34,132
1990	35,445
2000	36,687
2010	39,996
2020	43,527

Electric Department	
Number of active accounts	17,070
Number of meters (in use)	17,374
Kilowatt hours purchased	317,012,588
Kilowatt hours sold	309,569,972
System peak demand-kilowatts	62,687
Number of substations – 34.5KV to 13.8KV	7
Water Department	
Number of active accounts-City	13,786
Number of active accounts-County	16,591
Total number of active accounts	30,377
Daily average productions in million gallons	
R.C. Willson Plant (365 days)	10.8
Wm. M. Breichner Plant (365 days)	0
Greatest consumption for a single day	12.8
Plant pumping capacity per day	20
Average daily metered consumption	7.831
Miles of water mains (estimate)	441
Wastewater Department	
Number of active accounts-City	13,382
Number of active accounts-County	3,111
Number of active accounts-District (JSA)	3,868
Number of active accounts-Total	20,361
Daily average of sewage treated (in million gallons)	5.81
Daily average plant capacity (in million gallons)	8
Number of City owned pumping stations	23
Miles of collection system – City owned	185

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

	2021			2012		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Washington County Public Schools	3,222	1	5.38%	2,965	1	4.46%
Meritus Health, Inc. (Washington County Health System, Inc.)	2,740	2	4.58%	2,860	2	4.30%
FiServ, Inc.	1,543	3	2.58%			
Amazon	1,500	4	2.51%			
Citicorp Credit Services, Inc	925	5	1.55%	2,500	3	3.76%
FedEx Ground	900	6	1.50%	648	10	0.97%
The Bowman Group, LLC	828	7	1.38%	753	9	1.13%
Merkle Response Management Group	650	8	1.09%			
ARC of Washington County	550	9	0.92%			
Brook Lane Health Services	485	10	0.81%			
First Data Merchant Services				2,214	5	3.33%
State of Maryland				2,304	4	3.46%
Washington County Government				1,134	7	1.70%
Volvo Powertrain NA (Mack Trucks, Inc.)				1,391	6	2.09%
Hagerstown Community College				813	8	1.22%
Total	**13,343**		**22.30%**	**17,582**		**26.42%**

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

	2021			2012		
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	$ 54,790,633	1	2.28%			
Lowes Home Centers, Inc.	29,764,400	2	1.24%	$ 24,995,300	2	0.98%
Board of Education	26,590,800	3	1.11%			
Suso 4 Stone House LP	21,979,900	4	0.92%			
Tractor Supply Company	21,839,900	5	0.91%			
RPAI Hagerstown LLC	20,614,200	6	0.86%			
Walmart Real Estate Business Trust	18,751,300	7	0.78%	20,591,200	3	0.80%
Washington County Centre at Antietam	15,294,367	8	0.64%			
Hagerstown Plaza LLC	15,257,100	9	0.64%	14,516,600	10	0.57%
FB Hagerstown LLC	15,113,500	10	0.63%	14,530,300	9	0.57%
Washington Real Estate				56,992,367	1	2.23%
I-81 Hollyhook LLC				20,081,267	4	0.78%
Bowman Railway LLC				19,813,900	5	0.77%
Verizon-Maryland				19,637,620	6	0.77%
OEKOS Stone House LLC				19,449,067	7	0.76%
Hagerstown Apartment (Limited) Partnership				17,999,700	8	0.70%
Totals	**$ 239,996,100**		**9.99%**	**$ 228,607,321**		**8.93%**

Source: City of Hagerstown FY2021 CAFR (Comprehensive Annual Financial Report)

ORDINANCE No. O-22-06

ESTABLISHING THE BUDGET FOR
FISCAL YEAR JULY 1, 2022 TO JUNE 30, 2023
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 10, 2022 after twenty-one 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, 2022 and ending June 30, 2023, is hereby established as follows:

Funds	Proposed FY23 Budget	Mayor and Council Approved FY23 Budget
General Fund	$ 54,746,102	$ 54,746,102
Community Development Block Grant Fund	1,964,482	1,964,482
Special Revenue Funds	2,196,268	2,196,268
General/Capital Improvement Projects	15,777,925	15,777,925
Total Government Funds	**74,684,777**	**74,684,777**
Electric Fund	28,154,677	28,154,677
Water Fund	22,611,201	22,611,201
Wastewater Fund	23,779,925	23,779,925
Parking Fund	6,909,398	6,909,398
Golf Fund	601,997	601,997
Property Management Fund	815,619	815,619
Stormwater Fund	2,833,528	2,833,528
Total Enterprise Funds	**85,706,345**	**85,706,345**
Service & Trust Funds	10,837,648	10,837,648
Total Combined Uses of Funds	**$ 171,228,770**	**$ 171,228,770**

BE IT FURTHER ORDAINED that the effective date of the budget established herein is July 1, 2022 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

(SEAL)

Emily Keller, Mayor

Donna K. Spickler
Donna Spickler, City Clerk

Date of Introduction: *May 10, 2022*
Date of Passage: *May 17, 2022*
Effective Date: *July 1, 2022*

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

O-22-06

ORDINANCE No. O-22-05

ESTABLISHING THE TAX RATES
FISCAL YEAR JULY 1, 2022 TO JUNE 30, 2023
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, 2022 through June 30, 2023, 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, 2022 up to and including July 31, 2022, 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, 2022 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, 2022 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

Emily K

Emily Keller, Mayor

Donna K. Spickler

Donna Spickler, City Clerk

Date of Introduction: *May 10, 2022*
Date of Passage: *May 17, 2022*
Effective Date: *July 1, 2022*

O-22-05

Neighborhoods

City of Hagerstown









OVERVIEW
SECTION 1

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City of Hagerstown, Maryland
City Administrator's Department

March 31, 2022

Mayor and City Council,

It is with great appreciation to our tremendous City staff that help in the development of this document that I submit to the Mayor and Council of the City of Hagerstown the Fiscal Year 2023 (FY23) Budget.

This past year, the Hagerstown community, along with the state, the nation, and the world continued to recover from the ramifications associated with the COVID-19 pandemic. Though initially seeing our first "back to normal" period in the Summer months, the late Fall and Winter found our City and surrounding community in the grips of the worst outbreak of the disease since the beginning of the pandemic in March, 2020. However, even during the bleakest months, which saw many City staff members contract COVID, the guidelines and processes put in place during the initial months of the pandemic allowed our dedicated staff to continue offering high-quality and timely services we are expected to provide to our citizens. It was also during this time that we were able to transition our operations in ways that directly impacted our citizens to allow for the ability to directly connect to the community.

Through these challenging times, the City has continued moving forward on projects and enhanced services for the community. We were able to do this through solid budgetary policy as well as the infusion of funds from the American Rescue Plan Act of 2021. The ARPA funding included a distribution to the City of $20.4 million to be received in two installments: $10.4 million in 2022 and $10.4 million in 2023. Staff immediately began planning a strategy based upon the interim rules provided by the Federal Government to allocate these funds to the betterment of the community. Ultimately, through discussions with community groups and the elected body, twenty-eight projects and programs were put forth for funding consideration to utilize the first $10.4 million in funding. These projects range from infrastructure improvements to our water / wastewater / stormwater systems, public health initiatives including outreach to the homeless population, substance abuse support, elimination and rehabilitation of blighted properties, compensation to full-time staff who worked through the pandemic maintaining services to our residents, small business assistance and training, and other capital projects that due to budgetary constraints in the past have not been able to be funded. This strategy will continue into 2023 as additional funding becomes available and projects/programs are reviewed and prioritized.

The City also experienced a renewed and accelerated interest in economic development not only within our downtown but throughout our corporate boundary. The completion of the Northpoint collection of warehouse buildings was nearing completion of its fourth building in the Wesel Blvd. corridor. The increased interest in these facilities locating in our area, as well as the increased interest in our downtown core, are very positive signs for economic recovery in our City. Of course, the major project that the City is fortunate to have being constructed in our downtown is the new Multi-Use Sports and Event Center at the corner of W. Baltimore Street and Summit Ave. This private venture, spearheaded by the acquisition of state funding by our state district representatives, will look to break ground in 2022 and is generating a large amount of interest not only in our downtown core but throughout our corporate boundary. This facility will bring not only baseball fans into the city, but will also bring non-sports events such as concerts, conventions, trade shows, etc. that will provide an economic infusion upwards of 300 days per year. The City is excited for this opportunity and look forward to partnering with the facility and team owners as their project progresses.

We are also excited to work toward the achievement of this administrations strategic plan finalized in 2021. The strategic plan lays the groundwork for priorities of projects and programs for the next three years, as well as the updating of the vision and mission statement, which are:

VISION STATEMENT: The City of Hagerstown will inspire an inclusive, business-friendly, and sustainable community with clean, safe and vibrant neighborhoods.

MISSION STATEMENT: The City of Hagerstown shall be a community focused municipality.

There are eleven focus areas which this administration has identified, including:

- Neighborhoods Revitalization & Sustainability
- Public Safety
- Public Facilities and Infrastructure
- Economic Development
- Citizen-Based Government
- Fiscal Responsibility
- Parks & Recreation for Active / Healthy Living
- Innovative / Progressive Government
- Community Promotion / Pride
- Economic Development Through Sports and Tourism
- Misc. Projects, Goals and Legislative Priorities

City staff look forward to working with this administration in FY23 to accomplish as many of these goals as possible, and this budget has been crafted to begin that effort.

The previous two budgets submitted from my office to the Mayor and Council identified four principles which staff would use to guide us in accomplishing the previous administrations strategic plan. Though the COVID-19 pandemic delayed the implementation of many projects, these four areas remain relevant today and we continue to move forward.

Reinvention and Rethinking City Operations

A positive aspect of the COVID-19 pandemic was the requirement to rethink how government interacts with the community. City staff worked throughout the pandemic to produce innovative ways to continue transacting business without putting health at risk. One of these innovations was the implementation of a new online bill payment system. The system expands the ability for customers to pay all invoices owed to the City through the use of credit cards, VENMO, Apple Pay, and PayPal to name a few. It also, after much interest, allows for the auto payment of bills utilizing a bank account or credit card.

The City also enhanced its use of Geographic Information System (GIS) technology throughout all departments. This technology puts not only additional data at the hands of the interested party, but also the mapping to show location.

Last and certainly not least, the major capital project of the foreseeable future, the Indoor Turf Facility at Municipal Stadium grounds, will provide our residents and visitors a state-of-the-art facility at which to play either individually or in groups a number of indoor sports (and modified outdoor sports) with construction beginning in FY23. This project will be a game changer for our East End district, and believe it will be an amenity our citizens can be proud of.

RAISING UP OUR NEIGHBORHOODS

This effort continues to be the number one way for which the City can expect to increase tax revenues through the increasing of assessed values of properties, especially in our urban core. The assessed

values of many of our urban core properties have lagged behind those of outlying City neighborhoods, mainly due to the blighted conditions of many neighborhood dwellings. The infusion of $500K from the Federal Government in the FY23 budget will allow the City to identify and either demolish those structures beyond repair, or rehabilitate those that remain viable and move them into the hands of homeowners. An additional $500K of ARPA money will be available to continue this effort into calendar year 2024. We also showed success by instituting the "Operation Take Back" initiative in one of our Bester Community of Hope neighborhoods. Several City departments, including Public Safety, Code Enforcement and the Utilities, met with neighborhood leaders and residents to identify problem areas for blight and substance abuse and took steps to increase patrols, identify and remedy blight conditions, and identify ways in the neighborhood to decrease traffic flow that can generate bad activity. This program will continue in the summer of 2023 in another urban neighborhood in the attempt to "take back" the area and provide its residents a good quality of living.

STEWARDSHIP OF OUR TAXPAYER'S DOLLAR

I am happy to again be able to produce a budget to the Mayor and Council that does not request a real or personal property tax increase. We continue to struggle, as described above, by slower than average increases in assessed values, but expect that the increase in new construction of residential and commercial structures within our corporate boundary will provide us the revenue necessary while we continue to work on our existing housing / commercial inventory. The Mayor and Council made a commitment in their goal setting sessions to ensure that our employees experienced increases in salary/wages to compete with other markets. We have done this within our budget through both union contract offerings and our non-union pay scale. It is important that we pay a marketable wage for all positions, yet not a wage that puts the City behind the eight-ball related to sustainability as recognized through the percentage of our general fund that accounts for this expense. We cannot grow, however, without the ability to attract and retain the best available candidates for all City positions and we believe this budget allows for that.

MAINTAINING MOMENTUM OF ECONOMIC DEVELOPMENT

The City of Hagerstown continues to receive huge amounts of interest from prospectors and developers of all forms of business not only in our brownfield areas but also in our urban core. The pending construction of the Multi-Use Sports and Events Center, as well as the Hagerstown Indoor Turf Facility at the location of the former Municipal Stadium, are just two examples of what many see as quality-of-life improvements they want to capitalize on. This proposed budget maintains the level of economic incentives which are setting Hagerstown apart as a destination of choice for those looking for quality development land, a solid water, wastewater and electric utility infrastructure, and a vibrant community quality of life. The strategic plan produced by the Mayor and City Council provide the framework of moving this momentum forward toward additional opportunities of business attraction and quality of life that any business looking to either begin or relocate a business would be proud to be a part of.

LOOKING AHEAD

"It's amazing how a little tomorrow can make up for a whole lot of yesterday." — John Guare, Landscape of the Body

As I have stated many times in the past two years, who would have thought back in March 2020 that we would be, in March 2022, still dealing with the COVID-19 pandemic. However, we hope that the "whole lot of yesterdays" are behind us and we can move full steam ahead into an exciting tomorrow for the City of Hagerstown. With the dedication and enthusiasm of City staff, and the support and vision of the elected body, the future for many tomorrows is bright for our citizens, our customers and our visitors. We stand ready to meet the challenges FY23 will bring.

HAGERSTOWN'S ASSESSABLE BASE AND PROPERTY TAX RATE

The 2023 Constant Yield Tax Rate notice from the State Department of Assessments and Taxation (SDAT) indicates a July 1, 2023 constant yield tax rate of $0.9978 per $100 for all classifications excluding Apartments and tax rate of $1.0095 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 0.6% in assessed values will occur which would generate approximately $167.7K more in revenue than the current fiscal year if the tax rate remains the same.

FY23 is the third year of the triennial assessment period which means that real estate market values will be reassessed again in 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 3.5% 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 69.6% of current revenue sources in the FY23 Proposed Budget or 64.2% 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.

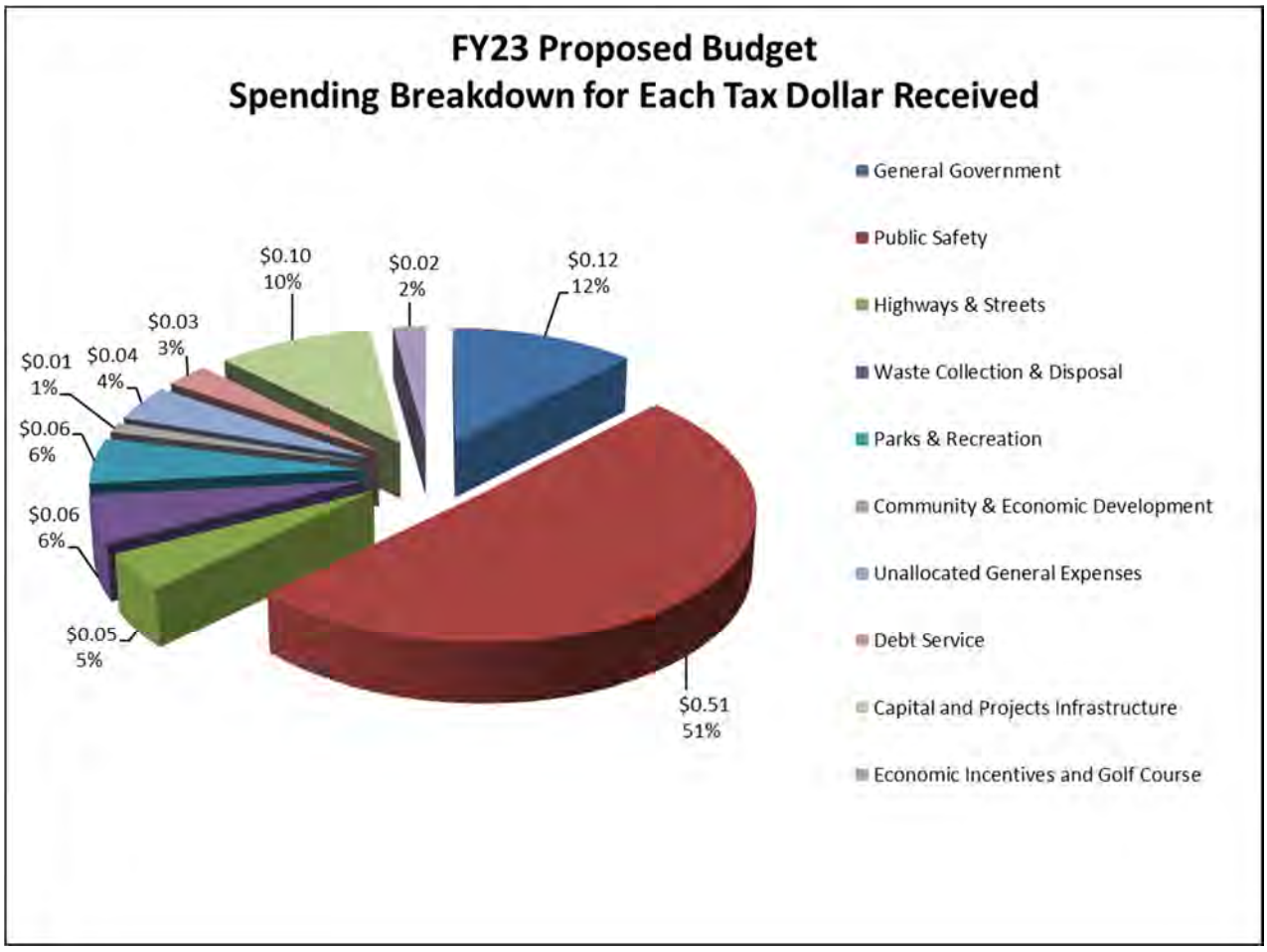
While property tax revenue is important to City operations, it impacts all citizens and business owners. The City strives to be fiscally prudent while balancing the needs of the surrounding community. The below chart reflects costs residential homeowners will pay on average based assessed home value:

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)



HAGERSTOWN FIELD HOUSE

There is exciting momentum for the construction of a new indoor complex, the Hagerstown Field House, in the eastern section of the City. This project is anticipated to span three fiscal years, with a projected opening in the Fall of 2023. The project began in FY22 with multiple study and design phases. Eastern Sports Management, the City's partner, conducted several public session meetings as well as interviewed various community stakeholders for input. At this time, the primary funding source for construction will be bond issues. However, City leadership has started to research and lobby for support from others, including the State of Maryland, to partner in this community endeavor. Specific details for this new facility are summarized below, as well as in Section 7.

PROJECT DESCRIPTION:

A 114,000 square foot indoor recreation facility that includes two turf fields, six hard courts, fitness area, restaurant, kids' zone and other space to support operations. The facility will be constructed at the former Municipal Stadium site. The facility will serve the youth and young adults of our community with a secondary benefit of sports tourism, especially on weekends.

Through an extensive proposal process, the City selected and contracted with *Eastern Sports Management (ESM)* to be our private sector partner and to facilitate design, construction and operations. ESM operates several similar or larger facilities on the east coast and is developing other facilities in partnership with other cities.



PROJECT BENEFITS & JUSTIFICATION:

ESM contracted with *Pinnacle Indoor Sports* to conduct the market analysis. They conducted extensive interviews with dozens of existing local sports and recreation stakeholders and user groups as well as a demographic analysis. They concluded the community interest is in place and the facility would be financially successful provided it was operated well and had limited debt service.

Copies of business plan, design concepts, financial projections and market feasibility are available upon request.



DESIGN/CONSTRUCTION COST ESTIMATE:

$22,685,000

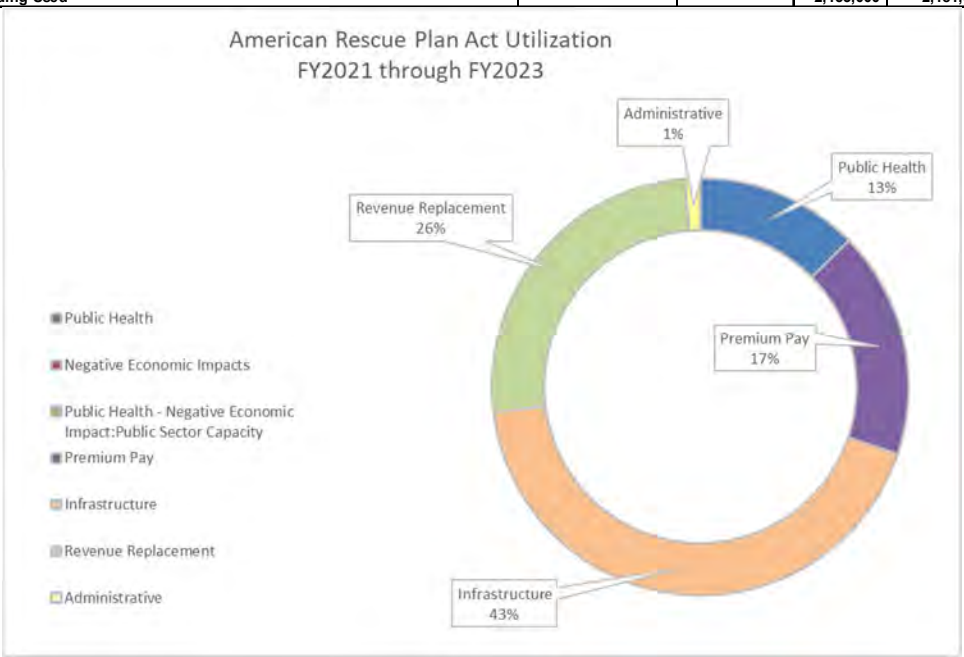
TASK	DESCRIPTION	STATUS	COST	FUNDING SOURCE
Market Feasibility	Victus Advisors	COMPLETED 2018	$30,000	City of Hagerstown
Develop business plan, design concepts, financial projections and market feasibility	Phase I contract with ESM	COMPLETED FEBRUARY 2022	$70,000	City of Hagerstown
Develop full site plans, 35% building plans, operating agreements and economic impact	Phase II contract with ESM	CONTRACTED AND COMPLETE BY SUMMER 2022	$500,000	City of Hagerstown
Stadium Demolition	Prepare site for Field House	CONTRACTED AND COMPLETE BY SUMMER 2022	$85,000	City of Hagerstown
Final Design and Construction	Phase III contract with ESM. Begin construction Fall 2022	OPEN FALL 2023	$22,000,000	Funding Partners and the City of Hagerstown

REQUEST: ***The City of Hagerstown is grateful for any financial support for this critical project to benefit the youth and families of our community.***

AMERICAN RESCUE PLAN ACT OF 2021

The American Rescue Plan Act of 2021 provided the City of Hagerstown a total of $20.4 million. $10.2 million was received in May 2021, and the remaining $10.2 million in funding is scheduled to be received in May 2022. The funding must be spent or appropriated by December 2024. The chart below details total appropriations and spend as of March 31, 2022.

Funding Source: American Rescue Plan Act of 2021 (ARPA)	ARPA Expenditure Category	Capital Project Number	FY21 Actual	FY22 Estimated Act	FY23 Proposed Bud
General Fund					
Employee Premium Pay	Premium Pay	N/A: Operating	1,517,865	-	-
Grant Coordinator Position (approved in FY22)	Administrative	N/A: Operating		48,278	89,853
Grant Equipment, Software, and Supplies (approved in FY22)	Administrative	N/A: Operating		3,770	200
Police Body Worn Camera Maintenance Costs	Revenue Replacement	N/A: Operating		-	65,000
32 N Potomac Building Acquisition (approved in FY22)	Public Health	45-C0854		800,522	-
Customer Service Payment Kiosk: 32 N Potomac Building (approved in FY22)	Public Health	45-C0854		-	50,000
32 N Potomac Building:Partial Funding Customer Lobby Renovation (approved in FY22)	Public Health	45-C0854			125,000
Fire Ladder Truck: Partial Funding (approved in FY22)	Revenue Replacement	45-C0010		1,200,000	-
Hagerstown Ice Rink: Partial Funding Air Quality and Condensation Unit	Public Health	45-C0843		-	450,000
Public Works/Parks: Backhoe (approved in FY22)	Revenue Replacement	45-C0570		129,000	-
Information Technology: Citywide Software Office 365 Implementation (Telework)	Public Health	45-C0006		-	120,000
Information Technology: Citywide Phone System Upgrade (Telework)	Revenue Replacement	45-C0006		-	75,000
Police: Fire Range Target System	Revenue Replacement	45-C0226		-	40,000
Fuel Station Management and Tank Gauge System	Revenue Replacement	45-C0352		-	20,000
Professional Court Extension: Partial Funding	Revenue Replacement	45-C0685		-	1,150,000
Fire Facilities: Natural Gas Generator	Revenue Replacement	45-C0870		-	50,000
Subtotal General Fund:			**1,517,865**	**2,181,570**	**2,235,053**
Electric Fund					
Employee Premium Pay	Premium Pay	N/A: Operating	134,563	-	-
Subtotal Electric Fund:			**134,563**	**-**	**-**
Water Fund					
Employee Premium Pay	Premium Pay	N/A: Operating	252,978	-	-
Subtotal Water Fund:			**252,978**	**-**	**-**
Wastewater Fund					
Employee Premium Pay	Premium Pay	N/A: Operating	215,300		
Camera Truck: Mainline and Lateral Launcher (approved in FY22)	Revenue Replacement	54-C0004		-	425,937
East End Pump Station #33: Funding for Construction of new Pump Station at Hebb Road	Infrastructure	54-C0565		-	3,000,000
Pump Station #13 Reconstruction: Partial Funding of Pump Station at Western MD Parkway	Infrastructure	54-C0574		-	2,235,000
Subtotal Wastewater Fund:			**215,300**	**-**	**5,660,937**
Parking, Golf, and Stormwater Funds:					
Employee Premium Pay	Premium Pay	N/A: Operating	32,295	-	-
Subtotal Parking, Golf, and Stormwater Funds:			**32,295**	**-**	**-**
Total ARPA Funding Used			**2,153,000**	**2,181,570**	**7,895,990**



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	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual
Unassigned Fund Balance	9,463	9,958	12,378	12,563	16,679
Total Operating Expenditures	39,781	40,808	42,625	42,909	43,147
Percentage	**23.8%**	**24.4%**	**29.0%**	**29.3%**	**38.7%**
Number of Month Expenditures	**2.9**	**2.9**	**3.5**	**3.5**	**4.6**
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 FY23 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 $0.5M to fund a variety of needs across General Fund departments. As a result of an unanticipated FY21 surplus due to federal dollars, there is planned utilization of $2.3M in new fund balance monies in the FY23 budget. Finally, there is additional utilization suggested as many priority items are happening at the same time and bond capacity is being reserved for the Hagerstown Field House and the 3rd Parking Deck. 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	FY23 Proposed Bud
Previously Approved and Reallocated Surpluses:		
Consolidation of Public Safety Assets	45-C0687	250,000
Professional Boulevard	45-C0685	40,000
Downtown Redevelopment	45-C0854	205,000
Subtotal Reallocated Use of FB Reserves:		**495,000**
FY21 Reserve Surplus Usage:		
Hagerstown Field House	45-C0041	750,000
Downtown Redevelopment	45-C0854	960,000
Fire Burn Building	45-C0241	500,000
Professional Boulevard	45-C0685	100,000
Subtotal FY21 Reserve Surplus Usage:		**2,310,000**
Additional FB Reserves:		
Consolidation of Public Safety Assets	45-C0687	750,000
Subtotal Additional FB Reserves:		**750,000**
Total General Fund FB Reserves Used		**3,555,000**

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.

ECONOMIC INCENTIVES AND INCENTIVE PROGRAMS

One focus area of the Mayor & Council Strategic Plan 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 FY23 Proposed Budget:

City Administered and City Funded Incentive Programs	City Fund	FY23 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		150,000
Home Ownership Grant Program		120,000
Rental Property Rehab Grant Program		55,000
Façade Grant Program		30,000
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		137,500
Community Legacy	**Economic Redevelopment**	
Vacant White Elephant Buildings		100,000
Upper Floor Market Rate Housing Development		100,000
Acquisition/Rehab of Blighted Buildings		75,000
Hagerstown Revolving Loan Fund	**Business Revolving Loan**	
For-profit businesses city wide		250,000
CARES Covid Funding	**CDBG**	
Administered by third party non-profit agencies to disburse federal grants		
Income requirements apply		
CARES Act Funding Round Two		28,751
Single Family Rehab Loans & Rental Rehab Loans	**CDBG**	
Owner-occupied homeowners & investment owners of residential or mixed-use property city wide		50,000
Emergency Repair Grants	**CDBG**	
Owner-occupied homeowners city wide		40,000
Stormwater Management	**SWM**	
Large scale incentive projects		250,000
Total City Administered and City Funded Incentive Programs		**2,052,751**

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.

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 focus areas in the Strategic Plan 2021-2024 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 FY23 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 2022 PROJECTED AND FISCAL YEAR 2023 BUDGET

	FISCAL YEAR 2022 PROJECTED ACTUAL					FISCAL YEAR 2023 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	$ 10,584	$ 88,484	$ -	$ -	$ (77,900)	$ 4,000	$ 16,751	$ -	$ -	$ (12,751)
Potterfield Pool	76,325	179,007	-	-	(102,682)	74,700	188,020	-	25,000	(138,320)
Hager House	9,153	45,373	25,000	127,000	(138,220)	9,115	48,497	100,000	200,000	(139,382)
Train Museum	3,800	28,372	-	13,087	(37,659)	3,800	43,451	135,000	260,000	(164,651)
Municipal Stadium	12,230	43,285	-	-	(31,055)	-	12,208	-	-	(12,208)
All Other Parks*	79,369	1,909,916	2,351,981	3,451,720	(2,930,286)	76,941	2,113,437	1,448,500	2,603,000	(3,190,996)
Ice Rink	36,000	92,007	-	10,300	(66,307)	36,000	93,847	150,000	171,700	(79,547)
All Other Recreation	80,900	403,627	-	-	(322,727)	79,500	476,529	-	-	(397,029)
Events										
Public Functions	34,684	183,841	-	-	(149,157)	32,000	193,750	-	-	(161,750)
Recreation	5,321	94,211	-	-	(88,890)	13,125	92,500	-	-	(79,375)
Subtotal General Fund	**348,366**	**3,068,123**	**2,376,981**	**3,602,107**	**(3,944,883)**	**329,181**	**3,278,990**	**1,833,500**	**3,259,700**	**(4,376,009)**
Golf Fund:										
Golf Course	293,700	537,981	30,000	92,490	(306,771)	316,300	538,997	-	63,000	(285,697)
Subtotal Golf Fund	**293,700**	**537,981**	**30,000**	**92,490**	**(306,771)**	**316,300**	**538,997**	**-**	**63,000**	**(285,697)**
Parking Fund:										
Parking Decks	435,500	585,359	-	150,000	(299,859)	442,250	670,488	-	5,732,000	(5,960,238)
Parking Lots	303,723	267,010	-	24,478	12,235	270,360	299,524	-	80,000	(109,164)
All Other Parking Fund	141,902	103,957	-	-	37,945	142,902	92,385	-	35,000	15,517
Subtotal Parking Fund	**881,125**	**956,327**	**-**	**174,478**	**(249,680)**	**855,512**	**1,062,398**	**-**	**5,847,000**	**(6,053,886)**
Property Management Fund:										
Property Management	739,563	940,640	-	30,000	(231,077)	691,217	383,219	400,000	420,000	287,998
Burobox	3,200	12,400	-	200,000	(209,200)	3,200	12,400	-	-	(9,200)
Subtotal Property Management Fund	**742,763**	**953,040**	**-**	**230,000**	**(440,277)**	**694,417**	**395,619**	**400,000**	**420,000**	**278,798**
Total	**$ 2,265,954**	**$ 5,515,471**	**$ 2,406,981**	**$ 4,099,075**	**$ (4,941,611)**	**$ 2,195,410**	**$ 5,276,004**	**$ 2,233,500**	**$ 9,589,700**	**$ (10,436,794)**

*All Other Parks includes the Hagerstown Cultural Trail and Urban Improvement Project for FY22 Projected
*All Other Parks includes the Hagerstown Field House for FY22 Projected $70K and FY23 Proposed Budget $750K

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS

During FY22, 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 FY23 Budget decisions.

July 13, 2021	Approvals: AFSCME Local 1540 Pay Scale Increase Non-Union Pay Scale Increase Discussion: Lease for BuroBox, 60 W. Washington Street Invest Hagerstown City Center Redevelopment Grant Application – 17-21 E. Franklin Street Water Master Plan Update and Sanitary Sewer Evaluation Grant Coordinator Position DCED Microenterprise Grant Program Doleman Black Heritage Museum (DBHM) Request to Increase Grant Request to DHCD Impact of 2021 State Legislation Passed on Police Reform
July 20, 2021	Discussion: Request for Third Parking Deck Hagerstown Housing Authority Strategic Plan Public Art Projects City Farmer's Market Update Hamilton Hotel Building Stabilization Funding
July 27, 2021	Approvals: Urban Improvement Project Easement to Washington County Technical Assistance and Maintenance Agreement with HUB Parking Technology Lease Agreement with Goshen Investment Properties for BuroBox, 60 W. Washington St. Invest Hagerstown City Center Redevelopment Grant for 17-21 East Franklin Street – WLR Residential properties, Inc. Funding to Ares Investment Group, LLC for Hamilton Hotel Building Stabilization Project at 86-98 W. Washington Street Full-time Temporary Position – Grant Coordinator CDBG Microenterprise Grant Program FY2022 Invest Hagerstown Grant Program Funding Levels
August 3, 2021	Discussion: Proposed Development at Harrison Tract at 1527 Howell Road
August 10, 2021	Discussion: Support Services Update Holly Project – 72 W. Washington Street
August 17, 2021	Discussion: Firefighter Up-Staffing Request American Rescue Plan (ARPA) Update Proposed Lease Terms for 6 North Potomac Street Hamilton Building Incentive FY21 Year-End Adjustments Request Mack Storage Tank replacement
August 24, 2021	Approvals: Parking Lease with Maryland Department of Assessments and Taxation (SDAT) Parking Lease with District Court of Maryland Residential Leases for 12717 Ritchie Road, Smithsburg, MD, and 23510 Warner Hollow Road, Smithsburg, MD Financial Incentive Agreement with Ares Investment Group, LLC for 86-98 West Washington Street Financial Incentive Agreement with Gideon Properties, LLC for the Holly Project at 72 W. Washington Street Reimbursement Agreement with Convention and Visitors Bureau, Inc. CDBG Annual Action Plan Letter of Intent for Lease agreement with The Foundry, LLC at 6 N. Potomac Street Reimbursement to the Washington County Narcotics Task Force Police Recruitment and Retention Grant Fire Fighter Up-Staffing FY21 Year End Transfers between Funds

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

September 14, 2021	Discussion: Administrative Change for PEP/Project Restore Applicants Property Acquisition at 441 South Potomac Street Operation Take Back Update
September 21, 2021	Discussion: Hamilton Building Incentive American Rescue Plan Act (ARPA) – Initial Discussion 2022 Legislative Requests Mayor and City Council Goals and Mission Statement
September 28, 2021	Approvals: FY2022 Strategic Demolition Applications Lease Agreement with The Foundry Pop-Ups LLC, 6 N. Potomac Street MOU with Washington County Soil Conservation District for Future Stream Restorations After School Program – BTJ Dance Group After School Program – Parkside Community Center Policy Addition for Partners in Economic Program City Center Holiday Parking Program
October 5, 2021	Discussion: Community Coalition Legislative Priorities Pump Station #33
October 12, 2021	Discussion: FY23 Agency Contributions City Acquisition of Property – 32 N. Potomac Street
October 19, 2021	Discussion: American Rescue Plan Act (ARPA) Strategic Planning Session Indoor Sports Facility 2021 Hagerstown Ice & Sports Complex Annual Report Approval: Introduce Ordinance to Purchase 32 N. Potomac Street
October 26, 2021	Approvals: Ordinance to Purchase 32 N. Potomac Street Sale of Portion of Property with GB&J's, LLC (Substation) Railway Occupancy Agreement – Sanitary Sewer Lining Resolution to Extend Purchase Agreement for 441 S. Potomac Street Invest Hagerstown City Center Redevelopment Grant for 53 W. Washington Street – Blackthorn Capital Partners LP FY22 Axon Body Camera Payment FY22 Part-Time and Seasonal Employee COVID Compensation for Calendar 2020 Rent Relief for the Hagerstown Ice Amateur Athletic Association
November 2, 2021	Approvals: Introduce Ordinance to Terminate Agreement with Antietam Fire Company, Inc. and to Forgive the balance of Payments Due to the City under the Agreement Introduce Ordinance approving donation of real property to Antietam Fire Company, Inc. Starting salary increase for AFSCME 3373 Increase in incentives and bonuses for officers for the Hagerstown Police Department
November 9, 2021	Approvals: Water Line Relocation Agreement with Hopewell, LLC Discussion: Grant and Program Opportunities for Community Growth through Realtors, Inc. Antietam Fire Company Loan Forgiveness Discussion Review of Process for CDBG Capital Project Funding Requests For Non-Profit Organizations Arts & Entertainment District Redesignation Temporary lease agreement with The Foundry Pop-Ups – 6 N. Potomac Street Incentive Review for Farmers Market Vendors Request to purchase Competitive negotiated Sale (CNS) Property at 25 West Church Street

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

November 16, 2021	Approvals: Revised application and guidelines for City Farmers Market Incentive for City Farmer's market vendors Introduce an ordinance authorizing the sale of property located at 25 W. Church Street Lease agreement with The Foundry Pop-Ups, LLC Discussion: Public Art Projects Update Wheaton Park Improvement Concepts FY23 Imagine Hagerstown American Rescue Plan Act (ARPA)
November 23, 2021	Approvals: Ordinance for sale of portion of property with GB&J's LLC (Substation) Ordinance – termination of agreement with Antietam Fire Company, Inc. and to forgive the balance of payments due to the City under the agreement Ordinance - Donation of real property to Antietam Fire Company, Inc. Ordinance - Authorizing the sale of property located at 25 W. Church Street Parking lease with 664 Oak Hill, LLC for spaces at 49-53 West Franklin Street Grant agreement with the Maryland Department of Housing and Community Development – FY2021 CLG for the Doleman Black Heritage Museum project Sub-Recipient Agreement with the Doleman Black Heritage Museum Project at 465 Pennsylvania Ave FY23 Imagine Hagerstown Budget Mayor and City Council Strategic Plan Funding for Community Coalition Lobbyist Improvements Master Plan for Wheaton Park
December 7, 2021	Discussion: Invest Hagerstown program update Program Open Space (POS) Annual Program Hamilton Run Stream Restoration adjunct to Northern Avenue Downtown Stadium Parking Study
December 14, 2021	Approvals: Ordinance - Quit Claim Deed for portion of Alley #2-105 to Columbia Gas of Maryland, Inc. Discussion: American Rescue Plan Act(ARPA) FY21 Comprehensive Annual Financial Report Red Light and Speed Camera Program update Code Amendments – Chapter 238 and 240 Review of ideas and options for a proposed new Farmer's Market
December 21, 2021	Approvals: Assigning and assumption of lease agreement with GB&J's, LLC and HMS Hagerstown, LLC Grant agreement for consultant fees and plan design for Visitor's' Center at the Johnathan Hager House Museum with Maryland Heritage Areas Authority Amendment water line easement agreement with Downsville Lot A-1(50), LLC Downsville Lot A-2(28), LLC and Downsville Lot A-3(62), LLC Application for FY2023 Program Open Space Engagement agreement with Kane, Wilburn & Stone, P.A. to assist Salvatore & Morton in pending litigation Amendment to FY22 CDBG Annual Action Plan – Wheaton Park Enhancements Amendment 2 to the MOU for Potomac Street at Howard Street Signal Improvements Amendment 1 to the MOU for the Marsh Run Multi-Use Trail Project
January 11, 2022	Discussion: Invest Hagerstown Homeownership Program Update Synagro Project – Phase 1B and Phase 2 Project Closeout

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

January 18, 2022	Discussion: Goodwill Horizon request for emergency assistance for Homeless Shelter Joint Sewer Service Agreement Second Amendment to Agreement for Purchase of 441 South Potomac Street Amendment to Purchase Agreement for Sale of 25 West Church Street Property Request for Proposals for Outside Operation of the BuroBox
January 25, 2022	Approvals: Second Amendment Extension of Settlement Date for 441 S. Potomac Street Agreement with American Traffic Solutions, Inc. (Red Light Camera Enforcement) Joint Sewer Service Agreement amendments Deed and easement with Ellsworth Properties, LLC – Scuri Fence Amendment to purchase agreement for sale of 25 W. Church St.with Marketplace, LLC Public Art Across Maryland Grant Agreement – Color Blind Mural Request for proposals for outside operation of the BuroBox Power Services Agreement Amendment #8 with Energy Harbor Changes to Invest Hagerstown's Hagerstown Homeownership Initiative (HHI) Program
February 1, 2022	Discussion: Boys and Girls Club of Washington County Project Main Street Hagerstown Update
February 8, 2022	Approvals: Design Services for Improvements to 32 North Potomac Street Design Services for Parking Deck on West Antietam Street Purchase of four vehicles for police use Vehicle Recording Device Grant Discussion: Request for Support of the Black Economic Empowerment Summit 2022 Hagerstown Sustainable Communities Renewal 2022 Review of Central lot Addition to the Competitive Negotiated Sale Program Request for Exception to City Water and Wastewater Policy – TC Mid Atlantic Development V, LLC Hagerstown Field House Demolition of Municipal Stadium
February 15, 2022	Discussion: Update of the CDBG Funded Microenterprise Grant Program A & E District Boundaries for Redesignation Application
February 22, 2022	Approvals: Subrecipient agreement for Horizon Goodwill ARPA funds First Amendment with REKOR for Automated Speed Enforcement System Agreement for Construction of Clara Barton Memorial Agreement for Ownership Rights and Maintenance for Clara Barton Memorial FY21 General Fund Surplus Allocations Funding Support for the Black Economic Empowerment Summit 2022 City-wide Mowing Contract 2022: 3/15/22 – 12/15/22
March 1, 2022	State of the City Hagerstown Skate Park Groundbreaking Discussion: FY21 Popular Annual Financial Report Request for Exception to City Water and Wastewater Policy for TC Mid Atlantic Development V, LLC Review of Annexation Agreement for 14 Western Maryland Parkway Indoor Turf/Field House Advocacy Approval: Government Relations Engagement Agreement with Compass GR Partners

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

March 8, 2022	Approvals: Annexation Agreement for 14 Western Maryland Parkway TC Mid Atlantic Development V, LLC Request for Water and Wastewater Under the City's Water & Wastewater Policy Discussion Amendment #1 to Agreement with Eastern Sports Management, LLC Additional Funding for Up-fitting of Hagerstown Police Department 2021 Dodge Chargers Discussion: InvoiceCloud Payment Portal Demonstration Code Amendments to Sections 238 and 240 of the City Code Review of Feedback from Public Hearing for Redesignation of the A&E District Invest Hagerstown Program Update

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.

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 **AFSCME 1540:** One step increase on anniversary date **AFSCME 3373:** One step increase on anniversary date; average 10% COLA on 1/11/21 **IAFF 1605:** One step increase on anniversary date Minimum wage increased to $12.50/hr effective 1/1/22
FY22	**Non-Union:** 1.75% COLA; one step increase effective on anniversary date **IBEW 307:** One step increase on anniversary date **AFSCME 1540:** 2.0% COLA; one step increase on anniversary date **AFSCME 3373:** Market wage adjustments with varying percentages depending on step; changes to Steps 2-14; one step increase on anniversary date **IAFF 1605:** 3.44% increase to Step 14, 6.58% increase to Step 15 of FAO, DFM, and Captain scales; one step increase on anniversary date Minimum wage increased to $13.25/hr effective 1/1/23
FY23	**Non-Union:** Potential salary enhancements **Unions:** As of the date of this writing, contract negotiations are occurring with all four of the City's bargaining units. Minimum wage increasing to $14.00/hr effective 1/1/24

HIGHLIGHTS OF FY23 PROPOSED BUDGET

The following information included in this section of this budget message provides a summary of the key assumptions and highlights of this FY23 Proposed Budget. These highlights explain the most significant topics and assumptions needed in preparing a balanced FY23 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. **Staffing Levels:** The FY23 Proposed Budget includes 441 funded full-time positions with 303 in the General Fund and 138 in other funds and operations. Additionally, there are 42 unfunded positions with 30 unfunded in the General Fund and 12 unfunded in other funds and operations. The changes in staffing in the General Fund include: 1 part-time to full-time position in Code Administration; 1 part-time to full-time position in Support Services; 1 new full-time ARPA Grant Coordinator in Finance; and unfund 7 vacant sworn positions in Police. All of these full-time changes were approved by Mayor & Council in FY22. 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. Subsequent to finalizing the budget document, Community & Economic Development requested the conversion of 1 part-time position to full-time, which is as part-time on this chart.

2. **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; however the City is one of very few municipalities and counties to provide any sick leave pay-outs upon leaving employment and to provide an insurance benefit beyond Medicare age. Multi-year contracts were negotiated and approved through FY22 for all four of the City's bargaining units: AFSCME 3373, AFSCME 1540, IAFF 1605, and IBEW 307. All four bargaining unit contracts expire on June 30, 2022 and negotiations for all new contracts are ongoing for each respective group. At the time of budget preparation, the proposed budget includes overall salary enhancement amounts for all full-time staff and include mandated state minimum wage increases. A history of wages since FY17 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 potential vendor changes, the health insurance plan for FY23 remains flat with no increase over FY22 costs. Additionally, the contribution to City Police and Fire Pension will remain at 14% of salary; however the actuary is reviewing and may recommend that additional funding is now required. 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 $7.4M, which is a 3.6% growth over the FY22 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 10.93%, which is an increase of 3.4% over FY22. The five year history of the share of the City and Employee cost appears in the table at the bottom of page 10.

3. **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 FY23 Budget:

Fund	Total FY23 Operating Expenses	Total FY23 Annual Debt Service Expenses	Percent
General Fund	54,746	1,589	2.9%
Electric Fund	26,100	26	0.1%
Water Fund	16,591	2,100	12.7%
Wastewater Fund	14,709	1,654	11.2%
Parking Fund	1,062	108	10.2%
Property Management Fund	396	10	2.4%
Stormwater Management Fund	1,399	57	4.1%
Subtotal of Funds:	**115,003**	**5,543**	**4.8%**

*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 MDE bond issue or loan will be needed in FY23 for Water projects. The only anticipated GO bond issue in FY23 is in the Parking Fund. Total loan and bond issues are reflected below:

Fund	Departments	Project #	Amount
Enterprise	Water	52-C0168	500,000
Enterprise	Water	52-C0274	2,000,000
Enterprise	Parking	56-C0173	5,500,000
Total FY23 Proposed Bond Financing			**8,000,000**

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.

4. **Overview of Capital Improvement Projects (CIP)**: The City's total Capital Improvement Program budget for FY23 at $40.2M is 78.6% higher than the $22.5M in the FY22 Revised Budget. The CIP Section 7 presents comprehensive descriptions of major project needs for FY23 through FY27. 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:

5. **FY23 General Fund Revenues and Expenditures:** The Proposed General Fund revenue of $54.7M for FY23 represents a increase of $5.8M or 11.8% over the FY22 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.

6. **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 FY23 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 FY23. 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 FY24 and beyond. The current projections show a shortfall of $3.8M for FY24 with increasing 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.

7. Highway User Revenue (HUR): With almost full restoration of historical HUR funding in FY23, $134.1K of the total $1.4M 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, 2022

	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%
FY21 Actual	1,730,254.68	11%	-9%	-	1,730,254.68	11%	-9%
Estimated FY22 based on 9/27/21 memo							
FY22 Projected Annual allotment	1,612,000.00	-7%	-15%		1,612,000.00	-7%	-15%
Preliminary Estimated FY23 budget based on 9/27/21 memo							
FY23 Preliminary Budget	1,403,100.00	-19%	-26%	-	1,403,100.00	-19%	-26%

8. **General Fund Agency Contributions:** A summary of the proposed General Fund appropriations for agency funding appears on page 60 of Section 2. In accordance with the General Fund Agency Funding Policy; the Proposed FY23 Budget includes $205K in funding for City support of community agencies from the General Fund. With the $195K across eight core agencies, the FY23 funding proration as proposed equal to the FY18 base funding for each agency. This leaves $10K as unspecified for any miscellaneous requests that Mayor & Council may receive.

9. **Important Supplemental Factors:** There are factors and items that impact the city and community that are or are not included in this FY23 budget:
    a. American Rescue Plan Act of 2021 – The City was awarded $20.4M through the American Rescue Plan Act of 2021. $10.4M was received in May 2021 and $10.4M is anticipated to be received in May 2022. The 7 federal expenditure categories are Public Health, Negative Economic Impacts, Services to Disproportionately Impacted Communities, Premium Pay, Infrastructure, Revenue Replacement, and Administrative. City leadership, with Mayor and Council, has worked to develop and implement the spending plan found on page 7. FY23 includes $7.9M in ARPA expenditures across all funds.

b. 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 FY27 for this possibility to be funded primarily by others.
c. Multi-Use Facility – There is no specific funding included in the five year projections for the City to fund toward the construction of a new or renovated stadium or multi-use facility as the State of Maryland has awarded $59.5 to private organizations to build and manage. However, a 3rd parking deck is included as the City's contribution toward this initiative.
d. Municipal Stadium – Initial approval has been given to award demolition to a contractor to start the process the first week of April to make room for the future Hagerstown Field House.
e. 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:

10. **Capital Improvement Projects (CIP) for General Fund**: The General Fund portion in the Capital Improvement Program budget for FY23 represents 39.2% or $15.8M of the total $40.2M. 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	170,000	1.1%
Contributions, PEG Fees, & Reforestation Funds	312,500	2.0%
Fund Balance Use: CIP Fund	1,827,700	11.6%
Fund Balance Use: General Fund	3,555,000	22.5%
ARPA Grant	2,080,000	13.2%
Other Grants	3,746,325	23.7%
HUR	1,269,000	8.0%
Transfers from Other City Funds (Pay-go)	2,817,400	17.9%
Total Funding Sources for General Fund CIPs	**15,777,925**	**100.0%**

Similarly, a breakdown on the spending of this $15.8M by General Fund department is outlined below with specific details to follow in Section 7:

Spend by Department	Amount	Percent
Engineering	6,349,000	40.2%
Finance	1,340,000	8.5%
Fire	3,185,000	20.2%
Information Technology	718,000	4.6%
Parks & Recreation	2,509,700	15.9%
Planning & Code Amdinistration	30,000	0.2%
Police	986,225	6.3%
Public Works	660,000	4.2%
Total Capital Spend by Department:	**15,777,925**	**100.0%**

11. **Fire Department Capital Project Highlights (CIP45-C0241, CIP45-C0687, CIP45-C0849):** To address fire facility and deployment needs, several individual projects are included in the FY23 Proposed Budget for the Fire Department. These three projects total $2.8M or 17.4% 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.

12. **Vehicles:** Overall, the FY23 Budget includes $1.2M for vehicle replacements which represents 7.5% 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 FY23 Budget:

General Fund Departments	Amount	Percent
Vehicles:		
Engineering	30,000	2.5%
Fire	65,000	5.5%
Parks & Recreation	165,000	13.9%
Planning & Code Amdinistration	30,000	2.5%
Police	440,000	37.1%
Public Works	457,000	38.5%
Subtotal Vehicles:	**1,187,000**	**100.0%**
Grand Total All General Fund CIPs	**15,777,925**	**7.5%**

Other Governmental Fund Highlights:

13. **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 FY23 it is anticipated the CDBG grant entitlement will be $825K; which is a <1.2%> decrease from FY22. A

history of the City's Entitlement Funding is shown on page 6 of Section 4 and reflects an allocation of growth from FY18 levels. Total CDBG expenditures are projected to be $2.0M in FY23, funded by a combination of new and carry over entitlement funds of $1.5M plus $220.1K in program income. These projected expenditures include: $595.0K for Public Facilities and Improvements; $183.0K to support Public Services; $162.0K in Housing Rehab Projects; $475.0K in Commercial & Industrial Improvements; and $549.5K for overall administration and demolition. A summary of CDBG revenues and expenditures appears on page 5 with more detailed information on pages 6-8.

14. **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 FY23, it is expected that expenditures will be $1.5M. Of the total expenditures, $132K for PEP program rent payments; $275K for various Community Legacy Grant initiatives; $855K combined for Invest Hagerstown incentives; and the remaining $206.3K for general incentives and overall administration. One key property for resale opportunity remains at 170 West Washington St. More detailed information of this Fund is found on pages 10-12.

Enterprise/Business-Type Fund Highlights:

15. **Utility Rates:** The FY23 Proposed Budget represents the fourth 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% average annual increases for our Water and Wastewater Customers. These approved rate adjustments are included in the FY23 Proposed Budget and in the five year financial projections. A contract for wholesale energy was negotiated in FY17 and the rates are $49.90 per megawatt hour through FY22. A two-year extension is in place beginning in FY23 with the expected wholesale rate to decrease to $42.42 per megawatt hour through May 31, 2024. For all three of our utilities, our customers enjoy some of the lowest service charges in our region.

16. **Electric Fund Projects and Equipment:** The capital projects and equipment purchases are summarized in Section 7 page 30 and total $1.6M for the Electric Fund in FY23. Key purchases and projects include the following: 50-C0550 Kilpatrick Woods $225.5K; 50-C0090 Electric Vehicles $405.0K; Meter Replacement $300.0K; and various smaller projects planned. Electric Fund Revenues and Private Contributions will provide the funding for all projects included in the FY23 Budget.

17. **Water Fund Capital Projects and Equipment:** In FY23, $6.0M 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 $675K; CIP 52-C0166 Willson Treatment Plant for $950K; CIP 52-C0168 Edgemont Reservoir Improvements for $650K; CIP 52-C0274 Mack Water Tank for $2.4M; CIP 52-C0322 Risk and Resiliency/Security $150K; CIP 52-C0653 Water Distribution System Meter Program for $325K; and CIP 52-C0709 Distribution System Rehab – Main Replacement for $400K. Water Fund Revenue, Bond Financing, and Private Contributions will fund all projects in FY23.

18. **Water Fund - Edgemont Reservoir:** To address regulatory requirements as mentioned above in CIP 52-C0168, $18.9M has been included in the FY23-FY27 (over a 5 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) was 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.

19. **Wastewater Fund Capital Projects and Equipment:** In FY23, $9.0M 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 $1.4M; continuation of CIP 54-C0565 East End Pump Station #33 for $3.0M; and CIP 54-C0574 Pump Station #13 Reconstruction for $2.2M. A combination of ARPA Grant Funding, Private Contributions, Grants, and Wastewater Fund Revenue will fund all projects.

20. **Third Parking Deck (CIP 56-C0173) and Parking Fund Operations:** Discussions around the new Multi-Use Facility have indicated a need for another parking deck in the downtown area. In addition, the construction of a third parking deck is part of the Mayor & Council Strategic Plan. As a result, the future budget projections include this identified project. Prior to moving forward, additional planning and design will be necessary. A desired location has been identified and negotiations toward acquisition are ongoing. The location is not yet an absolute. 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 $10.2M Third Parking Deck are included in Section 7 on page 163 with timing of this deck to be done over FY23 and FY24 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 24 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 deficits beginning in FY24 which will impact the Parking Fund cash balances in FY25. Rates for parking decks and parking lots were approved for a four year span by Mayor & Council. FY23 will begin the final year of this approved rate schedule.

21. **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 FY23 Proposed Total Expenditures of $395.6K and Total Revenues of $694.4K. Beginning in FY23, there will be four properties remaining in this fund and only two of those buildings have tenants (Elizabeth Hager Center and 60 West Washington Street). 36-40 North Potomac Street was sold in FY22. There are also anticipated capital projects that total $420.0K in the FY23 Budget which includes improvements to the Alms House that is CDBG funded. More detailed assumptions through FY27 can be found in Section 6 on pages 29-30. 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 FY23 and beyond, which would mean increased need for considering contributions from the General Fund.

22. **Stormwater Protection Program:** The goals of the Stormwater Protection 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 FY23 Proposed Budget projections include revenue from a stormwater utility fee that was effective March 1, 2021 with a planned rate change effective January 1, 2023. Rates will become $36.00 per 1,000 square feet of impervious surfaces. 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 primarily be covered by stormwater fees and grants which is reflected in Section 7 on page 42. There are also current operating expenses reflected in the Stormwater Protection Fund for service costs related to stormwater activity.
    a. Stormwater Operating Expenses - $1.4M in FY23 budget in Section 3 on page 44
    b. Stormwater Capital Expenses - $1.4M in FY23 budget in Section 7, pages 13, 42 and 43 in summary

COMBINED USES OF FUNDS
FY23 BUDGET BY FUND

The Adopted FY23 Budget includes $171.2M in expenditures for all of the City's funds. The City's largest operating fund, the General Fund, is projected at $54.7M for the coming year, an 11.8% increase over FY22. Utility operations for next year include $28.2M for the Electric Fund, $22.6M for the Water Fund, and $23.8M for the Wastewater Fund. The City's General Capital Improvement Fund for next year is proposed at $15.8M. The Parking Fund's Budget is $6.9M and the Community Development Block Grant Fund totals $2.0M. These represent Hagerstown's major operating and capital funds. Other Special Revenue funds totaling $2.2M, along with Service and Trust Funds totaling $10.8M, 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.

2022/2023 BUDGET BY FUND

	Revised Budget 2021/2022	Proposed Budget 2022/2023	Increase / (Decrease)	Percent Change
General Fund	$ 48,966,496	$ 54,746,102	$ 5,779,606	11.8%
Community Dev. Block Grant Fund	2,083,878	1,964,482	(119,396)	-5.7%
Special Revenue Funds	3,146,604	2,196,268	(950,336)	-30.2%
General/Capital Improvement Projects	14,624,460	15,777,925	1,153,465	7.9%
Total Government-type Funds	68,821,438	74,684,777	5,863,339	8.5%
Electric Fund	26,766,302	28,154,677	1,388,375	5.2%
Water Fund	16,383,289	22,611,201	6,227,912	38.0%
Wastewater Fund	16,573,783	23,779,925	7,206,142	43.5%
Parking Fund	1,269,827	6,909,398	5,639,571	444.1%
Golf Fund	622,038	601,997	(20,041)	-3.2%
Property Management Fund	615,073	815,619	200,546	32.6%
Stormwater Fund	3,195,288	2,833,528	(361,760)	-11.3%
Total Enterprise-type Funds	65,425,600	85,706,345	20,280,745	31.0%
Service & Trust Funds	10,723,518	10,837,648	114,130	1.1%
Total Combined Uses of Funds	**$ 144,970,556**	**$ 171,228,770**	**$ 26,258,214**	**18.1%**

COMBINED STATEMENT OF REVENUES AND EXPENDITURES

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE (ALL FUNDS)
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES BY TYPE					
Taxes-Property, Income & Other	$ 39,824,299	$ 38,913,272	$ 39,933,079	$ 41,429,730	6.5%
Charges for Services	67,453,474	67,661,492	68,089,812	69,639,706	2.9%
Licenses and Permits	3,271,882	2,186,750	2,483,200	2,268,900	3.8%
Fines and Forfeitures	1,439,374	1,322,100	1,268,400	1,300,650	-1.6%
Other Governmental	7,525,781	8,376,381	6,353,354	15,943,085	90.3%
Other / Transfers In	32,502,714	18,687,276	19,992,862	22,438,121	20.1%
Total Current Revenues	**$ 152,017,524**	**$ 137,147,271**	**$ 138,120,707**	**$ 153,020,192**	**11.6%**
EXPENDITURES BY DEPARTMENT					
General Government	$ 5,938,829	$ 6,265,068	$ 6,516,783	$ 6,699,517	6.9%
Public Safety	25,169,407	25,882,399	25,837,821	27,753,199	7.2%
Highways & Streets	2,483,251	2,521,357	2,348,648	2,485,132	-1.4%
Waste Collection & Disposal	2,835,197	2,985,060	2,962,679	3,178,629	6.5%
Parks and Recreation	2,442,662	2,907,479	2,884,282	3,085,240	6.1%
Community & Economic Development	508,310	655,095	628,961	681,429	4.0%
Community Development Block Grant	1,436,509	2,083,878	1,793,975	1,964,482	-5.7%
Special Revenue Funds	2,215,716	3,146,604	2,966,515	2,196,268	-30.2%
Enterprise Funds	61,094,345	65,425,600	63,928,083	85,706,345	31.0%
Capital Improvement Projects Fund	9,361,583	14,624,460	12,210,882	15,777,925	7.9%
Service and Trust Funds	8,551,977	10,723,518	10,550,891	10,837,648	1.1%
Non-Departmental General Fund	7,719,323	7,750,039	8,120,063	10,862,956	40.2%
Total Expenditures	**$ 129,757,108**	**$ 144,970,556**	**$ 140,749,584**	**$ 171,228,770**	**18.1%**

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

COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2022/23

	GOVERNMENTAL FUND TYPES	ENTERPRISE FUND TYPES	SERVICE AND TRUST FUNDS	COMBINED TOTALS
REVENUES				
Property Taxes	$ 35,134,632	$ -	$ -	$ 35,134,632
Income and Other Taxes	6,295,098	-	-	6,295,098
Licenses and Permits	2,268,900	-	-	2,268,900
Intergovernmental Revenues and Grants	8,782,148	-	-	8,782,148
Charges for Current Services	3,919,034	56,545,317	9,722,973	70,187,324
Fines and Forteitures	1,250,750	-	-	1,250,750
Administrative Allocation Revenues	1,997,500	-	-	1,997,500
Program Income	481,125	-	-	481,125
Reforestation Fees	25,000	-	-	25,000
Premium on Bonds	-	8,247	-	8,247
Interest on Investments	23,050	21,200	3,700	47,950
Miscellaneous/Other General Revenues	493,905	1,794,053	476,714	2,764,672
TOTAL REVENUES	**$ 60,671,142**	**$ 58,368,817**	**$ 10,203,387**	**$ 129,243,346**
EXPENDITURES				
General Government	15,106,517	-	-	15,106,517
Public Safety	31,999,424	-	-	31,999,424
Highways and Streets	3,100,132	-	-	3,100,132
Waste Collection and Disposal	3,178,629	-	-	3,178,629
Parks and Recreation	5,594,940	-	-	5,594,940
Economic and Community Development	681,429	-	-	681,429
Unallocated General Expense	2,407,855	-	-	2,407,855
Debt Service - Principal and Interest	1,588,759	3,954,671	-	5,543,430
Operating Expenses	4,070,750	59,917,336	9,937,648	73,925,734
TOTAL EXPENDITURES	**67,728,435**	**63,872,007**	**9,937,648**	**141,538,090**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**(7,057,293)**	**(5,503,190)**	**265,739**	**(12,294,744)**
OTHER FINANCING SOURCES(USES)				
Add Back Depreciation	-	8,937,500	-	8,937,500
Bond Financing Proceeds	-	10,000,000	-	10,000,000
Prior Bond Proceeds	170,000	-	-	170,000
Developer Contributions	-	842,500	-	842,500
MDE Bond Financing	-	2,500,000	-	2,500,000
MDE Loan Forgiveness	-	1,500,000	-	1,500,000
Benefit Charges	-	1,002,142	-	1,002,142
Operating Transfers From Other Funds	1,836,042	768,625	-	2,604,667
Capital Transfers From Other Funds	2,817,400	-	-	2,817,400
General Fund Balance Transfers From Capital Projects	3,555,000	-	-	3,555,000
Grants in Aid of Construction	-	240,000	-	240,000
Grants-ARPA	-	5,660,937	-	5,660,937
Appropriated Use of Fund Balance	5,382,700	-	-	5,382,700
Non-Cash Developer Contributions	-	(842,500)	-	(842,500)
MDE Loan Forgiveness	-	(1,500,000)	-	(1,500,000)
General Fund Balance Transfers (to) Capital Projects	(3,555,000)	-	-	(3,555,000)
Capital Transfers (to) Other Funds	(2,126,675)	(95,725)	-	(2,222,400)
Operating Transfers (to) Other Funds	(1,274,667)	-	(900,000)	(2,174,667)
Capital Outlay	-	(24,910,800)	-	(24,910,800)
TOTAL OTHER FINANCING SOURCES (USES)	**6,804,800**	**4,102,679**	**(900,000)**	**10,007,479**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ (252,493)**	**$ (1,400,511)**	**$ (634,261)**	**$ (2,287,265)**
Beginning Fund Balance	**$ 24,602,902**	**$ 180,516,488**	**$ 7,796,858**	**$ 212,916,248**
Less Appropriated Use of Fund Balance	(5,552,700)	-	-	(5,552,700)
Ending Fund Balance	**$ 18,797,709**	**$ 188,105,465**	**$ 7,162,597**	**$ 214,065,771**

(Cash Basis)

STAFFING CHARTS

STAFFING SCHEDULE
DETAIL OF UNFUNDED FULL-TIME POSITIONS
FISCAL YEAR 2022/23

Department / Description	Proposed Unfunded
Parks & Recreation	
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	15.00
Department Total	**15.00**
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	**30.00**
Water Department	
Maintenance Technician I	-
Water Utility Service Technician	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	**42.00**

STAFFING SCHEDULE (FULL-TIME AND PART-TIME POSITIONS ONLY)
FIVE YEAR COMPARISON
FISCAL YEARS 2018/19 THROUGH 2022/23

DEPARTMENT	FISCAL YEARS 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	2022/23 FULL-TIME	2022/23 UNFUNDED	2022/23 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	-	1.30	6.85	-	1.28	6.15	-	2.00	6.15	-	2.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	6.75	2.00	6.75	-	1.30	6.85	-	1.28	6.15	-	2.00	6.15	-	2.00
Planning & Code Administration	20.00	1.00	20.00	-	1.00	20.00		2.00	20.00		1.00	21.00		-
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	20.00	1.00	20.00	-	1.00	20.00	-	2.00	20.00	-	1.00	21.00	-	-
Finance	8.50	-	8.40	-	-	8.40		-	8.00		-	9.00		-
Support Services & Billing						9.00		3.00	9.00		3.00	10.00		3.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	8.50	-	8.40	-	-	17.40	-	3.00	17.00	-	3.00	19.00	-	3.00
Information Technology &	14.10	5.50	13.10	1.00	5.50	6.00	-	-	6.00	-	-	6.00	-	-
Communications						2.00		2.50	2.00		2.50	2.00		2.50
**Included Support Services until FY21														
Unfunded Positions	(1.00)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	13.10	5.50	13.10	1.00	5.50	8.00	-	2.50	8.00	-	2.50	8.00	-	2.50
Human Resources	5.00	4.00	5.00	-	4.00	5.00	-	4.00	4.00	1.00	4.00	4.00	1.00	4.00
Engineering & Parks Division	30.92	7.00	26.41	4.00	7.00	26.27	4.00	7.28	24.75	4.00	7.28			
Engineering (Without Parks)												10.24	-	1.00
Unfunded Positions	(3.00)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	27.92	7.00	26.41	4.00	7.00	26.27	4.00	7.28	24.75	4.00	7.28	10.24	-	1.00
Police Sworn	112.00	-	112.00	-	-	112.00	-	-	104.00	8.00	-	97.00	15.00	-
Police Administrative/Civilian	15.00	14.00	15.00		13.00	16.00	-	13.00	16.00	-	12.00	16.00	-	14.00
Unfunded Positions	(1.00)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	126.00	14.00	127.00	-	13.00	128.00	-	13.00	120.00	8.00	12.00	113.00	15.00	14.00
Fire	83.00	-	78.00	6.00	-	78.00	6.00	-	78.00	6.00	-	78.00	6.00	1.00
Unfunded Positions	(6.00)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	77.00	-	78.00	6.00	-	78.00	6.00	-	78.00	6.00	-	78.00	6.00	1.00
Public Works	32.90	-	23.55	4.00	-	24.95	4.00	-	24.95	4.00	-	24.85	4.00	-
Stormwater (Gen Fund Operations)	-	-	*5.86*	-	-	*3.86*	-	-	-	-	-	-	-	-
Parks & Recreation												15.86	4.00	8.00
Unfunded Positions	(4.00)	-	-	-	-	-	-	-	-	-	-	-		-
Total Funded Positions	28.90	-	29.41	4.00	-	28.81	4.00	-	24.95	4.00	-	40.71	8.00	8.00
Total General Fund	**331.17**	**34.00**	**317.07**	**15.00**	**32.30**	**321.33**	**14.00**	**33.56**	**305.85**	**23.00**	**32.28**	**303.10**	**30.00**	**36.00**
Unfunded Total - General Fund	**(15.00)**	**-**	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions-General Fund	**316.17**	**34.00**	**317.07**	**15.00**	**32.30**	**321.33**	**14.00**	**33.56**	**305.85**	**23.00**	**32.28**	**303.10**	**30.00**	**36.00**
Electric	35.55	-	31.51	4.00	-	29.96	5.00	-	28.85	6.00	-	28.85	6.00	-
Unfunded Positions	(4.00)	-		-	-		-	-		-	-		-	-
Total Funded Positions	31.55	-	31.51	4.00	-	29.96	5.00	-	28.85	6.00	-	28.85	6.00	-
Water	54.02	-	50.36	4.00	-	48.67	4.00	-	50.60	4.00	-	49.60	4.00	-
Unfunded Positions	(4.00)			-			-			-			-	
Total Funded Positions	50.02		50.36	4.00	-	48.67	4.00	-	50.60	4.00	-	49.60	4.00	-
Wastewater	48.76	-	46.56	2.00	-	46.95	2.00	-	45.55	2.00	-	46.55	2.00	-
Unfunded Positions	(2.00)	-		-	-		-	-		-	-		-	-
Total Funded Positions	46.76	-	46.56	2.00	-	46.95	2.00	-	45.55	2.00	-	46.55	2.00	-
Stormwater (Enterprise Fund)	-	-	-	-	-	-	-	-	5.36	-	-	4.11	-	-
Golf Course	2.25	1.00	2.25	-	1.00	2.24	-	1.72	2.24	-	1.72	2.24	-	1.00
Parking	2.20	10.00	2.20	-	10.00	2.80	-	9.00	2.80	-	9.00	2.80	-	9.00
Property Management	0.90	1.00	0.90	-	0.70	0.90	-	0.72	0.90	-	-	0.90	-	-
Community Dev Block Grant	2.00	-	2.00	-	-	2.00	-	-	2.70	-	-	2.70	-	-
Business Revolving Loan Fund	0.15	-	0.15	-	-	0.15	-	-	0.15	-	-	0.15	-	-
City-wide Staffing Levels	**477.00**	**46.00**	**453.00**	**25.00**	**44.00**	**455.00**	**25.00**	**45.00**	**445.00**	**35.00**	**43.00**	**441.00**	**42.00**	**46.00**
Unfunded Total - City-wide	**(25.00)**	**-**	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions - City-wide	**452.00**	**46.00**	**453.00**	**25.00**	**44.00**	**455.00**	**25.00**	**45.00**	**445.00**	**35.00**	**43.00**	**441.00**	**42.00**	**46.00**
General & Oth Govt Operations	**123.32**	**20.00**	**114.22**	**9.00**	**19.30**	**117.48**	**8.00**	**20.56**	**110.70**	**9.00**	**20.28**	**114.95**	**9.00**	**21.00**
Public Safety: (Police & Fire Only)	**210.00**	**14.00**	**205.00**	**6.00**	**13.00**	**206.00**	**6.00**	**13.00**	**198.00**	**14.00**	**12.00**	**191.00**	**21.00**	**15.00**
Enterprise Funds	**143.68**	**12.00**	**133.78**	**10.00**	**11.70**	**131.52**	**11.00**	**11.44**	**136.30**	**12.00**	**10.72**	**135.05**	**12.00**	**10.00**

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 vacant sworn positions in Police; Unfund 1 FT position in Electric
FY23 Bud: Transitioned/moved Parks & Recreation from Engineeering umbrella to report under Public Works.
FY23 FT Changes: M&C approved during FY22 (1 PT to 1 FT in Code Administration; 1 PT to 1 FT in Support Services; 1 new FT temp ARPA Grant Coordinator in Finance; Unfund 7 vacant sworn positions in Police)

GOVERNMENTAL FUNDS - COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2022/2023

	GENERAL	SPECIAL REVENUE	CAPITAL IMPROVEMENT FUNDS	TOTAL
REVENUES				
Property Taxes	$ 35,134,632	$ -	$ -	$ 35,134,632
Income and Other Taxes	5,026,098	-	1,269,000	6,295,098
Licenses and Permits	2,268,900	-	-	2,268,900
Intergovernmental Revenues and Grants	631,919	2,323,904	5,826,325	8,782,148
Charges for Current Services	3,919,034	-	-	3,919,034
Fines and Forfeitures	1,250,750	-	-	1,250,750
Administrative Allocation Revenues	1,997,500	-	-	1,997,500
Program Income	-	481,125	-	481,125
Reforestation Fees	-	25,000	-	25,000
Interest on Investments	21,500	1,550	-	23,050
Miscellaneous/Other General Revenues	258,161	13,244	222,500	493,905
TOTAL REVENUES	**50,508,494**	**2,844,823**	**7,317,825**	**60,671,142**
EXPENDITURES				
General Government	6,699,517	-	8,407,000	15,106,517
Public Safety	27,753,199	-	4,246,225	31,999,424
Highways and Streets	2,485,132	-	615,000	3,100,132
Waste Collection and Disposal	3,178,629	-	-	3,178,629
Parks and Recreation	3,085,240	-	2,509,700	5,594,940
Economic and Community Development	681,429	-	-	681,429
Unallocated General Expense	2,407,855	-	-	2,407,855
Debt Service - Principal and Interest	1,588,759	-	-	1,588,759
Operating Expenses	-	4,070,750	-	4,070,750
TOTAL EXPENDITURES	**47,879,760**	**4,070,750**	**15,777,925**	**67,728,435**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**2,628,734**	**(1,225,927)**	**(8,460,100)**	**(7,057,293)**
OTHER FINANCING SOURCES(USES)				
Operating Transfers From Other Funds	684,375	1,061,667	90,000	1,836,042
Capital Transfers From Other Funds	-	-	2,817,400	2,817,400
Operating Transfers (to) Other Funds	(1,184,667)	(90,000)		(1,274,667)
Capital Transfers (to) Other Funds	(2,126,675)			(2,126,675)
Prior Bond Proceeds	-	-	170,000	170,000
Bond Financing Proceeds	-	-	-	-
Appropriated Use of Fund Balance	3,555,000	-	1,827,700	5,382,700
General Fund Balance Transfers From Capital Projects	-	-	3,555,000	3,555,000
General Fund Balance Transfers (to) Capital Projects	(3,555,000)	-	-	(3,555,000)
TOTAL OTHER FINANCING SOURCES (USES)	**(2,626,967)**	**971,667**	**8,460,100**	**6,804,800**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	$ 1,767	$ (254,260)	$ -	$ (252,493)
Beginning Fund Balance	**$ 17,608,373**	**$ 4,247,269**	**$ 2,747,260**	**$ 24,602,902**
Less Appropriated Use of Fund Balance	(3,555,000)	-	(1,997,700)	(5,552,700)
Ending Fund Balance	**$ 14,055,140**	**$ 3,993,009**	**$ 749,560**	**$ 18,797,709**
DETAIL OF ENDING FUND BALANCES:				
Nonspendable	$ 350,000	$ -	$ -	350,000
Restricted	-	1,719,892	-	1,719,892
Committed	250,000	606,008		856,008
Assigned	1,000,000	1,667,109	749,560	3,416,669
Unassigned	12,455,140	-	-	12,455,140
Ending Fund Balance	**$ 14,055,140**	**$ 3,993,009**	**$ 749,560**	**$ 18,797,709**

SOURCES OF FY23 GENERAL FUND REVENUE

The Proposed General Fund revenue of $54.7M for FY23 represents an 11.8% increase compared to the FY22 Budget. The primary reasons for this increase in General Fund revenue are: $2.1M growth in Property Tax Revenue as a result of an estimated 3.5% growth in assessed values, $0.7M or 9.2% growth in Income & Other Taxes related to the addition of significant new and redevelopment projects within the Enterprise Zone tax credit area; overall growth in local income tax despite the decrease in withholding implemented by the County in Jan 2022; $0.5M in growth in Intergovernmental Revenue due to the utilization of ARPA funding; and a $2.2M increased use of fund balance reserves. There are small decreases in Fine & Forfeitures and Unallocated General Revenues totaling a decline of $60.8K primarily due to interest on investments.

The following table illustrates the change in the sources of General Fund Revenues from Revised Budget FY22 to Proposed Budget FY23.

Sources of General Fund Revenue Growth			
FY 22/23 General Fund Budgeted Revenues	**$**	**54,747,869**	
FY 21/22 General Fund Budgeted Revenues	**$**	**48,969,310**	
Revenue Growth (Decrease)		**5,778,559**	**11.8% Increase**
	Sources		
Property Tax Revenue		2,088,215	
Income & Other Taxes		671,243	
Licenses & Permits		82,150	
Intergovenmental Revenues		239,181	
Charges for Current Services		389,983	
Fine & Forfeitures		(22,150)	
Unallocated Revenues		(38,644)	
Transfers From Other Funds		113,883	
Appropriated Use of Fund Balance		2,254,698	
Total	**$**	**5,778,559**	

EXPENDITURES OF FY23 GENERAL FUND RESOURCES

The change in the Proposed General Fund Budget for expenditures in FY23 totals $5.8M representing an 11.8% increase in expenditures from the revised FY22 Budget of $49.0M. The following table illustrates the changes in the use of General Fund budget resources by category of expenditure from FY22 to FY23. The total General Fund expenditure increase is primarily a result of the following: Wages & Benefits; Contracted Services; Capital Expenditures; Other Expenditures; and Fund Balance Transfers.

Uses of General Fund Revenue Growth			
FY 22/23 General Fund Budgeted Expenditures	**$**	**54,746,102**	
FY 21/22 General Fund Budgeted Expenditures		**48,966,496**	
Expenditure Growth (Decrease)		**5,779,606**	**11.8% Increase**
	Uses		
Wage & Benefits		2,654,126	
Wage & Overhead Allocations		(180,013)	
Contracted Services		263,933	
Materials, Supplies & Utilities		66,265	
Insurance		22,330	
Capital Expenditures		919,711	
Debt Service		(684,300)	
Transfers To Other Funds		(62,342)	
Other Expenditures		525,198	
Fund Balance Transfer		2,254,698	
Total	**$**	**5,779,606**	

ALLOCATION OF FY23 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	$15,884,217	29.0%
Fire	9,490,492	17.3%
Highways, Streets, & Signal Department	3,082,294	5.6%
Engineering & Construction	1,141,401	2.1%
Waste Collection & Disposal	3,178,629	5.8%
Planning & Code Administration	2,228,297	4.1%
Information Technology	1,240,539	2.3%
Communications	284,007	0.5%
Community & Economic Development	1,035,750	1.9%
Parks & Recreation	3,068,489	5.6%
Finance	934,477	1.7%
Support Services	487,720	0.9%
Human Resources	628,268	1.1%
City Hall & Annex	311,781	0.6%
Legal Counsel	246,000	0.4%
City Administrator	232,771	0.4%
Mayor & Council	223,899	0.4%
City Clerk	184,114	0.3%
Retiree Benefits	1,500,000	2.7%
Contributions to Other Agencies	205,000	0.4%
Debt Service	1,588,759	2.9%
Capital Transfers to Other Funds	2,126,675	3.9%
Fund Balance Transfers	3,555,000	6.5%
Unallocated Expenses/Transfers *	1,887,522	3.4%
Total	**$54,746,102**	**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
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
2020/2021	140,130	1,144,147	731,167	2,015,444
Estimated Actual:				
2021/2022	180,604	1,517,992	908,659	2,607,255
Proposed Budget:				
2022/2023	197,715	2,126,675	3,555,000	5,879,390
2023/2024	199,715	4,757,350	1,450,000	6,407,065
2024/2025	219,715	4,669,583	-	4,889,298
2025/2026	224,715	2,414,850	-	2,639,565
2026/2027	234,715	2,413,750	-	2,648,465

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 FY23 above includes the use of General Fund Balance reserves to maintain levels needed for capital improvement projects. In addition, the amount included in FY24 is for the Hagerstown Field House project which is anticipated to span multiple fiscal years.

BONDED DEBT OUTSTANDING

In current FY22, the budget originally included a preliminary $4.2M General Fund bond issue. However at this time, it is not anticipated that bond issue will occur in FY22. As a result, FY22 includes future bond issue assumptions to include FY22 approved projects plus new requests for FY23 projects.

In the FY23 Proposed Budget, staff has not included a general fund supported bond issue. 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 FY12. It is separated into tax supported general bonded debt and self-supporting enterprise fund debt for the City's Electric, Water, Wastewater, Parking, Property Management, and Stormwater Protection 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
2011/2012	66,363,883	17,459,565	48,904,318
2012/2013	62,885,398	16,013,064	46,872,334
2013/2014	66,322,848	15,168,166	51,154,682
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	56,911,953	16,617,257	40,294,696
2021/2022 Estimated Actual	51,841,423	14,885,822	36,955,601
2022/2023 Proposed Budget	54,029,558	13,755,891	40,273,667
12 Year Increase in Outstanding Debt	**$ (12,334,325)**	**$ (3,703,674)**	**$ (8,630,651)**

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 FY23 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
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	2,814,132	0.59%	382	4.19%
2021/2022 Estimated Actual	2,881,756	0.52%	342	4.64%
2022/2023 Proposed Budget	2,982,156	0.46%	316	3.16%
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 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Property Tax Revenue	$ 33,046,417	$ 33,612,949	$ 35,134,632	6.3%
Income & Other Taxes	4,354,855	4,808,130	5,026,098	15.4%
Licenses & Permits	2,186,750	2,483,200	2,268,900	3.8%
Intergovernmental Revenues	392,738	379,382	631,919	60.9%
Charges for Current Services	3,529,050	3,550,158	3,919,034	11.1%
Fines & Forfeitures	1,272,900	1,233,200	1,250,750	-1.7%
Administrative Allocation Revenues	1,997,500	1,997,500	1,997,500	0.0%
Contributions & Donations	36,700	25,293	36,000	-1.9%
Interest on Investments	40,000	5,500	21,500	-46.3%
Other Unallocated General Revenues	241,606	255,772	222,163	-8.0%
Transfers from Other Funds	570,492	570,492	684,375	20.0%
Appropriated Use of Fund Balance	1,300,302	-	3,555,000	173.4%
Total Current Revenue	**$ 48,969,310**	**$ 48,921,576**	**$ 54,747,869**	**11.8%**

1. Overall Property Tax revenue is estimated to increase from FY22 Budget to FY23 Proposed Budget by $2.1M or 6.3% 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 3.5 % growth based on trends versus data from SDAT that only reflected an increase of 0.6% in our assessed values in the third year of the triennial cycle. Part of this growth is related to new development projects and future annexations. 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 69.6% excluding Transfers from Other Funds and Appropriated Use of Fund Balance and 64.2% when including these other funding sources.

2. Intergovernmental Revenues are expected to increase by $239.1K or 60.9% compared to FY22 Budget due to American Rescue Plan Act funding being utilized for an administrative grant position and Police body worn camera maintenance.

3. Interest on Investments are projected to decrease overall by <$18.5K> or <46.3%>. 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 $3.6M to be utilized from prior years' General Fund balance for a variety of purposes. This represents an increase of $2.23M over FY22 Budget amounts. The City had approved the utilization of a FY21 surplus in the General Fund for capital infrastructure needs. The $3.6M in the FY23 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 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Police	$ 14,498,141	$ 14,329,576	$ 15,884,217	9.6%
Fire	9,124,887	9,328,664	9,490,492	4.0%
Subtotal Public Safety	**23,623,027**	**23,658,240**	**25,374,710**	**7.4%**
Highways, Streets, & Signal Department	3,046,131	2,826,129	3,082,294	1.2%
Engineering & Construction	984,524	1,106,733	1,141,401	15.9%
Waste Collection & Disposal	2,985,060	2,962,679	3,178,629	6.5%
Planning & Code Administration	2,227,758	2,165,634	2,228,297	0.0%
Information Technology	1,102,149	1,214,263	1,240,539	12.6%
Communications	317,286	294,581	284,007	-10.5%
Economic & Community Development	1,037,525	1,056,587	1,035,750	-0.2%
Parks and Recreation	2,856,354	2,795,798	3,068,489	7.4%
Finance	808,546	882,701	934,477	15.6%
Support Services	481,383	460,125	487,720	1.3%
Human Resources	600,666	587,958	628,268	4.6%
City Hall & Annex	284,530	313,097	311,781	9.6%
Legal Counsel	246,000	242,180	246,000	0.0%
City Administrator	229,149	227,064	232,771	1.6%
Mayor & Council	215,779	219,637	223,899	3.8%
City Clerk	170,591	165,768	184,114	7.9%
Retiree Benefits	1,502,000	1,500,000	1,500,000	-0.1%
Contributions to Other Agencies	272,100	272,100	205,000	-24.7%
Debt Service	2,273,059	2,218,293	1,588,759	-30.1%
Capital Transfers to Other Funds	1,217,992	1,517,992	2,126,675	74.6%
Fund Balance Transfers	1,300,302	1,354,670	3,555,000	173.4%
Unallocated Expenses/Transfers*	1,184,587	1,257,009	1,887,522	59.3%
Total General Fund	**$ 48,966,496**	**$ 49,299,238**	**$ 54,746,102**	**11.8%**

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

1. The Police Department FY23 Proposed Budget includes an increase of 9.6% or $1.4M. The majority of this increase 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% for increases provided in FY22. In addition, there are salary enhancements for ongoing union negotiations, growing overtime, and associated benefit costs.

2. Fire is anticipated to be 4.0% or $365.6K higher than the FY22 budget. The majority of the increase is related to FY22 wage reopener salary enhancements provided. In addition, Fire now has 1 part-time position for Fire Plans review.

3. The FY23 proposed budget for Debt Service is estimated to be <$684.3K> lower than FY22 Budget. This reduction includes no new bond issues in FY22 as originally estimated; continued payments of principal on current issues; several issues paid in full; and no new issues for FY23.

4. Capital Transfers to Other Funds includes an increase of 74.6% or $908.7K in the FY23 Proposed Budget. This increase over the prior budget reflects utilization of operating pay-go revenue at a higher level versus reliance on new bond issues for capital infrastructure and project needs.

5. The FY23 Proposed Budget for Fund Balance Transfers reflects an increase of 173.4% or $2.3M. The FY23 Budget utilizes new fund balance reserves and reflects the spending for the remaining balance approved during the prior budget that was not completed.

EXPENDITURES BY TYPE

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

	Revised Budget 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Salaries and Wages	$ 21,273,743	$ 21,355,629	$ 23,538,806	10.6%
Employee Benefits	10,368,335	10,159,602	10,757,398	3.8%
Total Wages and Benefits	**31,642,078**	**31,515,231**	**34,296,204**	**8.4%**
Wage & Overhead Allocations	(1,463,257)	(1,610,304)	(1,643,270)	12.3%
Contracted Services	5,483,885	5,669,245	5,747,818	4.8%
Materials, Supplies & Utilities	2,119,816	2,153,833	2,186,081	3.1%
Insurance	306,941	325,791	329,271	7.3%
Advertising & Printing	224,445	222,892	222,800	-0.7%
Rentals	116,005	116,574	110,965	-4.3%
Maintenance & Repairs	1,361,684	1,489,335	1,600,937	17.6%
Vehicle Expenditures	694,165	700,795	759,103	9.4%
Professional Development	179,718	156,301	182,781	1.7%
Communication Expenditures	378,788	360,215	398,478	5.2%
Other General Expenditures	953,072	856,656	1,103,271	15.8%
Unallocated General Expenditures	744,107	824,107	798,847	7.4%
Debt Service	2,273,059	2,218,293	1,588,759	-30.1%
Capital Outlay - Non CIP	186,687	180,603	197,715	5.9%
Operating Transfers to Other Funds	1,247,009	1,247,009	1,184,667	-5.0%
Capital Transfers to Other Funds	1,217,992	1,517,992	2,126,675	74.6%
Fund Balance Transfer to CIP Fund	1,300,302	1,354,670	3,555,000	173.4%
Total All Expenditures	**$ 48,966,496**	**$ 49,299,238**	**$ 54,746,102**	**11.8%**

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

1. The $2.7M or 8.4% increase in Total Wages & Benefits reflects salary enhancements for all employee groups including minimum wage increases impacting part-time and seasonal staff. Contract negotiations are ongoing for all four collective bargaining groups. Overtime and associated employer benefit costs are anticipated to grow. At a combined total of $34.3M, General Fund Wages & Benefits represent 62.6% of the total annual operating expenditures for FY23 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.

2. Contracted Services is projected to increase $263.9K or 4.8% as a result of the increased trash services fees, credit card transaction fees, and a Police speed camera contract.

3. Maintenance & Repairs growth of $239.2K or 17.6% is mainly due to outsourcing of Police crime camera maintenance and drastically rising costs on citywide software system maintenance.

4. The <$684.3K> or <30.1%> decrease in Debt Service reflects the payoff of bonds in FY22.

5. Capital Transfers to Other Funds is projected to increase by $908.7K or 74.6% 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 $2.3M increase in Fund Balance Transfer to CIP Fund reflects the utilizing of the remaining prior year's approval for fund balance reserve utilization for one-time infrastructure and capital projects. In FY23, more funding for capital projects is needed in additional reserve funds.

ENTERPRISE FUNDS

ELECTRIC FUND

	Revised Budget 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Operating Revenues	$ 25,102,870	$ 24,747,040	$ 25,601,690	2.0%
Operating Expenses	25,453,894	25,000,086	26,028,980	2.3%
Operating Income (Loss)	**(351,024)**	**(253,046)**	**(427,290)**	**21.7%**
Non-Operating Revenues (Expenses)	(3,668)	(5,668)	(3,922)	6.9%
Gain (Loss) on Fixed Asset Disposal	175,000	168,800	(32,500)	-118.6%
Transfers from (to) Other Funds	41,616	41,616	35,079	-15.7%
Capital Contributions & Grants	150,000	75,000	242,500	61.7%
Increase (Decrease) in Retained Earnings	**11,924**	**26,702**	**(186,133)**	**-1661.0%**
Add Back Depreciation	1,002,500	948,000	986,000	-1.6%
Capital Outlay/Fixed Assets	(1,292,000)	(1,146,775)	(2,055,000)	59.1%
Principal Payments on Long-Term Debt	(47,150)	(47,150)	(17,760)	-62.3%
Non-Cash Developer Contributions	(150,000)	(75,000)	(242,500)	61.7%
Net Surplus (Deficit)	**$ (474,726)**	**$ (294,223)**	**$ (1,515,393)**	**219.2%**

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

1. No electric rate increases have been projected for FY23. The proposed budget reflects the power supply contract extensions through May 31, 2022 with Energy Harbor, LLC. A two-year extension will begin on June 1, 2022 to include a reduction to the wholesale power rate by $7.48 per megawatt hour (MWh) through May 31, 2024.

2. Electric revenue shows an overall 2.0% increase which reflects the continuation of current FY22 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 2.4% or $441.9K compared to FY22 Budget and reflects the charge per megawatt hour (MWh) of $42.42 which will be effective June 1, 2022 and higher utilization trends as experienced in FY22.

2. Non-operating revenues (expenses) reflect a decrease of <6.9%> or <$0.3K> due to estimated decreases in bond interest expense.

3. Capital Contributions are expected to increase by 61.7% or $92.5K due to an increase in new planned developments in FY23.

4. Depreciation expense from FY22 Budget to FY23 Proposed Budget includes a decrease of <1.6%> or <$16.5K>.

5. Capital outlay totals for fixed assets are expected to increase by $763.0K to total $2.1M. The Capital Improvement Program, Section 7, provides details on all the Electric Fund projects anticipated for FY23 beginning on page 109.

6. Annual debt service expenditures are expected to decrease by <62.3%> or <$29.4K> due to the payoff of Public Facilities Bond Series 2006 in FY22. This is reflected in the Principal Payments on Long-Term Debt line above. There are no new anticipated bond issues expected for the Electric Fund.

WATER FUND

	Revised Budget 2021/2022	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Operating Revenues	$ 12,794,438	$ 13,115,300	$ 13,521,272	5.7%
Operating Expenses	13,168,845	13,984,091	16,152,198	22.7%
Operating Income (Loss)	**(374,406)**	**(868,791)**	**(2,630,926)**	**602.7%**
Non-Operating Revenues (Expenses)	(414,957)	(414,957)	(396,556)	-4.4%
Gain (Loss) on Fixed Asset Disposal	-	64	-	0.0%
Transfers from (to) Other Funds	71,515	71,515	64,326	-10.1%
Capital Contributions & Grants	852,142	1,102,142	2,352,142	176.0%
Increase (Decrease) in Retained Earnings	**134,294**	**(110,027)**	**(611,014)**	**-555.0%**
Add Back Depreciation	3,892,000	3,914,000	4,096,000	5.2%
Capital Outlay/Fixed Assets	(2,775,575)	(2,520,000)	(6,020,000)	116.9%
Principal Payments on Long-Term Debt	(1,691,982)	(1,691,982)	(1,691,388)	0.0%
Non-Cash Developer Contributions	(350,000)	(350,000)	(350,000)	0.0%
MDE Bond Financing	-	-	2,500,000	100.0%
MDE Loan Forgiveness	-	-	(1,500,000)	100.0%
Net Surplus (Deficit)	**$ (791,263)**	**$ (758,009)**	**$ (3,576,402)**	**352.0%**

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 5.7%. 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 FY23 Proposed Budget includes an increase of 22.7% or $3.0M for total operating expenses. The FY23 Budget includes approved salary enhancements. The current AFSCME 1540 union contract is effective through June 2022. Other primary reasons for this total increase are: an increase in Source of Supply of $1.5M related to engineering costs; Pumping & Water Treatment of $972.0K; an increase of $53.7K in Transmission & Distribution; and an increase of $204.0K in General & Administrative Expenses.

2. Capital Contributions and Benefit Charges are expected to remain flat at $350.0K and $502.1K, respectively, in FY23. $1.5M in MDE Loan Forgiveness is projected in FY23.

3. Capital outlay totals for fixed assets are estimated to increase by 116.9% or $3.3M. Projects include Mack Water Tank Replacement. Edgemont Reservoir Improvements, Willson Treatment Plant Improvements, and Distribution System Rehabilitation and Main Replacement in the FY23 Proposed Budget figures. In future years, Edgemont Reservoir Improvements has $17.5M budgeted for a construction period which continues in FY23. The Capital Improvement Program, Section 7, provides details on all the Water Fund projects anticipated for FY23 Budget beginning on page 133.

4. Annual debt service expenditures are expected to remain flat as reflected in the Principal Payments on Long-Term Debt line above. A $2.5M MDE loan for FY23 planned improvements offset with $1.5M in MDE loan forgiveness is anticipated.

WASTEWATER FUND

	Revised Budget 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Operating Revenues	$ 14,131,927	$ 14,766,531	$ 14,556,881	3.0%
Operating Expenses	13,458,507	12,974,483	14,415,724	7.1%
Operating Income (Loss)	**673,420**	**1,792,048**	**141,157**	**-79.0%**
Non-Operating Revenues (Expenses)	(98,682)	(97,682)	(255,053)	158.5%
Gain (Loss) on Fixed Asset Disposal	8,000	1,500	1,500	-81.3%
Transfers from (to) Other Funds	59,681	59,681	55,395	-7.2%
Capital Contributions & Grants	1,175,000	1,287,000	6,650,937	466.0%
Increase (Decrease) in Retained Earnings	**1,817,419**	**3,042,547**	**6,593,936**	**262.8%**
Add Back Depreciation	3,156,000	2,868,000	3,271,000	3.6%
Capital Outlay/Fixed Assets	(2,817,000)	(2,933,000)	(9,070,800)	222.0%
Principal Payments on Long-Term Debt	(1,482,705)	(1,482,705)	(1,391,282)	-6.2%
Non-Cash Developer Contributions	(250,000)	(250,000)	(250,000)	0.0%
Net Surplus (Deficit)	**$ 423,714**	**$ 1,244,842**	**$ (847,146)**	**-299.9%**

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, 2022 is 3%. The 3% rate increase for FY23 is reflected in the total operating revenues increase of 3.0% or $425.0K 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 FY23 Proposed Budget includes an overall increase of 7.1% or $957.2K for total operating expenses. The FY23 Budget includes approved salary enhancements. The current AFSCME 1540 union contract is effective through June 2022. The other primary reasons for this total increase are an increase in all categories including: plant expenses, laboratory expenses, collections, and administrative costs.

2. Capital Contributions & Grants are projected to increase by 466.0% or $5.5M due to American Rescue Plan Act (ARPA) funding utilized for Capital Improvement Projects.

3. Capital outlay totals for fixed assets are projected to increase by 222.0% or $6.3M. Prominent projects include East End Pump Station #33 and Pump Station #13 Reconstruction. The Capital Improvement Program, Section 7, provides details on all the Wastewater Fund projects anticipated for FY22 Budget beginning on page 146.

4. The City is not anticipating to issue bonds for Wastewater Fund projects in the FY23 Proposed Budget. Annual debt service expenditures are expected to decrease by <6.2%> or <$91.4K> as reflected in the Principal Payments on Long-Term Debt line above.

PARKING FUND

	Revised Budget 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Operating Revenues	$ 731,910	$ 880,123	$ 853,510	16.6%
Operating Expenses	944,910	938,210	980,912	3.8%
Operating Income (Loss)	**(213,000)**	**(58,087)**	**(127,402)**	**-40.2%**
Non-Operating Revenues (Expenses)	(14,075)	(15,075)	(74,584)	429.9%
Transfers from (to) Other Funds	(2,040)	(2,040)	(4,900)	140.2%
Increase (Decrease) in Retained Earnings	**(229,115)**	**(75,202)**	**(206,886)**	**-9.7%**
Add Back Depreciation	287,000	266,600	277,100	-3.4%
Capital Outlay/Fixed Assets	(306,800)	(174,478)	(5,847,000)	1805.8%
Principal Payments on Long-Term Debt	(69,098)	(69,098)	(31,466)	-54.5%
Bond Proceeds	-	-	10,000,000	0.0%
Net Surplus (Deficit)	**$ (318,013)**	**$ (52,178)**	**$ 4,191,748**	**-1418.1%**

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

1. Parking rates have increased over the last few fiscal years, but no new rate increases are proposed for FY23.

2. Operating revenues are anticipated to increase by 16.6% or $121.6K from FY22 Budget to FY23 Budget. This is primarily due to an anticipated increase in parking as the City emerges from the COVID-19 pandemic and new businesses open.

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

1. Total operating expenses in the FY23 Proposed Budget reflects an increase of 3.8% or $36.0K. The primary reasons for this increase is salary costs and contracted services. The current AFSCME 1540 union contract is effective through June 2022.

2. New Bond Proceeds include $10.0M for the construction of a third parking deck in FY23 with anticipated construction to completed in FY24.

3. Transfer to CIP Fund increased by $2.9K for FY23 Proposed Budget to fund IT related software.

4. Capital outlay totals for fixed assets are projected to increase by $5.5M primarily due to the construction of a third parking deck. The Capital Improvement Program, Section 7, provides details on all the Parking Fund projects anticipated for FY23 beginning on page 163.

GOLF COURSE FUND

	Revised Budget 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Operating Revenues	$ 296,500	$ 323,600	$ 316,100	6.6%
Operating Expenses	524,038	537,981	538,997	2.9%
Operating Income (Loss)	**(227,538)**	**(214,381)**	**(222,897)**	**-2.0%**
Non-Operating Revenues (Expenses)	220	100	200	-9.1%
Transfers from (to) Other Funds	200,466	200,466	123,000	-38.6%
Increase (Decrease) in Retained Earnings	**(26,852)**	**(13,815)**	**(99,697)**	**0.0%**
Add Back Depreciation	65,500	53,900	71,400	9.0%
Capital Outlay/Fixed Assets	(98,000)	(92,490)	(63,000)	-35.7%
Net Surplus (Deficit)	**$ (59,352)**	**$ (52,405)**	**$ (91,297)**	**53.8%**

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 6.6% or $19.6K from FY22 Budget to FY23 Proposed Budget. The current FY22 trends are ahead of the FY22 Budget levels and it is anticipated that FY23 will improve slightly more. 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 FY23 Budget are 2.9% or $15.0K higher than FY22 Budget. The FY23 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 $15.0K increase in contracted services.

3. Transfers from Other Funds is projected to decrease by <38.6%> or <$77.5K> due to a decrease in the General Fund subsidy to $123.0K.

4. Capital outlay totals for fixed assets are expected to decrease from FY22 Budget to FY23 Budget. The Capital Improvement Program, Section 7, provides details on the Golf Fund project anticipated for FY23 on page 167.

PROPERTY MANAGEMENT FUND

	Revised Budget 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Operating Revenues	$ 330,187	$ 290,120	$ 293,917	-11.0%
Operating Expenses	451,198	428,071	391,912	-13.1%
Operating Income (Loss)	**(121,011)**	**(137,951)**	**(97,995)**	**-19.0%**
Non-Operating Revenues (Expenses)	9,125	2,757	(3,207)	-135.1%
Gain (Loss) on Fixed Asset Disposal	-	(521,094)	-	0.0%
Transfers From General Fund	-	446,011	-	0.0%
Transfers From CDBG Fund	-	-	400,000	0.0%
Increase (Decrease) in Retained Earnings	**(111,886)**	**(210,277)**	**298,798**	**-367.1%**
Add Back Depreciation	141,000	108,900	110,900	-21.3%
Capital Outlay/Fixed Assets	(160,000)	(230,000)	(420,000)	162.5%
Principal Payments on Long-Term Debt	(5,555)	(5,555)	(5,959)	7.3%
Changes in Working Capital	-	521,094	-	0.0%
Net Surplus (Deficit)	**$ (136,441)**	**$ 184,162**	**$ (16,261)**	**-88.1%**

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 decrease by <11.0%> or <$36.3K> due to rental income as there are only two buildings remaining with tenants.

2. Total operating expenses in the FY23 Proposed Budget reflect an overall decrease of <13.1%> or <$59.3K> compared to the FY22 Budget primarily due to a decrease in contracted services and other general expenses due to the sale of 36-40 North Potomac St.

3. Depreciation expense is projected to decrease by <21.3%> or <$30.1K> from FY22 Budget to FY23 Proposed Budget.

4. Capital outlay totals for fixed assets are projected to increase by 162.5% or $260.0K as a result of the Alms House renovation and normal improvements for FY23. The Capital Improvement Program, Section 7, provides details on the various Property Management Fund projects anticipated for FY23 Budget beginning on page 169.

STORMWATER PROTECTION FUND

	Revised Budget 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
Operating Revenues	$ 2,944,432	$ 3,131,828	$3,196,000	8.5%
Operating Expenses	2,160,210	895,380	1,377,614	-36.2%
Operating Income (Loss)	**784,222**	**2,236,448**	**1,818,386**	**131.9%**
Non-Operating Revenues (Expenses)	(20,078)	(21,149)	(18,414)	-8.3%
Increase (Decrease) in Retained Earnings	**764,144**	**2,215,299**	**1,799,972**	**135.6%**
Add Back Depreciation	91,300	86,000	125,100	37.0%
Capital Outlay/Fixed Assets	(1,012,500)	(750,000)	(1,435,000)	41.7%
Principal Payments on Long-Term Debt	(34,348)	(34,356)	(35,833)	4.3%
Net Surplus (Deficit)	**$ (191,404)**	**$1,516,943**	**$ 454,239**	**-337.3%**

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

1. The annual Stormwater rate for calendar year 2022 is $34.00 per 1000 square feet of impervious surface. In calendar year 2023, the rate increases to $36.00 per year per 1000 square feet of impervious surface.

2. Operating revenues are projected to increase 8.5% or $251.6K in FY23 due to slight stormwater rate increases.

3. Total operating expenses in the FY23 Proposed Budget are anticipated to decrease by <36.2%> or <$782.6K> compared to the FY22 Budget due to lower than expected personnel costs and lower than expected uncollectable customer accounts.

4. Depreciation expense is projected to increase by 37.0% or $33.8K from FY22 Budget to FY23 Proposed Budget due to investment in infrastructure in the newly created fund.

5. Capital outlay totals for fixed assets are projected to increase by 41.7% or $422.5K as a result of a stream restoration and normal improvements for FY23. The Capital Improvement Program, Section 7, provides details on the various Stormwater Protection Fund projects anticipated for FY23 Budget beginning on page 172.

SPECIAL REVENUE FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

	Revised Budget 2021/22	Estimated Actual 2021/22	Proposed Budget 2022/23	Percent Change
CDBG Grant Revenues	$ 1,438,267	$ 1,124,848	$ 1,540,041	7.1%
Program Income	249,693	232,958	220,200	-11.8%
Total Operating Revenues	**1,687,960**	**1,357,806**	**1,760,241**	**4.3%**
Commercial/Industrial Improvements	85,000	85,000	475,000	458.8%
Clearance & Demolition	75,000	-	75,000	0.0%
Public Facilities & Improvements	941,337	819,804	595,000	-36.8%
Public Services	399,916	363,664	182,951	-54.3%
Contra Principal Payments	66,000	60,000	45,000	-31.8%
Cost of Properties Held for Resale	221,000	221,000	221,000	0.0%
Housing Rehab	73,574	53,399	162,000	120.2%
Program Administration	59,527	58,974	62,742	5.4%
Administration	162,524	132,134	145,789	-10.3%
Total Operating Expenditures	**2,083,878**	**1,793,975**	**1,964,482**	**-5.7%**
Net Change in Fund Balance	**$ (395,918)**	**$ (436,169)**	**$ (204,241)**	**-48.4%**

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

1. Total Revenues reflect an overall increase of $72.3K or 4.3% from FY22 Budget. This is a result of an anticipated increase in the use of Entitlement monies by $101.8K or 7.1% and from a decrease in program income by <$29.5K> or <11.8%> as a result of lower principal repayments on loans and lower interest earned compared to FY22. 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 increase by $390.0K or 458.8% for FY23 Budget due to the renovation of the Alms House to include a police substation and community center.

2. Public Services are projected to decrease by <$217.0K> or <54.3%> due to the exhaustion of the majority of one-time CARES Act funding.

3. Public Facilities & Improvements are projected to decrease by <$346.3K> or <36.8%> due to the completion of large projects such as Hagerstown Skatepark.

4. Total Housing expenses are estimated to increase by $88.4K or 120.2% due to various small increases among multiple housing rehab programs.

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 15 – November 19, 2021	Department review meetings for 1st Quarter FY22 financial operating results
December 2, 2021	First Public Hearing on Community Development Block Grant funding needs held virtually
January 3 – January 21, 2022	Department budget requests and start of review meetings between Department Directors and Budget Committee
February 1, 2022	FY22 General Fund Budget Balancing and Adjustments review with Mayor and City Council
February 2, 2022	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, 2022	City Administrator's Proposed Budget submitted to Mayor and City Council
April 5 – May 17, 2022	Mayor and City Council review of Proposed Budget and Capital Improvement Program
April 28, 2022	Second Public Hearing on Community Development Block Grant funding needs
May 10, 2022	Introduction of Ordinances: FY23 Budget and Property Tax Rates
May 10, 2022	Public Hearing on FY23 Budget and Capital Improvement Program; Public Hearing on property tax rates
May 17, 2022	Adoption of Ordinances: FY23 Budget and Property Tax Rates

DISTINGUISHED BUDGET PRESENTATION AWARD

This was the 18th 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, 2021. 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. Staff will research new software packages in order to continue to meet the new criteria required to receive the award.

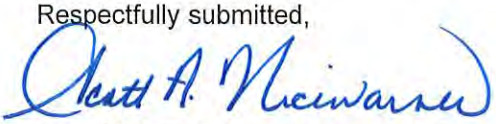
ACKNOWLEDGEMENTS

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. Ashley Newcomer, 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 FY23 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

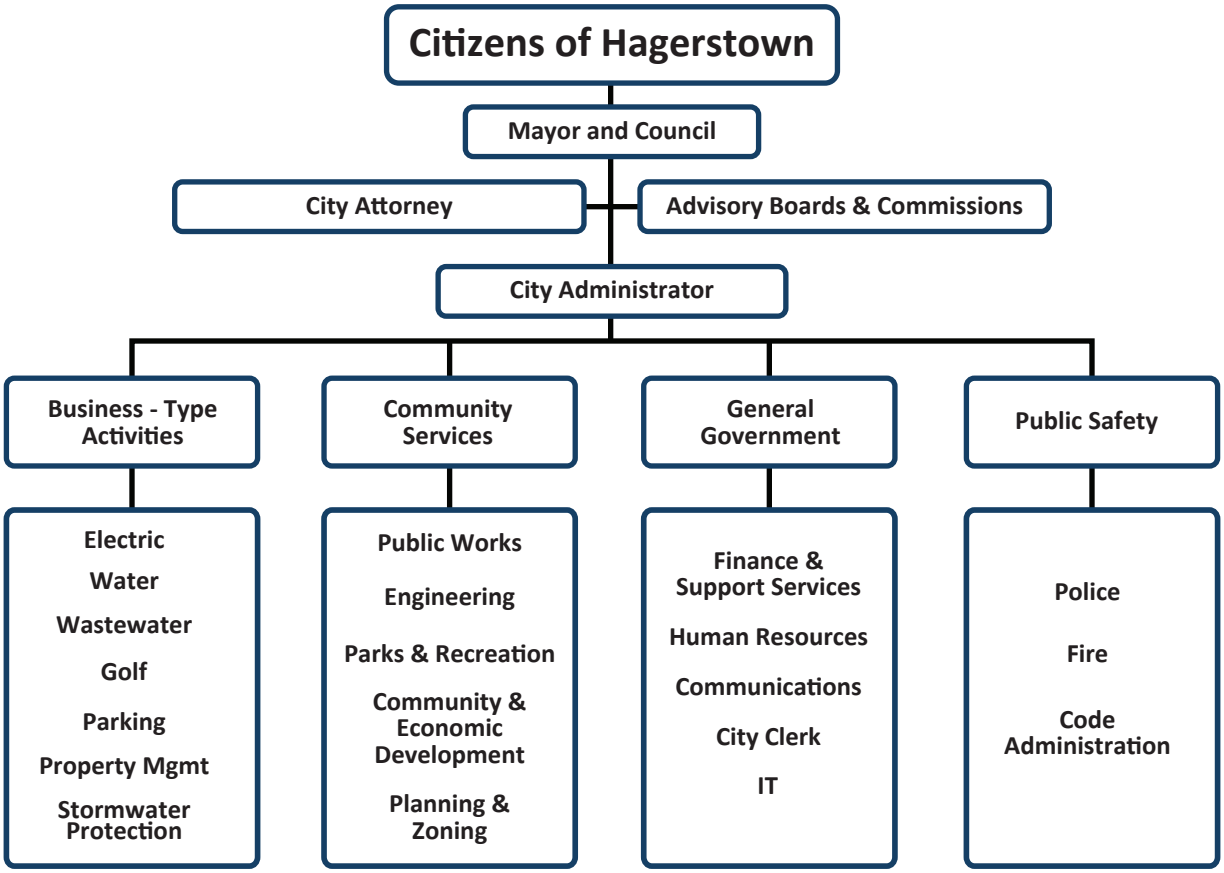


Councilmember
Shelley
McIntire

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 STRATEGIC PLAN 2021-2024

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 23, 2021, Mayor and Council adopted their new Strategic Plan for 2021 through 2024. As outlined below, eleven Focus Areas were derived from Mayor and Council's Vision and Mission Statement that was also approved by the elected body November 23, 2021.

Vision Statement: The City of Hagerstown will inspire an inclusive, business-friendly, and sustainable community with clean, safe and vibrant neighborhoods.

Mission Statement: The City of Hagerstown shall be a community focused municipality.

The City will emphasize the following Focus Areas through the implementation of the Mayor & Council's Strategic Plan:

- Neighborhoods Revitalization & Sustainability
- Public Safety
- Public Facilities and Infrastructure
- Economic Development
- Citizen-Based Government
- Fiscal Accountability
- Parks & Recreation for Active/Healthy Living
- Innovative/Progressive Government
- Community Promotion/Pride
- Economic Development through Sports and Tourism
- Misc. Projects, Goals and Legislative Priorities

NEIGHBORHOODS REVITALIZATION & SUSTAINABILTY

The citizens of Hagerstown will experience a high quality of life.

- 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 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.
- Promote neighborhoods that demonstrate community pride on a regular basis
- Develop partnerships to create a public housing plan and diversify housing balance.
- Strategic Community Revitalization Approach

PUBLIC SAFETY

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

- Support the manpower and capital needs of the City Police, Fire, Code and Public Works Departments.
- Focus attention and resources to recruitment and retention 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. Invest in Youth Violence Prevention Initiative.
- Continue focus on the opioid epidemic through collaborating with community stakeholders and through the continuing opioid litigation.
- Explore 24-Hour Crisis Center in partnership with hospital, health department, other partners.



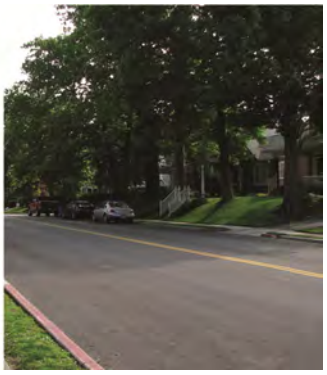



PUBLIC FACILITIES AND INFRASTRUCTURE

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

- Planning for construction of a third parking deck 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 Restoration Plan and continually review fee structure.
- 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.
- Support MML Legislative priority to restore HUR permanently.
- Ensure sustainability of our water/wastewater distribution and apply industry best management practices.
- Reserve capacity of water/wastewater for the City and its growth priorities.



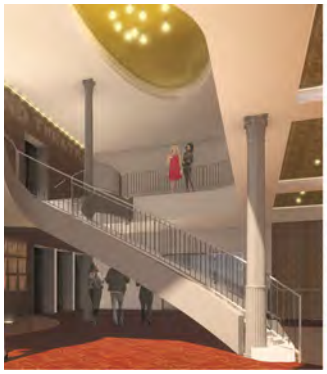



ECONOMIC DEVELOPMENT

The City of Hagerstown will continue to grow 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

- 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.
- Continued administration of incentive programs including the Invest Hagerstown Grant.
- Engage in an updated community center city plan.






CITIZEN-BASED GOVERNMENT

The citizens of Hagerstown will experience a high quality of life.

- Promote awareness and understanding of the City's finances through accessible and easy-to-use data presentations.
- 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.
- Create text message opportunities to promote events, meetings and important alerts.
- Continue and enhance Hagerstown Youth Council.
- Support A&E Committee.

FISCAL ACCOUNTABILITY

The City of Hagerstown will strive for continuous improvement of fiscally responsible decision making.

- 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 Utility Rate structures for Water, Wastewater and Stormwater.
- Address staffing in all departments including competitive salary.






PARKS & RECREATION FOR ACTIVE/HEALTHY LIVING

The City of Hagerstown supports a culturally vibrant community.

- Construct a Splash Pad.
- 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.
- Invest in Public Art Commissions efforts to increase public art in the City.
- Make public space inviting and a focal point.
- Develop a Wheaton Park Improvement Plan.
- Grow interconnected pedestrian walkability.

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.

- High focus on Customer Service innovations to enhance the customer service experience.
- Full Service / 24 hour access to City services through implementation of a customer kiosk in the Downtown area.
- 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.
- Support and explore energy sustainability options.









COMMUNITY PROMOTION / PRIDE

The City of Hagerstown will improve our Community Image.

- Creation of an Image/Marketing Plan.
- 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.
- City hosted block parties, diversity events, and other inclusive, unique opportunities.
- City hosted Neighborhood Cleanup Events.
- Development of Mayoral Ambassador Program across all communities outside of N1 program.
- Host public meetings in the community.

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 and development by 2023 including property acquisition for redevelopment.
- Amphitheater exploration and RFP.
- Finish Skateboard Park by 2022.
- Support and expand opportunities at existing recreation facilities.

MISC. PROJECTS, GOALS AND LEGISLATIVE PRIORITIES

The City of Hagerstown takes a creative approach at finding solutions.

- Enhance community partnerships to help address homeless issues including housing crisis, mental health and lack of year round shelter.
- Work to address food deserts.
- Expand Bridge to Change Program by working with other organizations.
- Neon Light Project and other “light up” promotions.
- Find solution for tax differential and fair fire funding or consider pulling resources.
- Address long term MRGA water/wastewater plan.
- Public Restrooms






SECTION 1 – DEPARTMENTAL GOALS 2022

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. In 2023, engage consultant for review and update of the 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. With the Urban Improvement Project mostly complete, support resulting secondary development and explore additional phases of large-scale urban improvement.

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. Explore further definition of neighborhood identities and expansion of Neighborhood 1st programming. Support the expansion of the "Operation Take Back" approach.

- **Alms House Redevelopment Concept.** Continue exploration and planning to renovate and repurpose a portion of the Alms House for use as a Hagerstown Police Department Substation. Additional space in the Alms house would also be available for neighborhood-based activities and community room meeting or outreach space.

- **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. Provide support for the development of the Mayoral Ambassador Program.

- **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. Explore program expansion beyond tax sale properties for blight removal throughout the City.

- **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, CDBG Microenterprise Grant 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. Seek possible outside operations of the facility through a Request for Proposals (RFP).

- **Arts & Entertainment District.** Maintain the City's designation as an Arts and Entertainment District and manage supporting programs. Support the A&E District Advisory Council. Achieve the redesignation of the A&E District for 2022 – 2032.

- **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. Support the Main Street Hagerstown Advisory Council, and manage key programs. 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, 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. Transition the City Farmer's Market to an outdoor, seasonal downtown market with the sale and redevelopment of the Market House property.

FINANCE AND SUPPORT SERVICES

FINANCE

Cost Allocation Plan. Work with an outside vendor to update the City's Cost Allocation Plan. The current Cost Allocation Plan was last updated in FY 2008. A cost allocation plan calculates the government-wide direct and indirect costs to departments and funds that receive services from other departments. A successful cost allocation plan will enable the City to equitably share the costs of shared facilities and support services and help identify the actual cost of services provided to the Utility funds.

Enhancements to Treasury Management Services. Work with the City's local bank to incorporate the ability to process outgoing ACH payments and upgrades to the bank reconciliation process. These new services will increase efficiency within the department.

Electronic Bid Submissions. Currently, vendors that wish to respond to a formal Request for Proposal (RFP) or Invitation to Bid (ITB) can only submit their bids via hand-delivery or through a shipping/postal company. In order to streamline the bid submittal process, the option to submit bids electronically will be added. This will help to eliminate bids being late/getting lost and should entice more vendors to respond.

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 the Director of Finance and the City Administrator. Like any other fiscal policy, this specifically 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. In FY21, the City enacted a Stormwater User Fee. Staff will continue to work to ensure Stormwater User Fees are accurate and customers are receiving the correct billing and credits. Staff will continue to work with Engineering to make sure all fees are being correctly charged and all accounts billed.

Customer Needs Automated Communication Project. Staff will begin planning for implementation of an Interactive Voice Response system that will integrate directly with the new Utility Billing system schedule for August 2022. 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.

Implement New Utility Billing and Customer Service Software. Implement a new Utility Billing Software and Customer Service software in FY2022. This will be more user-friendly with quicker access to links in order to meet the needs of customers through the COVID-19 pandemic in a more efficient manner. The implementation of the Milsoft/Daffron Utility Billing and CIS interface will enable a more streamlined CIS process and billing process.

Our goal is to strive to continue to provide the best customer service possible and trying to meet all needs to the best of our abilities and will continue to do so.

FIRE DEPARTMENT

- Participate in the FY22 term negotiations process with an emphasis on staffing and human resources needs. Priorities include a part-time dedicated Plans Review Specialist, evaluating the reclassification of the Administrative Coordinator I civilian position, restoration of the Deputy Fire Chief 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 is crucial.

- 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.

- 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.

- 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.
- Move to the design phase of the combination headquarters / fire station consolidation.
- Implement the scenario-based incident command training program using simulations software.
- 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.

HUMAN RESOURCES

Negotiation of Collective Bargaining Agreements. As budget allows, Human Resources will engage in contract negotiations with all four of the City's Collective Bargaining Units in mid FY2022. All union contracts have an end date in June 2022. Contract negotiations for all bargaining units began in January 2022.

Wellness Program. Staff is working with our benefits consultants and will continue to transform wellness by converting it into a Total Well-being Program. This program has brought an updated and fresh philosophy by moving beyond just health, nutrition, and exercise by including programs that focus on financial and emotional well-being as well.

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.

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

Healthcare Initiatives. The Healthcare Committee has provided Mayor and Council with recommended changes to the healthcare plans in an effort to reduce the increasing administrative and claims costs. That work has been hugely successful and has resulted in no increases in our plan for the last several years. Human Resources will continue working with the Health Care Committee to explore integrating wellness initiatives to promote healthier lifestyles (smoking cessation, participating in quarterly programs) in order to assure affordable premiums for medical coverage. Human Resources will host a 2022 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 COVID-19 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 should this be necessary. 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 2022. Introduction of the Munis ESS app has been implemented 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 FY23.

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. With all four bargaining units all in contract negotiations, there will be greater pressure on the compensation system as the negotiations progress. This will continue to be a primary focus as we move into future fiscal years.

Employee Recognition. In 2021, staff worked to develop updated employee recognition programs including the re-introduction of the HIP Award Program. In 2022, HR will continue to focus on ways to recognize our employees.

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.

INFORMATION TECHNOLOGY

Network Infrastructure Analysis/Upgrade. Our IT team continue to complete upgrades on our remaining network hardware, and are working towards increasing the network capacity throughput from 1G to 10G across our entire network loop. Plans are also underway to conduct a thorough and updated network map of the city's network topology, which will allow us to know the current locations and capability of all network connections throughout the city's network infrastructure.

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.

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.

Increased Cyber-Security Enhancements. Our IT staff continues to monitor and protect our city network, data, and users from the ongoing threat of cyber-attack from malicious operators or nation-states. Along with timely patching and system updates, our teams will continue to explore and implement additional security initiatives (such as two-factor authentication) across the entire IT environment. Our teams are also in communication with Federal and State agencies to be kept aware of any known security threats so that we can take the necessary steps to protect the city's overall IT environment.

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. We are working to move the entire city environment to the Microsoft Office 365 suite of products, which will standardize the toolset and applications for all city users.

Implementation of New Utility Billing Software. Staff will work with Utilities and Customer Service to implement a new Utility Billing Software package (Daffron), which will also include a new online payment system (Invoice Cloud) and Interactive Voice Response (IVR) system, and remote payment kiosks. 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:

- Working in conjunction with Guide Studio to create a City Branding & Imaging/Marketing Campaign that will establish consistency in message and appearance.

- Replacing antiquated video equipment with new equipment that will enable the department to fully tap into today's technology to incorporate different virtual platforms seamlessly into the broadcast and streaming system in order to maximize its look and ease of use.

- Working with the Mayor & City Councilmembers to increase community engagement and the City's marketability by promoting their vision, visibility, and voice through local and regional media outlets, our cable channel, and social media platforms.

ENGINEERING DEPARTMENT

- Support the planning and design of the $70 million *Hagerstown Multi-Use Sports and Events Facility* in downtown. Staff will work with the Maryland Stadium Authority on the City-owned land transfers, Cultural Trail relocation, neighborhood outreach, traffic plans and overall design.

- Per the Strategic Plan, design and begin construction of a $9 million third parking deck, designated for the first block of West Antietam Street. The deck is projected to be five levels, hold 380 spaces, and include staff office, LED lighting, CCTV system, solar panels on top level, and space for future public restrooms.

- Per the Strategic Plan and in partnership with *Eastern Sports Management*, demolish Municipal Stadium and support design of a $22 million, 114,000 square foot indoor sports "Field House" at the municipal stadium site that has: two turf fields; hardcourt space for basketball, volleyball, futsal, pickle

ball, wrestling or event /show space; restaurant; e-sports gaming center; fitness center and kids play zone.

- Begin the construction of the $3 million widening Professional Court to four lanes, connection to new bridge over Antietam Creek and adding second southbound left turn lane on Eastern Boulevard.

- Per the Strategic Plan, construct a $700,000 skatepark in Fairgrounds Park based on the planning and fundraising of the City Council-appointed Task force.

- Per the Strategic Plan, design and begin construction of $1 million renovations to the former M&T Bank building just south of City Hall for relocation of customer service, billing and DCED staff.

- Per the Strategic Plan, design and construct the first phase of the "Wheaton Park Master Improvement Plan" including plaza, parking, misting pad and interpretive plaques.

- Complete exterior repairs to three historic structures: 1) Hager House stone repointing, porch floor replacement, window/shutter/door restoration and painting all exterior wood; 2) restoration of the exterior of the Fairgrounds Park "entrance building and gatekeepers house" and, 3) stage replacement and exterior restoration of the band shell in City Park.

- Per the Strategic Plan, implement projects to clean and treat stormwater including MKS pond retrofit, creation of stormwater management facility at the BMX track, golf course stream relocation, and West Hillcrest Avenue Green Street Project. Expand Street Tree and Forest Planting Program using grant funds from the Chesapeake Bay Trust; partner with the Maryland Forest Service to plant trees at the R.C. Willson Treatment Plant, Breichner Treatment Plant and West End reservoirs.

- Complete numerous improvement projects including: ice rink dehumidification system, new bathrooms in City Park, Antietam Creek access at Mt Aetna Road, installation of ornamental fence along Virginia Avenue adjacent City Park, FIT Room restroom renovations, traffic signal replacement at Eastern Boulevard at Frederick Street, installation of radar speed boards on Maryland and Summit Avenues, rectangular rapid flashing beacon at Fountaindale Elementary, roof replacement at 60 West Washington Street, Highland Avenue drainage improvements, Morningside Heights stormdrain and ADA improvements in Funkhouser Park.

- Per the Strategic Plan, continue pavement preservation and curb/sidewalk replacement programs.

PLANNING & CODE ADMINISTRATION

STRATEGIC PLAN FOCUS AREA – NEIGHBORHOOD REVITALIZATION AND SUSTAINABILITY

Sustaining and improving Planning, Code and Zoning policies and laws for continued neighborhood protection.

- Land Management Code Update. Complete review of 2021 package of amendments with the Mayor and City Council. The 2021 package includes recommended provisions for homeless shelters and crisis care centers to assist with social needs that help with neighborhood protection goals. Work with Planning Commission on any desired amendments for 2022.

- 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.

- 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.

Continue to improve conditions in neighborhoods by working with owners, tenants, and investors utilizing the 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.

Identify and prioritize blighted structures and rehabilitation of these parcels to allow placement back on the tax rolls. 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. Work with City Attorney on preparations needed to establish a land bank ore receivership to facilitate the No Bid/Tax Sale Properties project.

Strategic Community Revitalization Approach. 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.

STRATEGIC PLAN FOCUS AREA – ECONOMIC DEVELOPMENT

Review pre-annexation agreements and continue to explore new possibilities for annexation opportunities. 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. In 2022, finalize annexation agreements for speculative warehouse projects on Oak Ridge Drive and Western Maryland Parkway and process annexation of Unger Farm when application is submitted.

Business Retention, Recruitment and Attraction. 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.

STRATEGIC PLAN FOCUS AREA – INNOVATIVE AND PROGRESS GOVERNMENT

Provide ability for applications for all types of City permits online, 24x7 access. PCAD will continue to encourage customers to utilize the online platform for permitting and educate our customers on how to pay online.

High focus on customer service innovations to enhance the customer service experience.

- 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.

- 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.

STRATEGIC PLAN FOCUS AREA – CREATIVE APPROACH TO FINDING SOLUTIONS TO COMMUNITY CHALLENGES

Address long term Medium Range Growth Area (MRGA) Water/Wastewater Plan. Once updates to utility agreements and plans are concluded, staff will update data in Water Resource Element on capacity and demand and then meet with County staff to re-evaluate County priorities for growth. Staff will work with the Planning Commission on recommended amendments to the Comprehensive Plan that includes adjustments to the MRGA that better reflect County priorities while still protecting the City's interests for growth and responsible capacity planning.

STRATEGIC PLAN FOCUS AREA – COMMUNITY PROMOTION & PRIDE

Utilize all means of media outlets and partners to promote our messaging. 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.

POLICE DEPARTMENT

Quality of Work Life and Training. 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 continue to take shape by utilizing the individual surveys and interviews of staff to develop training and education to further the employee's career. Specific training areas will promote career development. Purchasing and utilizing state of the art Virtual reality training technology is a top priority this year, moving our agency ahead of most in the state and region. Additional training will focus on community expectations of policing in today's world, to include de-escalation, implicit bias, and modern policing tactics.

Crime Reduction. We will be enhancing our "Watch Center" model this year, hiring part time staff to cover 60 hours a week during our busiest hours. The staff working this center will focus on calls that can be handled without an in-person response, thus freeing up officers on the street to be able to perform more proactive details. These details will focus on criminal activity identified in the intelligence led policing model we currently utilize. In response to concerns over youth and gang related violent crime we will continue utilize intelligence led policing, grant initiatives, ad hoc task forces, along with developing an anti-youth violence group with community partners to address prevention, intervention and re-entry youth.

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.

PUBLIC WORKS

PUBLIC FACILITIES AND INFRASTRUCTURE

Stormwater. Two sheds will be erected at the debris transfer site located at Eldridge Driver that will cover the temporary street sweepings pile and the washout bay. Both shed coverings will reduce the introduction of rainwater infiltration to the sewer system and potential runoff to Antietam Creek.

Street Sweeping. Expansion of the permanently posted streets for the street sweeping program. West Washington Street and West Franklin Street from Burhans Boulevard to Nottingham Road would receive weekly street sweepings similar to the downtown. This would provide weekly sweeping from the City's gateway at Cannon Avenue on the east to the western gateway near I-81 for a better appearance, healthier air quality, and improved stormwater quality.

Third Parking Deck. The City will purchase land on East Antietam Street for the construction of a third parking deck in support of the Hagerstown Multi-Use Sports and Event Facility. Design work will be completed and ground broken by the end of 2022. Operations should begin later in 2023.

60 West Washington Roof Replacement. A new roof will be installed on 60 West Washington Street. The building is known as the BuroBox and houses classrooms from USMH, a dance studio and a business

incubator. The roof work includes the removal of asbestos and multiple defunct HVAC devices such as vents, stack pipes and support steel.

PUBLIC SAFETY

Traffic Control/Signals. Backup batteries will be installed in two new traffic signal cabinets to ensure signals continue to operate during power outages. Properly operating signals allow for safe traffic flow during emergency situations.

ECONOMIC DEVELOPMENT

Expanding Business Downtown. Renovations will be completed on approximately 1,800 SF of retail space in 14 North Potomac Street (Elizabeth Hager Center) for The Foundry. This tenant will sell a variety of products from around the area and places a retail store on the unit block of North Potomac Street.

Downtown Events. Managing downtown events will be placed under the Recreation Division of Public Works. Staff will continue assisting current events and creating new events in the downtown to provide a leisurely experience while promoting the downtown.

PARKS & RECREATION FOR ACTIVE/HEALTHY LIVING

Expand Restroom Facilities. Add restroom facilities near Museum Drive parking lot in City Park. This provides a respite in the northern part of the park where none currently exist.

Citywide Park Improvements. Work includes new handrails of steps off of Virginia Avenue (City Park), reconstruction of smaller, pedestrian bridges (City Park), additions to the Christmas lighting (City Park), renovations to band shell (City Park), epoxy flooring (Wheaton Park), completion of renovations to band shell (Wheaton Park), step repairs (Fairgrounds Park), complete roof replacement of stables (Fairgrounds Park), roof replacement (Hager Park), and trellis repairs (Pangborn Park) to name a few.

Potterfield Pool. Begin year two working with the YMCA to operate the pool for the City. Continue to tweak the operations for continual improvement for a better customer service experience. New doors will be installed along with painting and other repairs as needed.

Recreation. Staff will continue to promote and create events for leisurely, healthy and active lifestyles. Harvest Hoedown, Ghost Tours and Community Yard Sales provide a relaxed atmosphere for those looking for a fun affair. The City programs health conscience events such as the Hub City 100 Miler, Yoga, and Kids Gymnastics. Finally, the more active lifestyle can enjoy programs like Zumba, golfing and soccer.

ECONOMIC DEVELOPMENT THROUGH SPORTS AND TOURISM

Skatepark Completion. The skatepark will be completed by the Summer of 2022. Located in Fairgrounds Park, the skatepark will add a whole new amenity currently missing from the parks system.

Greens at Hamilton Run. Repaving of cart paths will be completed in the Spring. New sections of chain link fencing will be installed to protect the course from vandalism. Half of the netting along the first fairway will be replaced in 2022 with the other half to be replaced in 2023.

Ice Rink Dehumidification Replacement. The original dehumidifying equipment at the Hagerstown Ice & Sports Complex has reached the end of its life cycle. Its failure is creating fogging and ice quality issues within the rink itself. The new system will not only provide dehumidification but treated air from the outside for greatly improved air quality within the facility.

NEIGHBORHOOD REVITALIZATION & SUSTAINABILITY

Property Abatements. Staff will continue to provide support to the Code Administration and Planning Department in the cleanup of blighted properties by providing lawn mowing, weed control and trash/debris removal. On average, 398 properties per year are abated. Staff also provides automatic removal of furniture, electronics and mattresses abandoned in the core of the downtown to quickly eliminate this unsightly element for the business community. Several homeless camps per year are typically cleaned up as well in cooperation with Code and Police.

COMMUNITY PROMOTION/PRIDE

Neighborhood Cleanups. Public Works will continue to support multiple neighborhoods, non-profit organizations and volunteers willing to organize cleanups of public spaces. There are typically 6-8 requests per year for gloves, trash bags and the collection of debris. Cleanup usually occurs along streets such as Garland Groh Boulevard in neighborhoods and along/in Antietam Creek.

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. Complete MilSoft Utility Solutions upgrades to include InvoiceCloud for payment processing, bill reminders and payment confirmations. Customer communication processes will also be enhanced 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 will continue 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 Division 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. The construction of the new Mack Water Tank will begin in FY23. Plant improvements will continue at the R.C. Willson Plant to ensure compliance with all SDWA requirements.

Distribution System Upgrades. The Water Division will continue budget for rehabilitation and main replacement projects utilizing data from the leak detection program. Planning and design will begin in FY23 on the second phase of the potable water transmission mains. Work will continue in FY23 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. FY23 rates are in place and the rates for 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 12.57 square miles; its population is 43,527 according to the most recent 2020 census.

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 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 Protection Fund all operate as Enterprise Funds.

FIDUCIARY FUNDS:

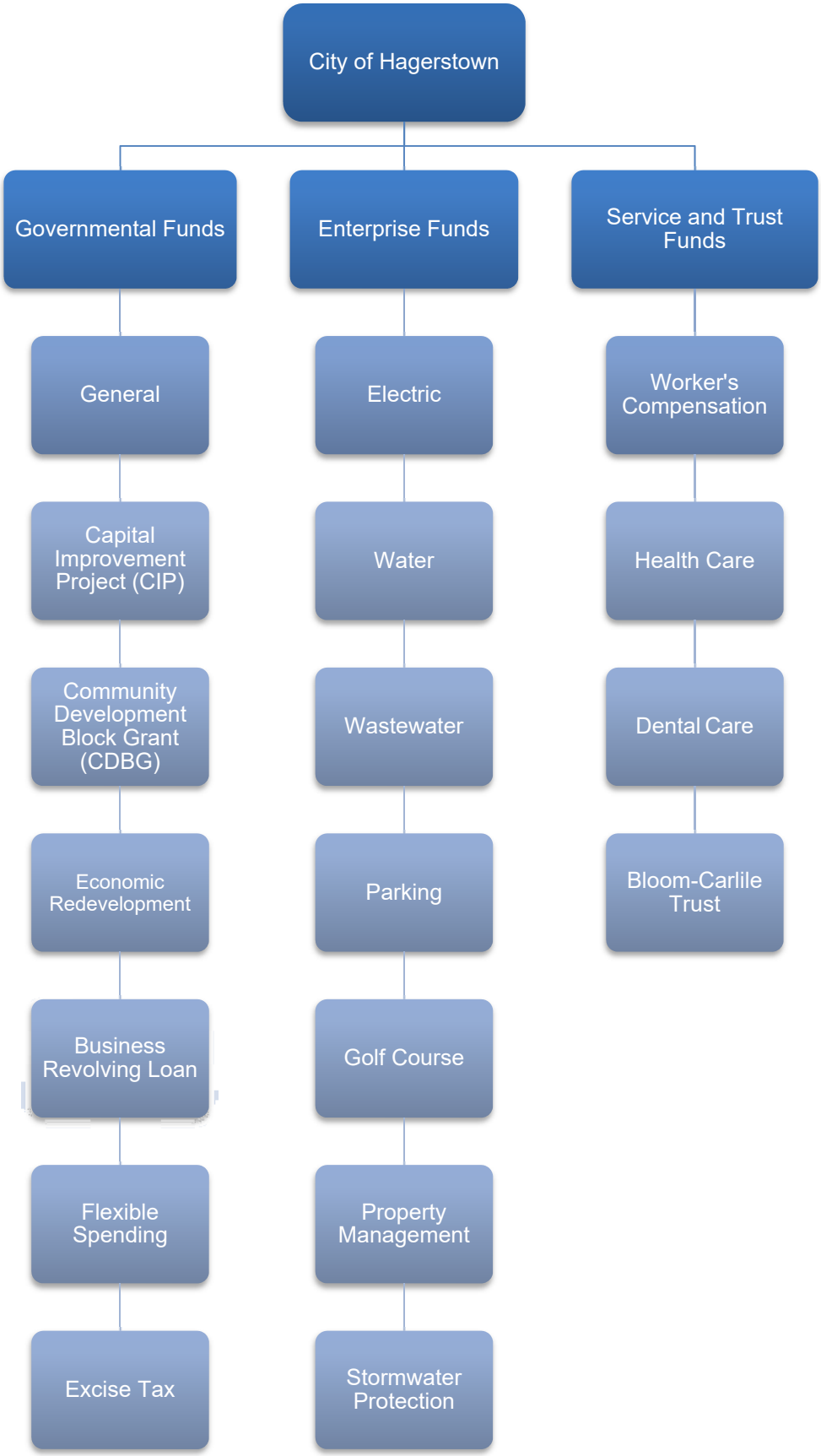
Trust Funds - These funds are used to account for assets held by the City in a trustee capacity. The Bloom-Carlile Trust Fund operates as a Trust Fund.

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 Protection
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 Protection Fund - This fund is used to account for the activities of the City’s Stormwater Protection 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 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES BY TYPE					
Property Taxes	$ 33,417,546	$ 33,046,417	$ 33,612,949	$ 35,134,632	6.3%
Income and Other Taxes	4,756,498	4,354,855	4,808,130	5,026,098	15.4%
Licenses and Permits	3,271,882	2,186,750	2,483,200	2,268,900	3.8%
Intergovernmental Revenues	3,267,403	392,738	379,382	631,919	60.9%
Charges for Current Services	3,506,386	3,529,050	3,550,158	3,919,034	11.1%
Fines and Forfeitures	1,023,060	1,272,900	1,233,200	1,250,750	-1.7%
Unallocated General Revenues	2,320,391	2,315,806	2,284,065	2,277,163	-1.7%
Transfers from Other Funds	35,786	570,492	570,492	684,375	20.0%
Appropriated Use of Fund Balance	-	1,300,302	-	3,555,000	173.4%
Total Current Revenues	**$ 51,598,952**	**$ 48,969,310**	**$ 48,921,576**	**$ 54,747,869**	**11.8%**
EXPENDITURES BY DEPARTMENT					
0101001-Council	129,570	131,983	136,384	137,657	4.3%
0101002-Mayor	73,054	83,796	83,253	86,242	2.9%
0103001-City Administrator	235,679	229,149	227,064	232,771	1.6%
0103002-City Clerk	162,474	170,591	165,768	184,114	7.9%
0103004-Legal Counsel	139,351	246,000	242,180	246,000	0.0%
0103005-Public Functions	264,397	331,305	339,142	337,570	1.9%
0103006-Communications	223,257	317,286	294,581	284,007	-10.5%
0107001-Finance & Accounting	813,782	808,546	882,701	934,477	15.6%
0107200-Information Technology	1,049,067	1,102,149	1,214,263	1,240,539	12.6%
0107201/203-Customer Services/Billing & Treasurer	456,077	481,383	460,125	487,720	1.3%
0109001-Planning	468,039	482,361	460,534	436,169	-9.6%
0109002-Annexation	2,828	10,800	3,000	10,800	0.0%
0109003-City Hall	245,860	284,530	294,745	296,281	4.1%
0109004-Engineering & Construction	1,085,255	984,524	1,106,733	1,141,401	15.9%
0109005-Human Resources	590,139	600,666	587,958	628,268	4.6%
0124010-City Hall Annex*	-	-	18,352	15,500	100.0%
Total General Government	5,938,829	6,265,068	6,516,783	6,699,517	6.9%
0110XXX-Police Department	13,905,288	14,498,141	14,329,576	15,884,217	9.6%
0112001-Fire Department	9,079,760	9,124,887	9,328,664	9,490,492	4.0%
0114001-Code Administration	1,670,706	1,734,597	1,702,100	1,781,328	2.7%
0116XXX-Signal Department	513,653	524,774	477,481	597,162	13.8%
Total Public Safety	25,169,407	25,882,399	25,837,821	27,753,199	7.2%
0121001-Snow Removal	400,120	378,213	334,902	386,000	2.1%
0123XXX-Gas Station & Maint Garage	577,914	547,773	536,495	547,538	0.0%
0124001-PW & Street Operations	1,410,780	1,491,901	1,362,391	1,445,543	-3.1%
0124008-Central Equipment Building	94,437	103,471	114,860	106,050	2.5%
Total Highways & Streets	2,483,251	2,521,357	2,348,648	2,485,132	-1.4%
0130001-Waste Collection & Disposal	2,835,197	2,985,060	2,962,679	3,178,629	6.5%
0140001-Department of Recreation	466,271	577,790	589,845	662,876	14.7%
0140202-Swimming Pools	129,223	168,445	179,007	188,020	11.6%
0140204-Farmers Market	95,701	51,125	88,484	16,751	-67.2%
0140401-Municipal Stadium	32,099	52,236	43,285	12,208	-76.6%
0140402-Hager House	38,378	38,522	45,373	48,497	25.9%
0140403-Train Museum	23,272	35,938	28,372	43,451	20.9%
0145XXX-City Parks	1,657,718	1,983,423	1,909,916	2,113,437	6.6%
Total Culture & Recreation	2,442,662	2,907,479	2,884,282	3,085,240	6.1%

STATEMENT OF REVENUE,EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
0150001-Community & Economic Development	508,310	655,095	628,961	681,429	4.0%
0160001-Retiree Benefits	1,497,639	1,502,000	1,500,000	1,500,000	-0.1%
0166001-Contributions-Other Agencies	112,500	272,100	272,100	205,000	-24.7%
0162001-Inventory Adjustments	(3,881)	10,000	10,000	10,000	0.0%
0168001-Contingency	-	(72,422)	-	692,855	-1056.7%
Total Unallocated General Expenses	1,606,258	1,711,678	1,782,100	2,407,855	40.7%
0190001-Debt Service-Principal	1,641,111	1,707,202	1,707,194	1,105,690	-35.2%
0191001-Debt Service-Interest & Issuance Costs	521,514	565,857	511,099	483,069	-14.6%
Total Debt Service	2,162,625	2,273,059	2,218,293	1,588,759	-30.1%
0195001-Operating Transfers to Other Funds	2,075,125	1,247,009	1,247,009	1,184,667	-5.0%
0195002-Capital Transfers to CIP & Other Funds	1,144,147	1,217,992	1,517,992	2,126,675	74.6%
0195002-Fund Balance Transfer for CIP Projects	731,167	1,300,302	1,354,670	3,555,000	173.4%
Total Transfers to All Other Funds	3,950,439	3,765,302	4,119,670	6,866,342	82.4%
Total Expenditures & Transfers	**$ 47,096,978**	**$ 48,966,496**	**$ 49,299,238**	**$ 54,746,102**	**11.8%**
Excess (Deficiency) of Revenues over Expenditures	**$ 4,501,974**	**$ 2,814**	**$ (377,662)**	**$ 1,767**	
Beginning Fund Balance	**$ 13,484,061**	**$ 17,986,035**	**$ 17,986,035**	**$ 17,608,373**	
Less Budgeted Use of Fund Balance	-	(1,300,302)	-	$ (3,555,000)	
Ending Fund Balance	**$ 17,986,035**	**$ 16,688,548**	**$ 17,608,373**	**$ 14,055,140**	

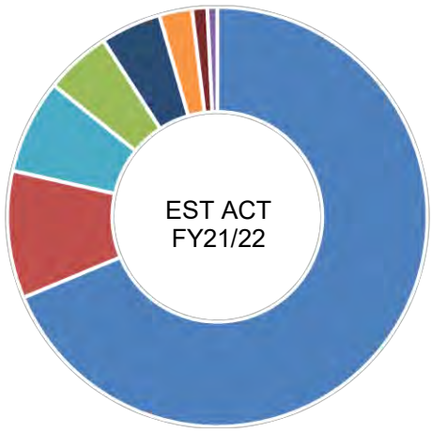
Detail of Ending Fund Balance

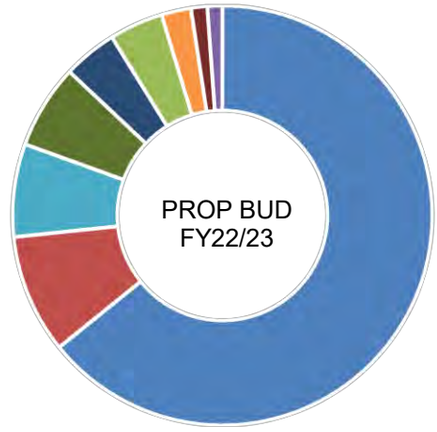
Nonspendable	$ 170,452	$ 350,000	$ 350,000	$ 350,000
Committed	250,000	250,000	250,000	250,000
Assigned	886,857	1,000,000	1,000,000	1,000,000
Unassigned	16,678,726	15,088,548	16,008,373	12,455,140
Ending Fund Balance	$ 17,986,035	$ 16,688,548	$ 17,608,373	$ 14,055,140
Unassigned Fund Balances as: % of Operating Budget Less Transfers to All Other Funds	38.7%	33.4%	35.4%	26.0%
Number of Months Expenditures	4.6	4.0	4.3	3.1

*City Hall Annex is 32 N Potomac Street, which is a new acquistion funded with American Rescue Plan Act (ARPA) in FY22, and will become the location of Customer Services, Billing, and Community & Economic Development areas.

COMPARISON OF REVENUES AND EXPENDITURES - PROPOSED BUDGET FY23 VS EST ACTUAL FY22
FISCAL YEAR 2022/2023

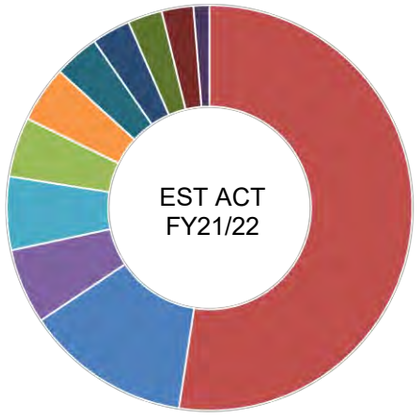
GENERAL FUND REVENUES

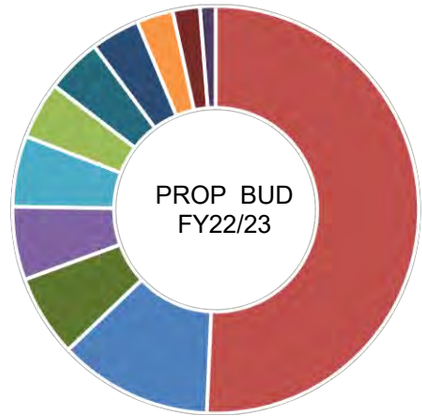




	Est Act FY21/22	Prop Bud FY22/23
Property Taxes	$ 33,612,949	$ 35,134,632
Income & Other Taxes	4,808,130	5,026,098
Charges for Current Services	3,550,158	3,919,034
Licenses and Permits	2,483,200	2,268,900
Unallocated General Revenues	2,284,065	2,277,163
Intergovernmental Revenues	379,382	631,919
Fines and Forfeitures	1,233,200	1,250,750
Transfers from Other Funds	570,492	684,375
Appropriated Use of Fund Balance	-	3,555,000

GENERAL FUND EXPENDITURES





	Est Act FY21/22	Prop Bud FY22/23
Public Safety	$ 25,837,821	$ 27,753,199
Highways & Streets	2,348,648	2,485,132
General Government	6,516,783	6,699,517
Waste Collection	2,962,679	3,178,629
Parks and Recreation	2,884,282	3,085,240
Unallocated Expenses	1,782,100	2,407,855
Debt Service	2,218,293	1,588,759
Operating Transfers	1,247,009	1,184,667
Fund Balance Transfers	1,354,670	3,555,000
Capital Transfers	1,517,992	2,126,675
Comm & Econ Development	628,961	681,429

CATEGORY OF EXPENDITURES
Fiscal Year 2022/2023

Where Does Your Money Go?



General Government*
$6,699,517

Unallocated/Debt Service Expenses
$3,996,614

Waste Collection
$3,178,629

Highways & Streets
$2,485,132

Transfer to Other Funds
$6,866,342

Community & Economic Development
$681,429

Parks & Recreation
$3,085,240

Public Safety
$27,753,199

Total Proposed FY23 Budget Expenditures $54,746,102

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

REVENUES AND OTHER FINANCING SOURCES
FISCAL YEAR 2022/2023

REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
CURRENT REVENUES					
Property Taxes	$ 33,417,546	$ 33,046,417	$ 33,612,949	$ 35,134,632	6.3%
Income and Other Taxes	4,756,498	4,354,855	4,808,130	5,026,098	15.4%
Licenses and Permits	3,271,882	2,186,750	2,483,200	2,268,900	3.8%
Intergovernmental Revenues	3,267,403	392,738	379,382	631,919	60.9%
Charges for Current Services	3,506,386	3,529,050	3,550,158	3,919,034	11.1%
Fines and Forfeitures	1,023,060	1,272,900	1,233,200	1,250,750	-1.7%
Unallocated General Revenues	2,320,391	2,315,806	2,284,065	2,277,163	-1.7%
Total Current Revenues	**$ 51,563,166**	**$ 47,098,516**	**$ 48,351,084**	**$ 50,508,494**	**7.2%**
OTHER FINANCING SOURCES					
Transfers from Other Funds	35,786	570,492	570,492	684,375	20.0%
Appropriated Fund Balance to CIP Fund:Capital Expenditures	-	1,300,302	-	3,555,000	173.4%
Total Other Financing Sources	**$ 35,786**	**$ 1,870,794**	**$ 570,492**	**$ 4,239,375**	**126.6%**
Total Ending Revenues and Other Financing Sources	**$ 51,598,952**	**$ 48,969,310**	**$ 48,921,576**	**$ 54,747,869**	**11.8%**

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 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*
Actual 2020/2021: All	2,814	2.2%		1.002	30,567	3.5%	1.002	*0.823*	*0.112*	*1.937*
Actual 2020/2021: Apts	*242*	*31.5%*		*1.032*	*2,494*	*31.5%*	*1.032*	*0.823*	*0.112*	*1.967*
Estimated 2021/2022: All	*2,882*	2.4%		*1.002*	*31,256*	5.9%	*1.002*	*0.823*	*0.112*	*1.937*
Estimated 2021/2022: Apts	*255*	*5.6%*	***	*1.032*	*2,460*	*-1.4%*	*1.032*	*0.823*	*0.112*	*1.967*
Proposed 2022/2023: All	*2,982*	3.5%	**	*1.002*	*32,338*	** *3.5%*	*1.002*	*0.823*	*0.112*	*1.937*
Estimated 2022/2023: Apts	*261*	2.2%	***	*1.032*	*2,515*	*2.2%*	*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 includes real property assessed value expected on July 1 only.

**The assessable base value per the February 2022 Constant Yield Notice memos reflect a combined expected real property assessed value of 2,846 which is an increase of 0.6% compared to current levels. The City chart above assumes a slightly higher average assessable base value which includes personal property values. In addition, the chart above reflects the average value for all of FY22 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.

Each penny on the real estate tax rate generates additional revenue of	**$ 285,000**
Each penny on the personal property tax rate generates additional revenue of	**$ 16,000**

PROPERTY TAXES - PROPOSED REVENUES
FISCAL YEAR 2022/2023

DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/33 PROPOSED	2022/33 % CHANGE
Current Year Levy	$ 30,565,986	$ 30,253,017	$ 31,255,498	$ 32,337,332	6.9%
Interest on Delinquent Taxes	213,323	175,000	(300,000)	150,000	-14.3%
Prior Years' Levy-Net	(22,513)	(130,000)	(100,000)	(100,000)	-23.1%
Payment in Lieu of Taxes	2,767,915	2,783,600	2,797,757	2,785,300	0.1%
Tax Discounts & Credits Allowed	(107,165)	(35,200)	(40,306)	(38,000)	8.0%
Total Property Taxes	**$ 33,417,546**	**$ 33,046,417**	**$ 33,612,949**	**$ 35,134,632**	**6.3%**

Revenues from property taxes are based on assessments established by the State Department of Assessment and Taxation. The real estate tax rate for FY22 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 FY22.

FY23 is the third year of the City's triennial reassessment period. The February 2022 Constant Yield Tax Rate Certification memo reflects a combined increase in real estate assessed values of 0.6% which represents a $167.7K increase in real estate revenue for FY23 if no changes are made to the tax rate. The real estate property constant yield rate certified by the State for FY23, that would generate the same dollar amount of gross real tax revenues (before local property tax credits), is $1.0095 per $100 of assessed value for apartments and $0.9978 per $100 assessed value for all excluding apartments which is less than the City's current FY23 tax rates. The proposed budget for FY23 includes the following: an estimated overall growth of 3.5% increase in the assessable base over current year from historical trends, anticipated growth from new developments and potential annexations, 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

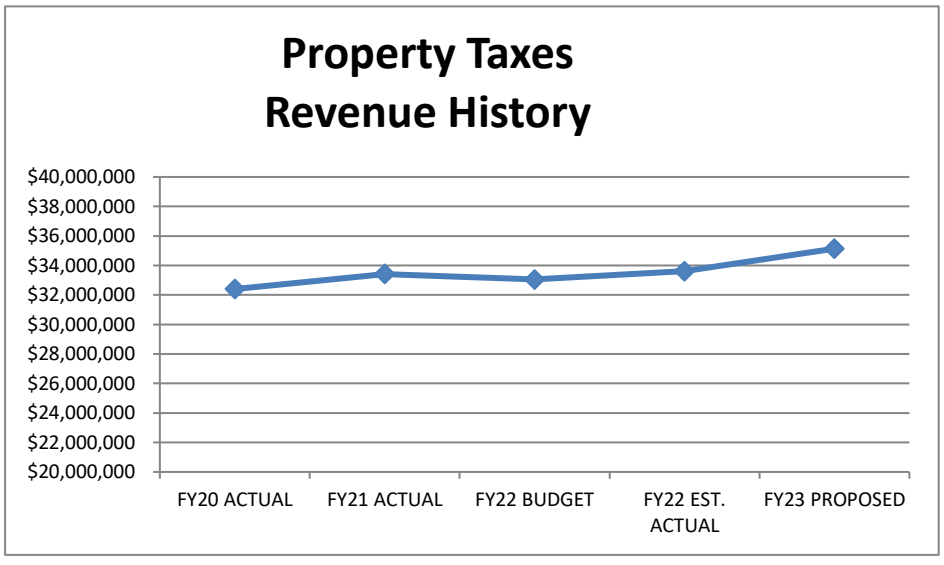
Adopted FY22 to Estimated Actual FY22

The estimated actual property tax revenues for FY22 when compared with the FY22 budget is expected be about 1.7% or $566.5K higher than originally budgeted. This increase is mostly the result of current year levy, prior years' levy-net, and payment in lieu of taxes being higher than budgeted by a total of $1.0M. This is offset by $480.1K in decreases from lower than expected revenues from interest on delinquent taxes and tax discounts & credits allowed. 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 FY22 to Proposed FY23

Overall, the proposed property tax revenue for FY23 is expected to increase by 6.3% or $2.1M when compared to the FY22 budget. The FY23 proposed budget includes estimated growth of 3.5% 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 64.2% in FY23 proposed budget.

This primary revenue sources help 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. FY23 is the third year of City's triennial reassessment cycle.



INCOME AND OTHER TAXES - PROPOSED REVENUES
FISCAL YEAR 2022/2023

DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
Income Tax	$ 3,481,066	$ 2,800,000	$ 3,100,000	$ 3,100,000	10.7%
Admissions & Amusement Tax	172,623	125,000	250,000	250,000	100.0%
Financial Corporations	34,214	34,214	34,214	34,214	0.0%
Enterprise Zone Tax Credits	46,133	360,641	370,916	537,784	49.1%
Room Tax - Tourism Promotions	180,036	165,000	195,000	200,000	21.2%
Police Protection	682,832	700,000	688,000	700,000	0.0%
State Aid For Fire Service	79,594	70,000	70,000	70,000	0.0%
Highway User Revenues	80,000	100,000	100,000	134,100	34.1%
Total Income and Other Taxes	**$ 4,756,498**	**$ 4,354,855**	**$ 4,808,130**	**$ 5,026,098**	**15.4%**

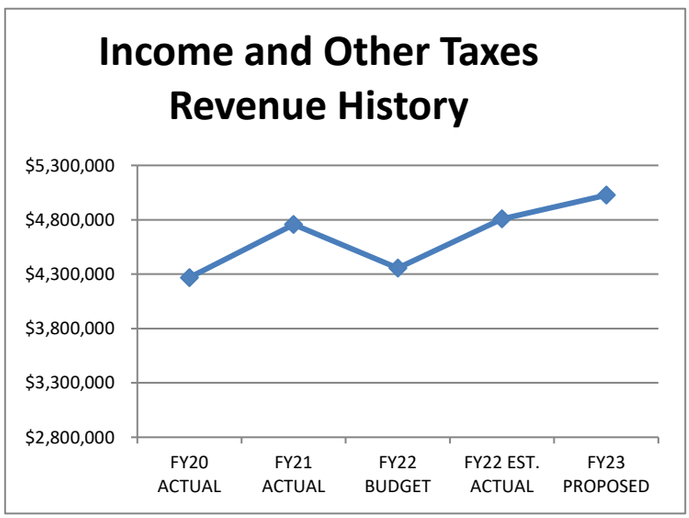
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

When compared to the FY22 adopted budget, FY22 estimated actual revenues are anticipated to be 10.4% or $453.3K higher. The largest increase of $300.0K is in income taxes which are established by the County government. Despite a reduction in percentage withheld established by the County, new trends reflect growth over original estimates. Admissions & amusement tax, room tax, and enterprise tax zone credits are expected to increase by a total of $165.3K. The significant increase in Enterprise Tax Credits is the result of new growth and addition of NorthPoint Development warehouses. It is anticipated that there will be a $1.7% or $12K decrease in police protection revenues.

Adopted FY22 to Proposed FY23

Overall, the proposed budget for FY23 income & other taxes revenue is expected to increase by 15.4% or $671.2K over the FY22 budget. This increase is driven by increases in all revenue categories except the following which are expected to remain level with FY22 budget: financial corporations, police protection, and state aid for fire service. The growth in income taxes is estimated to return near to levels prior to the COVID-19 pandemic impact. The Income Tax is not expected to reach FY21 amounts as a result of the change in percentage withheld from 3.2% to 3.0% by the County. Despite the amount of highway user revenue reflected in the General Fund, the total highway user revenue to the City is $1.4M. The City will be utilizing the majority of Highway User Revenue in new capital projects.



As the current graph indicates, FY22 estimated actuals are more in line with FY21 actuals and are expected to continue on an upward trend. The primary growth from FY22 budget is a result of better than anticipated Income Tax.

LICENSES & PERMITS - PROPOSED REVENUES
FISCAL YEAR 2022/2023

DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
Traders Licenses	$ 99,756	$ 85,000	$ 98,000	$ 98,000	15.3%
Vendor Permits from City Clerk	2,350	2,500	2,500	2,700	8.0%
Cable TV Franchise Fee	319,839	312,000	319,000	320,000	2.6%
General Construction Permits	13,159	25,000	25,000	25,000	0.0%
Street Digging Permits	28,032	25,000	25,000	25,000	0.0%
Curbs, Sidewalks, & Driveways	340	1,000	500	500	-50.0%
Stormwater Management Permits	72,659	5,000	50,000	35,000	600.0%
Grading Permits	97,403	20,000	80,000	25,000	25.0%
Right of Way Permits	4,150	3,500	4,000	3,500	0.0%
Building Permits (Fire)	319,720	112,000	120,000	100,000	-10.7%
Fireworks Permits	2,000	1,000	1,000	1,000	0.0%
Blasting Permits	250	250	200	200	-20.0%
Plumbing Dept-Licenses	11,935	6,000	6,000	12,000	100.0%
Contractor's Licenses	5,440	15,000	15,000	5,000	-66.7%
Electrical Licenses	30,385	6,000	10,000	28,000	366.7%
Residential Rental Licenses	720,815	685,000	685,000	685,000	0.0%
Building Permits	1,081,006	275,000	450,000	300,000	9.1%
Plumbing Permits	90,057	75,000	75,000	65,000	-13.3%
Electrical Permits	133,705	115,000	115,000	110,000	-4.3%
Mechanical Permits	61,640	54,000	54,000	50,000	-7.4%
Re-Inspection Fee	(150)	1,000	1,000	1,000	0.0%
Property Abatement Billings -Code	44,465	215,000	215,000	215,000	0.0%
Use & Occupancy Inspections	-	500	-	-	-100.0%
Vacant Residential Structure Fee	61,700	95,000	75,000	95,000	0.0%
Vacant Commercial Structure Fee	15,000	10,000	15,000	15,000	50.0%
Admin Fee for Excise Tax	10,147	3,000	3,000	3,000	0.0%
Secure Vacant Structure Fee	(400)	3,000	3,000	3,000	0.0%
Technology Fee	45,280	35,000	35,000	45,000	28.6%
Unattended Donation Bin Fee	1,200	1,000	1,000	1,000	0.0%
Total Licenses and Permits	**$ 3,271,882**	**$ 2,186,750**	**$ 2,483,200**	**$ 2,268,900**	**3.8%**

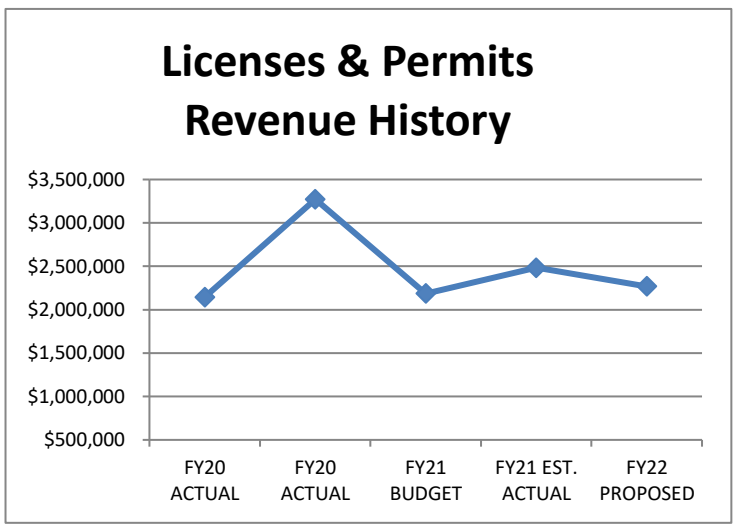
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

FY22 licenses and permit revenues are projected to be over budget by 13.6% or $296.5K. This increase is due to multiple of the permit and license revenue categories being over budget but mainly trader licenses, grading permits, stormwater management permits, and building permits. The majority of the growth in these categories are directly related to new development.

Adopted FY22 to Proposed FY23

Overall, the proposed FY23 budget is expected to be 3.8% or $82.2K over FY22 budget. This increase isn't necessarily identifiable to one specific revenue source because multiple revenue categories are expected to grow. The largest increases in revenues are in stormwater management permits, electrical licenses, and building permits whereas the largest decreases are in building permits (fire), contractor's licenses, and plumbing permits. The contractor and electric licenses are bi-annual fees which is reflected in the fluctuations when comparing year to year amounts.



INTERGOVERNMENTAL REVENUES - PROPOSED REVENUES
FISCAL YEAR 2022/2023

DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
County Grant: School Resource Officers	$ 253,908	$ 338,544	$ 280,000	$ 421,606	24.5%
State Grant: Imagine Hagerstown	25,664	6,363	9,363	6,000	-5.7%
State Grant: A&E District Events	1,800	16,571	17,571	16,000	-3.4%
DEA/NTF Reimbursed OT Grants	31,530	31,260	20,400	33,260	6.4%
Intergovernmental Revenue - CARES Act	1,436,636	-	-	-	0.0%
American Rescue Plan Act (ARPA)	1,517,865	-	52,048	155,053	100.0%
Total Intergovernmental	**$ 3,267,403**	**$ 392,738**	**$ 379,382**	**$ 631,919**	**60.9%**

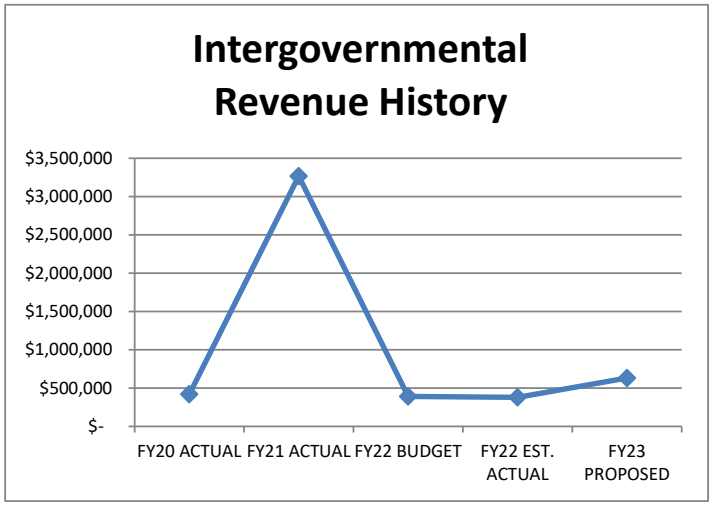
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

The estimated actual intergovernmental revenues for FY22 are expected to be 3.4% or $13.4K lower than originally budgeted in FY22. Funding received for school resource officers is expected to be 17.3% or $58.5K lower than FY22 budget due to a change in the number of police officers being provided. There is also an expected decrease of 34.7% or $10.9K in DEA/NTF reimbursed OT Grants. The remaining revenue categories are expected to increase by $56.0 K in total, except for the CARES Act, and will slightly offset the decreases mentioned previously. The largest increase in revenue is from money received from the American Rescue Plan Act (ARPA).

Adopted FY22 to Proposed FY23

Overall, the proposed FY23 budget is expected to be 60.9% or $239.2K higher than FY22 budget. An additional $155.1K is expected to be utilized in ARPA funds to cover the Grant Administrator position and to cover a portion of the Police body worn camera costs. Funds received from the County for school resource officers are also expected to be higher than FY22 budget by $83.1K due to an anticipated new contract which would increase the top step officer pay.



In FY21, there was a substantial increase in revenues as a result of the $1.4M received from the CARES Act Grant and $1.5M received from the American Rescue Plant Act (ARPA). Both of these grants were the result of the COVID-19 pandemic. The CARES Act was a one time event and grant. The ARPA reflected in FY21 was for premium pay for employees. ARPA funding will continue to be utilized until December 31, 2024 for both operating and capital items.

CHARGES FOR CURRENT SERVICES - PROPOSED REVENUES
FISCAL YEAR 2022/2023

DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
Refuse Collection Fees	$ 2,812,036	$ 2,947,900	$ 2,854,390	$ 3,163,500	7.3%
Potterfield Swimming Pool	63,697	67,900	71,700	71,700	5.6%
Public Function Event Revenues	-	3,425	2,350	2,925	-14.6%
Other Service Charges	630,653	509,825	621,718	680,909	33.6%
Total Charges for Current Services	**$ 3,506,386**	**$ 3,529,050**	**$ 3,550,158**	**$ 3,919,034**	**11.1%**

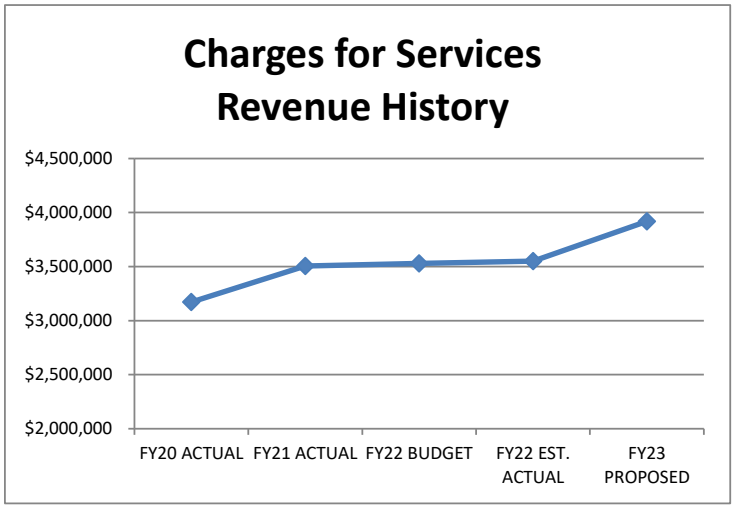
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Overall, estimated actual revenue for FY22 is anticipated to be slightly over budget by 0.6% or $21.1K when compared with the FY22 budget. Other services charges are expected to be higher than FY22 budget by 21.9% or $111.9K mostly due to increases in gasoline billings to outsiders and code admin late fees. Revenues collected from the Potterfield Swimming Pool are also expected to be slightly higher than FY22 budget by 5.6% or $3.8K. These increases are offset by a decrease of 3.2% or $93.5K in the fees expected to be collected for refuse services.

Adopted FY22 to Proposed FY23

In total, charges for current services in the FY23 budget are expected to be 11.1% or $390K higher than FY22 budget. Public function event revenues are expected to be slightly lower than FY22 budget by 14.6% or $500 while the rest of the revenue categories are expected to increase when compared to FY22 budget. The largest increases are 7.3% or $215.6K in refuse collection fees and 5.6% or $3.8K in Potterfield Swimming Pool revenue. 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 2022/2023

DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
Abatement Administrative Fees - Code Admin	$ 42,020	$ 50,000	$ 50,000	$ 50,000	0.0%
Confiscated Revenue	5,384	4,000	4,000	5,000	25.0%
Excessive Use Fees	-	8,500	3,500	8,500	0.0%
Fire Code Violations	5,500	2,000	5,000	4,500	125.0%
Municipal Infractions - Code Admin	9,300	80,000	40,000	40,000	-50.0%
Municipal Infractions - Planning	-	-	250	-	0.0%
Parking Tickets, Late Fees, & Uncollectible	505	3,300	2,300	2,600	-21.2%
Red Light Violation Fine & Uncollectible	158,602	150,000	178,000	165,000	10.0%
Safe Speed for Students Program & Uncollectible	801,549	975,000	950,000	975,000	0.0%
Tech Appeals Board Filing Fees	200	100	150	150	50.0%
Total Fines and Forfeitures	**$ 1,023,060**	**$ 1,272,900**	**$ 1,233,200**	**$ 1,250,750**	**-1.7%**

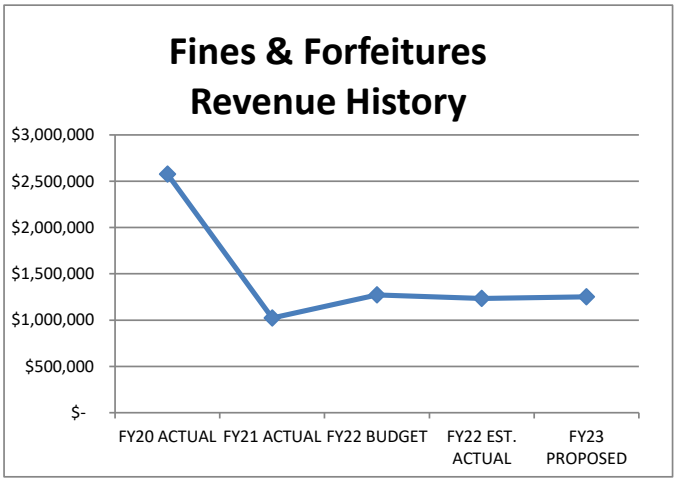
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Estimated actual revenue for FY22 is expected to be under budget by 3.1% or $39.7K. Fire code violations, municipal infractions - planning, total red light camera revenue, and tech appeals board filing fees are all expected to increase when compared to FY22 budget levels. These increases are offset set by decreases in expected excessive use fees, municipal infractions - code admin, total parking ticket revenue, and total Safe Speed for Students program revenue.

Adopted FY22 to Proposed FY23

The FY23 budget for total fines and forfeitures revenue sources are lower than FY22 budget by 1.7% or $22.2K. Municipal infractions - code admin and total parking ticket revenues are expected to be $40.7K lower than FY22 budget which is a continuation of current year trends. These decreases are partially offset by increases in confiscated revenue, fire code violations, total red light camera revenue, and tech appeals board filing fees of $18.6K.



DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
Administrative Allocation Revenues	$ 1,997,500	$ 1,997,500	$ 1,997,500	$ 1,997,500	0.0%
Interest on Investments	19,850	40,000	5,500	21,500	-46.3%
Rental Income	178,929	172,916	181,483	162,135	-6.2%
Sale of Land & Other Assets	32,907	8,000	13,338	10,000	25.0%
Contributions & Donations	21,987	36,700	25,293	36,000	-1.9%
Other General Revenue	69,218	60,690	60,951	50,028	-17.6%
Total Unallocated General Revenues	**$ 2,320,391**	**$ 2,315,806**	**$ 2,284,065**	**$ 2,277,163**	**-1.7%**

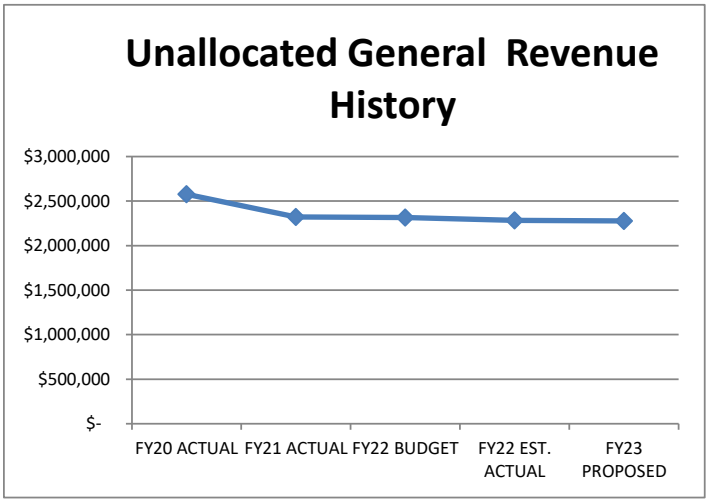
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

In total, the FY22 estimated actual revenue amounts are projected to be 1.4% or $38.6K lower than FY22 budget. Some of this decrease can be attributed to the COVID-19 pandemic. For example, contributions & donations are down 31.1% or $11.4K mostly due to sponsorships for public events being canceled. The COVID-19 pandemic also impacted interest earned from investments with a decline of 86.3% or $34.5K due to interest earning rates. There is expected to be a slight increase in rental income and other general revenues are expected to remain relatively level with budget. Sale of land & other assets is expected to be 66% or $5.3K higher than FY22 budget due to higher than expected auctioned vehicles, tools, and equipment sale earnings.

Adopted FY22 to Proposed FY23

The proposed FY23 budget is anticipated to decrease by 1.7% or $38.6K in total in comparison to FY22 budget. A significant portion of this decrease is attributed to the continued effects of the COVID-19 pandemic on the interest earned from investments. Interest earned is expected to be 46.3% or $18.5K lower than budget. Rental income is also expected to decrease by 6.2% or $10.8K. Administrative allocations and contributions & donations are expected to remain relatively level with FY22 budget while sale of land and other assets is expected to increase slightly.



TRANSFERS FROM OTHER FUNDS & OTHER FINANCING SOURCES - PROPOSED REVENUES
FISCAL YEAR 2022/2023

DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
Transfer from Health Insurance Fund	$ -	$ 541,968	$ 541,968	$ 654,375	20.7%
Transfer from CIP Fund	4,178	-	-	-	0.0%
Transfer from CDBG Fund	31,608	28,524	28,524	30,000	5.2%
Total Transfers from Other Funds & Other Financing Sources	**$ 35,786**	**$ 570,492**	**$ 570,492**	**$ 684,375**	**20.0%**

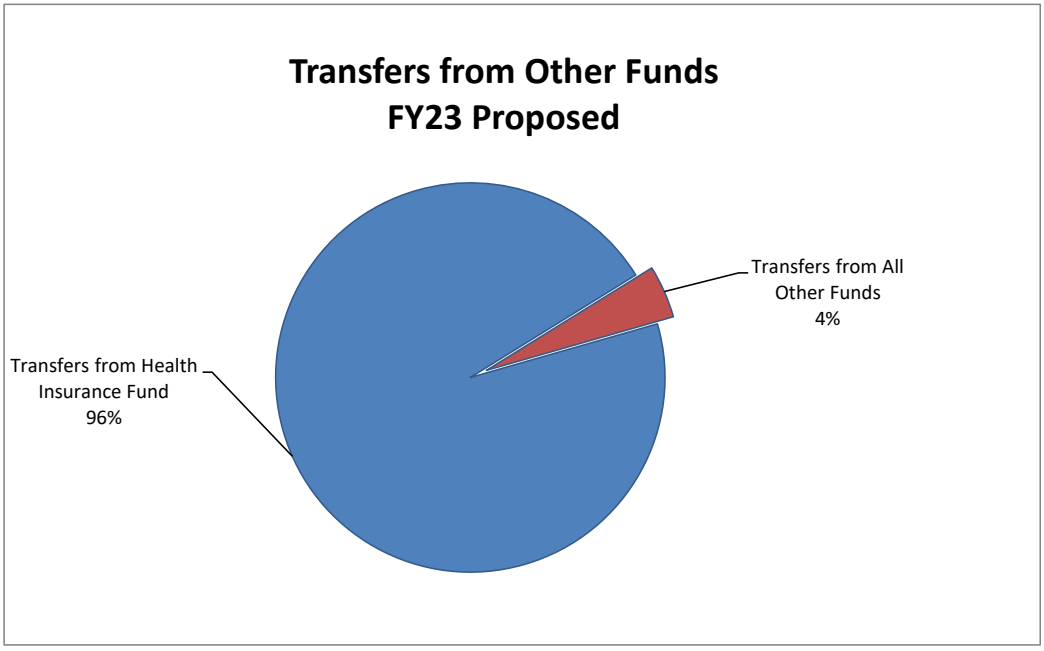
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Overall, all transfers into the General Fund are expected to remain level with FY22 budget.

Adopted FY22 to Proposed FY23

FY23 proposed budget is estimated to increase 20% or $113.9K from FY22 budget due to an increase in non-recurring transfers from the Health Insurance Fund and annual transfers from CDBG 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 FY21 due to utilization decrease. As a result of the FY21 surplus in the Healthcare Fund, there will be a reallocation back to other funds in FY23 as follows: General Fund ($654.4K); Electric Fund ($65.4K); Water Fund ($94.6K); and Wastewater Fund ($85.7K). 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 36 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

	2020/21	2021/22	2022/23
Number of Mayor and Council meetings	**46**	**43**	**50**
Average number of meetings representing City (e.g. board/commission)	**50**	**50**	**50**
Average number of community functions	**30**	**50**	**50**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 48,345	$ 48,169	$ 48,169	$ 48,523	0.7%
Benefits	20,325	29,292	28,742	29,904	2.1%
Personnel Subtotal	**68,670**	**77,461**	**76,911**	**78,427**	**1.2%**
Operating Expenditures	4,384	6,335	6,342	7,816	23.4%
Operating Subtotal	**4,384**	**6,335**	**6,342**	**7,816**	**23.4%**
Total Expenditures	**$ 73,054**	**$ 83,796**	**$ 83,253**	**$ 86,242**	**2.9%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 73,054**	**$ 83,796**	**$ 83,253**	**$ 86,242**	**2.9%**

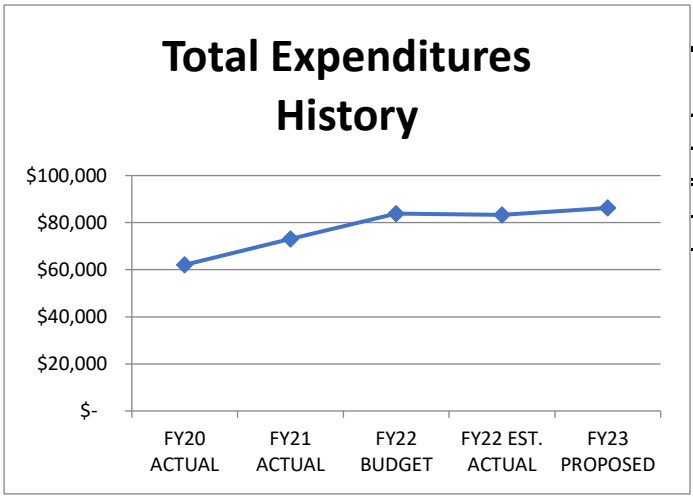
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

FY22 estimated actuals are expected to be 0.6% or $543 lower than FY22 budget due to a decrease in benefit charges.

Adopted FY22 to Proposed FY23

FY23 proposed budget is 2.9% or $2.4K higher than FY22 budget due to increases in all expenditure categories, but mainly operating expenditures.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
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 36 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

	2020/21	2021/22	2022/23
Number of Mayor and Council meetings	**46**	**43**	**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

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 40,156	$ 40,000	$ 40,000	$ 40,000	0.0%
Benefits	50,227	42,479	44,632	43,089	1.4%
Personnel Subtotal	**90,383**	**82,479**	**84,632**	**83,089**	**0.7%**
Operating Expenditures	39,187	49,504	51,515	54,568	10.2%
Capital Outlay	-	-	237	-	0.0%
Operating Subtotal	**39,187**	**49,504**	**51,752**	**54,568**	**10.2%**
Total Expenditures	**$ 129,570**	**$ 131,983**	**$ 136,384**	**$ 137,657**	**4.3%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 129,570**	**$ 131,983**	**$ 136,384**	**$ 137,657**	**4.3%**

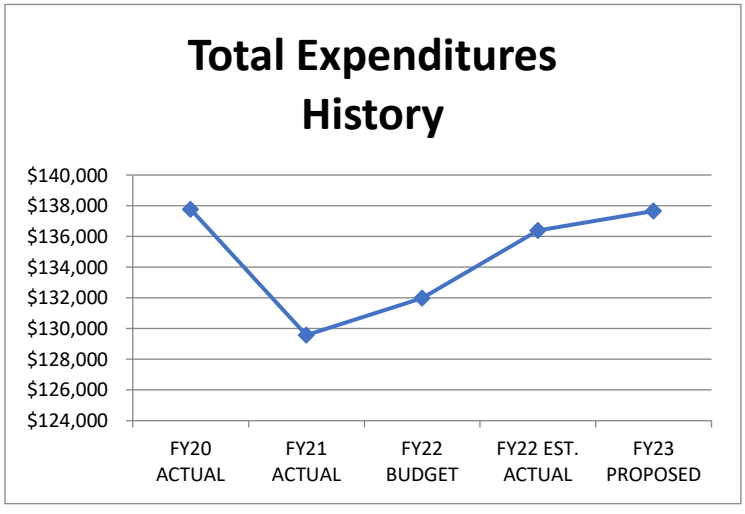
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

FY22 estimated actuals are anticipated to be 3.3% or $4.4K higher than FY22 budget due to increases in benefit charges and operating expenditures.

Adopted FY22 to Proposed FY23

The proposed FY23 budget is anticipated to increase 4.3% or $5.7K in comparison to FY22 budget. This increase is due to a $5.1K increase in operating expenditures and a $600 increase in benefit charges.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
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

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 175,984	$ 165,442	$ 165,442	$ 168,261	1.7%
Benefits	49,669	50,888	49,602	52,535	3.2%
Overtime	95	-	-	-	0.0%
Personnel Subtotal	**225,748**	**216,330**	**215,044**	**220,796**	**2.1%**
Operating Expenditures	8,315	12,490	11,691	11,976	-4.1%
Capital Outlay	1,616	330	330	-	-100.0%
Operating Subtotal	**9,931**	**12,820**	**12,021**	**11,976**	**-6.6%**
Total Expenditures	**$ 235,679**	**$ 229,149**	**$ 227,064**	**$ 232,771**	**1.6%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 235,679**	**$ 229,149**	**$ 227,064**	**$ 232,771**	**1.6%**

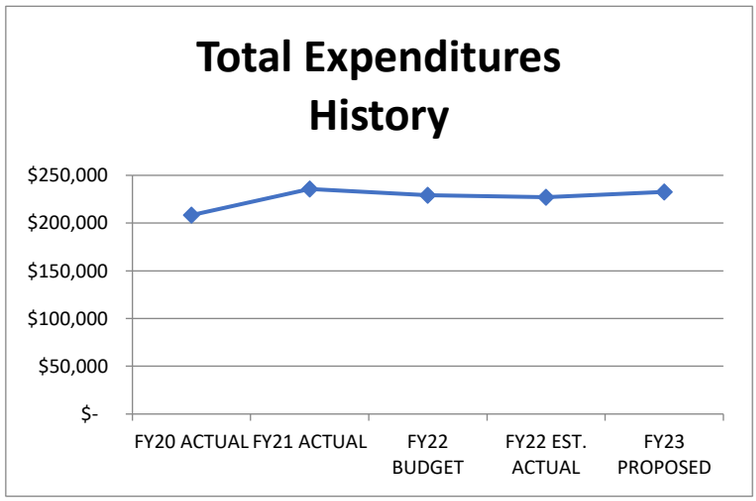
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

FY22 estimated actuals are expected to be 0.9% or $2.1K lower than the adopted budget due to decreases in benefit charges and operating expenditures.

Adopted FY22 to Proposed FY23

The proposed FY23 budget is expected to increase 1.6% or $3.6K over the FY22 adopted budget. Total personnel expenditures are expected to increase $4.5K while total operating expenditures are expected to decrease $800.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
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

	2020/21	2021/22	2022/23
Number of Ordinances Processed	**20**	**20**	**25**
Number of Resolutions Processed	**52**	**48**	**60**
Number of Licenses and Permits Issued	**36**	**68**	**50**
Number of Mayor and Council meetings processed	**46**	**43**	**50**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 107,909	$ 110,514	$ 110,000	$ 121,177	9.6%
Benefits	33,649	38,466	33,973	41,194	7.1%
Personnel Subtotal	**141,558**	**148,980**	**143,973**	**162,371**	**9.0%**
Contractual Services	5,146	4,800	4,800	5,000	4.2%
Operating Expenditures	15,770	16,811	16,995	16,744	-0.4%
Capital Outlay	-	-	-	-	0.0%
Operating Subtotal	**20,916**	**21,611**	**21,795**	**21,744**	**0.6%**
Total Expenditures	**$ 162,474**	**$ 170,591**	**$ 165,768**	**$ 184,114**	**7.9%**
REVENUES BY TYPE					
Departmental Revenue	$ 102,375	$ 87,500	$ 100,500	$ 100,700	15.1%
Total Revenues	**$ 102,375**	**$ 87,500**	**$ 100,500**	**$ 100,700**	**15.1%**
Expenditures, net of Revenues	**$ 60,099**	**$ 83,091**	**$ 65,268**	**$ 83,414**	**0.4%**

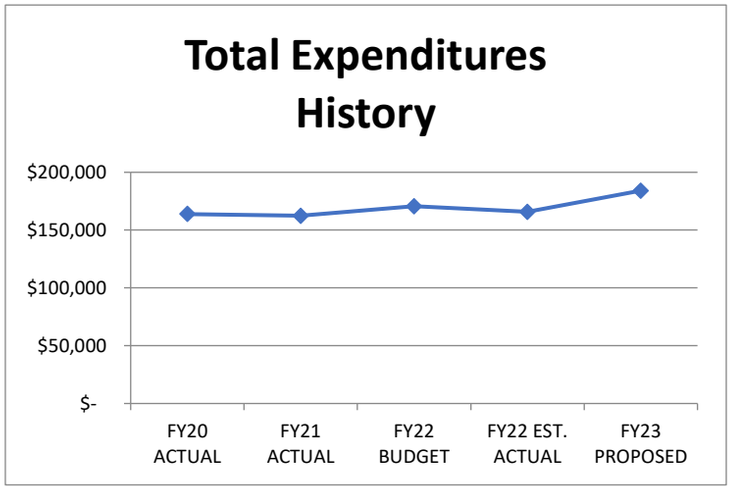
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

FY22 estimated actual expenditures are expected to be 2.8% or $4.8K below FY22 budget. Total personnel expenditures are expected to decrease $5.0K while operating expenditures are only expected to increase by $200. FY22 estimated actual revenues are expected to be 14.9% or $13.0K higher than FY22 budget due to increases in revenues from traders licenses.

Adopted FY22 to Proposed FY23

FY23 proposed expenses are estimated to be 7.9% or $13.5K higher than FY22 budget levels due to increases in salaries and wages and benefit charges.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
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, Administrator, and the City Clerk. The City Clerk also shares a PT Communications Staff Assistant position with the Communications Department.

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

	2020/21	2021/22	2022/23
Number of Ordinances Processed	**20**	**20**	**25**
Number of Resolutions Processed	**52**	**48**	**60**
Number of Approved Contracts and Agreements	**50**	**60**	**70**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ -	$ -	$ -	$ -	0.0%
Personnel Subtotal	**-**	**-**	**-**	**-**	**0.0%**
Contractual Services	128,376	234,000	230,000	234,000	0.0%
Operating Expenditures	10,975	12,000	12,180	12,000	0.0%
Operating Subtotal	**139,351**	**246,000**	**242,180**	**246,000**	**0.0%**
Total Expenditures	**$ 139,351**	**$ 246,000**	**$ 242,180**	**$ 246,000**	**0.0%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 139,351**	**$ 246,000**	**$ 242,180**	**$ 246,000**	**0.0%**

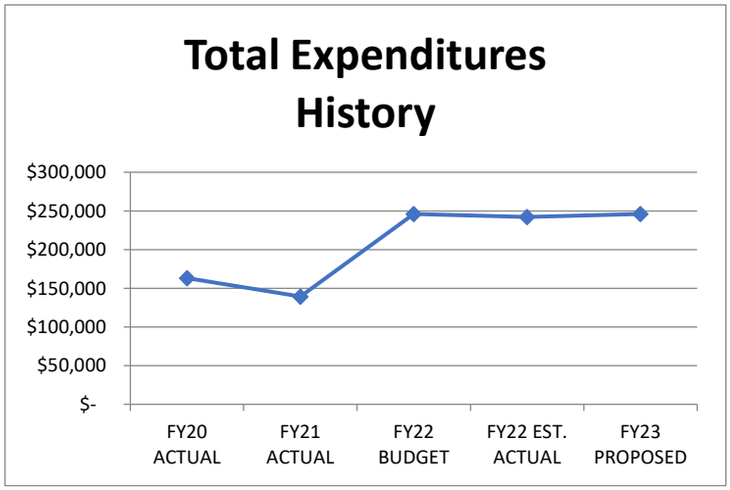
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

FY22 estimated actuals are expected to be 1.6% or $3.8K lower than budget.

Adopted FY22 to Proposed FY23

Proposed FY23 budget is expected to be level with FY22 budget.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
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

	2020/21	2021/22	2022/2023
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/ 16 yrs	Yes/ 17 yrs	
Receive GFOA Comprehensive Annual Financial Reporting award	Yes/ 26 yrs	Yes/ 27 yrs	Yes 28 yrs
Workload Measures			
Bond sales executed	0	0	1
Number of individual employee payrolls processed	24,115	25,700	26,000
Number of vendor invoices processed	11,216	10,900	11,000
Number of Pcard transactions processed	5,200	5,900	6,000
Number of Purchase Orders issued	1,168	1,400	1,500

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 582,352	$ 563,789	$ 604,000	$ 661,802	17.4%
Benefits	173,005	170,839	183,199	197,620	15.7%
Overtime	(15)	100	100	100	0.0%
Personnel Subtotal	**755,342**	**734,728**	**787,299**	**859,522**	**17.0%**
Contractual Services	25,974	31,468	52,167	31,771	1.0%
Operating Expenditures	29,172	39,349	39,040	39,684	0.9%
Capital Outlay	3,294	3,000	4,195	3,500	16.7%
Operating Subtotal	**58,440**	**73,817**	**95,402**	**74,955**	**1.5%**
Total Expenditures	**$ 813,782**	**$ 808,546**	**$ 882,701**	**$ 934,477**	**15.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 9,062,914	$ 6,710,216	$ 5,860,462	$ 9,569,567	42.6%
Total Revenues	**$ 9,062,914**	**$ 6,710,216**	**$ 5,860,462**	**$ 9,569,567**	**42.6%**
Expenditures, net of Revenues	**$ (8,249,131)**	**$ (5,901,670)**	**$ (4,977,761)**	**$ (8,635,090)**	**46.3%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

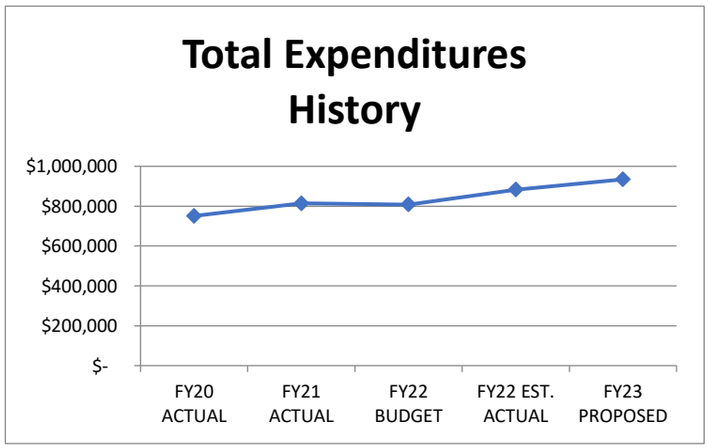
Adopted FY22 to Estimated Actual FY22

Total estimated actual personnel costs are expected to be 7.2% or $52.6K higher than FY22 budget due to an increase in salary and wages and benefit expenditures. In FY22, the Grant Coordinator position was added to the department to help assist with managing the American Rescue Plan Act (ARPA) grant money and is being funded with a portion of the ARPA funds. Contractual services are also expected to be higher than FY22 budget by 65.8% or $20.7K as a result of an increase in other contracted services. Overall, departmental revenue is anticipated to decrease by 12.7% or $849.8K as the result of an expected $1.3M decrease in budgeted use of fund balance that is slightly offset by increases in income taxes, franchise fees, and miscellaneous revenue.

Adopted FY22 to Proposed FY23

From the FY22 budget to the FY23 proposed budget, overall total expenditures are expected to be 15.6% or $125.9K higher. The largest increases are expected in salary and wages and benefits. Salary and wages are expected to increase 17.4% or $98.0K over FY22 budget and benefits are expected to be 15.7% or $26.8K higher. These increases are mostly due to the addition of the Grant Coordinator position, mentioned above. In total, revenues are expected to increase 42.6% or $2.9M in FY23 budget due to increases in income taxes, American Rescue Plan Act (ARPA) grant funds, and miscellaneous revenue.

Effective in FY21, Treasurer revenues and expenses were removed from the Finance Program Summary and added to Support Services. This is the first budget presentation that reflects this change.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	8.40	8.00	9.00	9.00
Staffing Total	8.40	8.00	9.00	9.00
Unfunded positions	0.00	0.00	0.00	0.00

The increase in the Full Time number in FY22 projected and FY23 proposed is the addition of the Grant Coordinator position, which is fully funded with ARPA funds.

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:** 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 the new Utility Billing/CIS system to perform all functions on the account application process within the Milsoft/Daffron UB module.

• **Customer Needs Automated Communication Project:** Staff has recently implemented an Interactive Voice Response system and robust online payment portal. Moving forward working on integrating this with a new CIS system and Utility Billing 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 department to a new location in the M & T bank building located on North Potomac Street within close proximity to City Hall and our current location. This would allow for better queuing of customers and recognition by staff members. It will allow for a drive up window and drop box to accept payments. This will enable staff to better serve customers and allow for changes in assisting customers due to COVID-19.

• **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 have implemented a new and more robust website to assist customers with paying their utility and tax bills. The website offers 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. We will be implementing a new Utility Billing system that will be integrated in our new online payment portal offering even more information to our Utility 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. The new CIS system being implemented will allow for customers to go directly online to schedule moves and transfers. We have also made substantial customer reach out and communication to our customers throughout this unprecedented 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 and FY23.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Number of calls offered into Support Services queue	**67,600**	**67,600**	**70,500**
Number of calls serviced in Support Services	**54,300**	**54,300**	**60,300**
Average hold time (in Seconds)	**310**	**310**	**290**
Number of counter transactions handled in City Hall	**42,000**	**83,000**	**75,000**
Total customers served	**96,300**	**131,000**	**145,500**
Dollar amount of transactions processed in City Hall	**$ 61,200,000**	**$ 62,424,000**	**$ 64,525,000**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 623,760	$ 622,516	$ 599,950	$ 626,475	0.6%
Benefits	197,733	203,835	213,539	213,589	4.8%
Overtime	6,931	3,000	3,000	3,000	0.0%
Personnel Subtotal	**828,424**	**829,351**	**816,489**	**843,064**	**1.7%**
Contractual Services	481,842	480,112	522,187	512,612	6.8%
Operating Expenditures	(854,599)	(835,630)	(886,101)	(875,506)	4.8%
Capital Outlay	410	7,550	7,550	7,550	0.0%
Operating Subtotal	**(372,347)**	**(347,968)**	**(356,364)**	**(355,344)**	**2.1%**
Total Expenditures	**$ 456,077**	**$ 481,383**	**$ 460,125**	**$ 487,720**	**1.3%**
REVENUES BY TYPE					
Departmental Revenue	$ 300	$ 35,000	$ 3,500	$ 20,000	-42.9%
Total Revenues	**$ 300**	**$ 35,000**	**$ 3,500**	**$ 20,000**	**-42.9%**
Expenditures, net of Revenues	**$ 455,777**	**$ 446,383**	**$ 456,625**	**$ 467,720**	**4.8%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

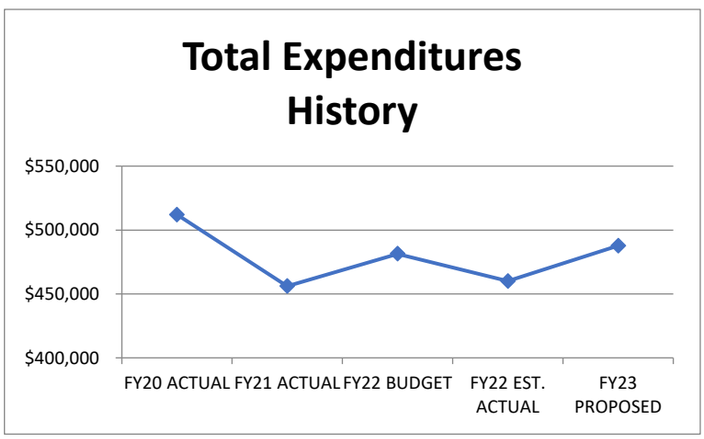
FY22 estimated actual total personnel expenditures are projected to be 1.6% or $12.9K lower than FY22 budget. There is a 3.6% or $22.6K decrease in Salary and wages that helps to offset a 8.8% or $32.5K increase in contractual services due to rising temporary staffing costs. In addition, credit card fees are reflected in contractual services and expected to be $13.0K higher than budget.

Adopted FY22 to Proposed FY23

The proposed FY23 budget for personnel expenditures is expected to be 1.7% or $13.7K higher than FY22 budget due to an increase in salary and wages and benefits. Contractual services are expected to be 6.8% or $32.5K higher as a result of increases in temporary staffing costs and continued credit card fees.

Total operating expenditures reflect a negative value due to a monthly allocation. This monthly allocation is performed to move all revenues and expenses incurred for support services and utility billing to the following areas that they help support: Trash collection 9%; Tax (Real Estate and Personal Property) 3%; Electric 38%; Water 23%; Wastewater 15%; Parking 2%; and Stormwater 10%. The allocation percentage is determined based on the total number of bills issued per service.

Effective in F21, Treasurer revenues and expenses were removed from the Finance Program Summary and added to Support Services. This is the first budget presentation that reflects this change.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	9.00	9.00	10.00	10.00
Part time	3.00	3.00	3.00	3.00
Staffing Total	12.00	12.00	13.00	13.00
Unfunded positions	0.00	0.00	0.00	0.00

FY22 estimated actual and FY23 proposed show an increase in full time staffing numbers due to a part time position being converted to full time. This change was made to better serve the needs of our customers.

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. This includes a planned move to the Office 365 common suite of productivity products.

- **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 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 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

	2020/21	2021/22	2022/23
Number of City-wide personal computers	**300**	**315**	**309**
Number of PC Software programs supported	**35**	**37**	**38**
Number of Help Desk tickets	**2,551**	**2,708**	**2,870**
# of SPAM e-mails blocked daily	**42,507**	**45,171**	**47,971**
Phone calls managed through our central switch	**398,017**	**400,803**	**403,207**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 418,306	$ 400,553	$ 407,000	$ 414,312	3.4%
Benefits	155,915	158,577	158,083	166,594	5.1%
Overtime	-	-	-	-	0.0%
Personnel Subtotal	**574,221**	**559,130**	**565,083**	**580,906**	**3.9%**
Contractual Services	-	1,000	9,292	1,000	0.0%
Operating Expenditures	472,522	538,869	636,910	655,733	21.7%
Capital Outlay	2,324	3,150	2,978	2,900	-7.9%
Operating Subtotal	**474,846**	**543,019**	**649,180**	**659,633**	**21.5%**
Total Expenditures	**$ 1,049,067**	**$ 1,102,149**	**$ 1,214,263**	**$ 1,240,539**	**12.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 10,382	$ 10,382	$ 10,382	$ 10,382	0.0%
Total Revenues	**$ 10,382**	**$ 10,382**	**$ 10,382**	**$ 10,382**	**0.0%**
Expenditures, net of Revenues	**$ 1,038,686**	**$ 1,091,767**	**$ 1,203,881**	**$ 1,230,157**	**12.7%**

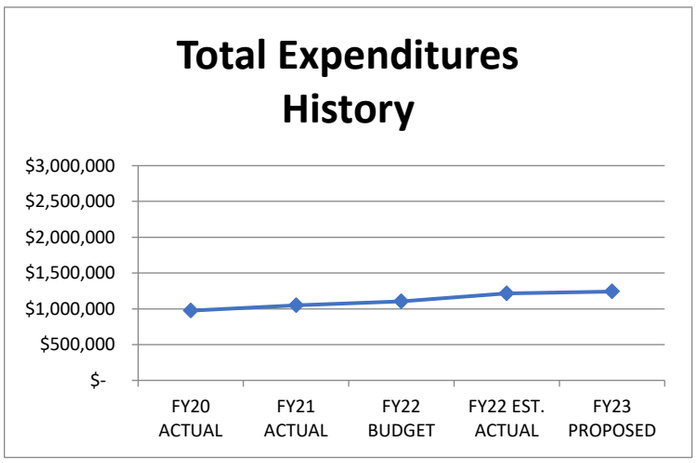
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

In total, FY22 estimated actual expenditures are projected to be over FY22 budget by 10.2% or $112.1K. The largest increase is within the operating expenditures and is expected to be 18.2% or $98.0K higher than FY22 budget due to an increase in PC Software Support & Maintenance expenses. FY22 estimated actual for salary and wages and contractual services is also expected to be higher than FY22 budget by 1.6% or $6.4K and 829.2% or $8.3K correspondingly. Total revenues are expected to remain level with FY22 budget.

Adopted FY22 to Proposed FY23

Total expenditures are expected to increase 12.6% or $138.4K in the FY23 proposed budget when compared to the FY22 budget. The largest portion of this is a $117.8K increase in PC Software Support & Maintenance expenses that is within the operating expenditures category. Total personnel expenditures are expected to increase by 3.9% or $21.8K while contractual services and capital outlay expenses are expected to remain relatively in line with FY22 budget. Total departmental revenues are also expected to increase by 12.7% or $138.4K.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
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 FY21. There are no anticipated changes to staffing through FY23.

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

	2020/21	2021/22	2022/23
Bargaining Unit Contracts	**4**	**4**	**4**
Per Employee Health Plan Costs	**$ 12,378**	**$ 13,193**	**$ 13,005**
Per Retiree Health Plan Costs	**$ 8,538**	**$ 9,191**	**$ 9,180**
Number of Employment Applications Received	**1,000**	**1,000**	**1,400**
Number of Regular FT employees hired	**40**	**40**	**55**
Number of non-regular employees hired	**45**	**45**	**46**
Retirements	**15**	**15**	**17**
Voluntary Separations	**65**	**65**	**69**
Involuntary Separations	**2**	**2**	**6**
Number of Injury Reports	**105**	**100**	**100**
Number of Property Claims	**28**	**32**	**30**
Number of General Liability Claims	**11**	**8**	**10**
Number of Police Liability Claims	**4**	**5**	**5**
Number of Auto Claims	**28**	**32**	**28**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 394,382	$ 374,389	$ 373,300	$ 387,406	3.5%
Benefits	121,914	118,246	119,071	129,523	9.5%
Overtime	13	400	-	-	-100.0%
Personnel Subtotal	**516,308**	**493,034**	**492,371**	**516,930**	**4.8%**
Contractual Services	52,933	61,342	52,300	60,300	-1.7%
Operating Expenditures	19,421	42,290	43,287	47,038	11.2%
Capital Outlay	1,476	4,000	-	4,000	0.0%
Operating Subtotal	**73,830**	**107,631**	**95,587**	**111,338**	**3.4%**
Total Expenditures	**$ 590,139**	**$ 600,666**	**$ 587,958**	**$ 628,268**	**4.6%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 590,139**	**$ 600,666**	**$ 587,958**	**$ 628,268**	**4.6%**

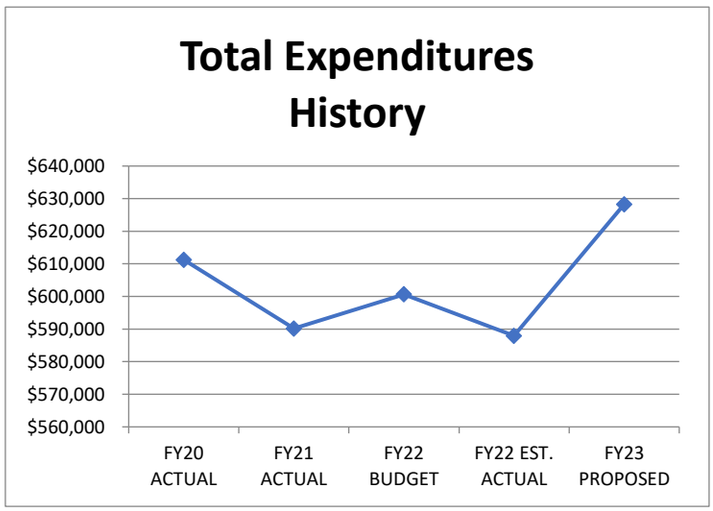
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

In total, FY22 estimated actual expenditures are expected to be 2.1% or $12.7K under FY22 budget primarily due to decreases in salary and wages, overtime, contractual services, and capital outlay expenses.

Adopted FY22 to Proposed FY23

Total expenditures are expected to increase 4.6% or $27.6K in the FY23 proposed budget when compared to the FY22 budget. This is mostly due to increases in salary and wages, benefits, and contractual services. It is expected that no overtime costs will be incurred and capital outlay expenses will remain level with FY22 budget.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	5.00	5.00	4.00	4.00
Part time	4.00	4.00	4.00	4.00
Seasonal	1.00	1.00	2.00	2.00
Staffing Total	10.00	10.00	10.00	10.00
Unfunded positions	0.00	0.00	1.00	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. The two seasonal employees are 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 FY23.

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 information. The group maintains and produces custom programming for the Public/Educational/Government (PEG) Channel (Antietam Cable Channel 25). The Department is responsible for making the Mayor and Council meetings available on both cable and streaming Internet platforms for the City's citizens. Additionally, Communications staff manages, oversees, and maintains the City website, Facebook pages, YouTube channel, and various 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 how they present themselves to their citizens and the outside world. It enables the City to focus on its differentiating strengths and leverage the combined power of stakeholder resources to establish its competitive identity. Staff will be working, in partnership with Guide Studios (Cleveland, OH), to develop a consistent and powerful place branding strategy that fulfills these goals in accordance with the strategic plan of the current administration.

• **Consolidated Communications Plan:** In conjunction with the imaging and branding methodology, staff will work across departments to coordinate marketing and promotions campaigns that fully utilize all relevant resources and more effectively promote all aspects of city government in an effort to increase citizen engagement. Promotions will be delivered across multiple platforms, including print, digital, social media and video advertising in local and regional markets.

• **Additional Video Programming for Social / Cable media channels:** Staff will continue to produce, air, and push out 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. Most recent projects include working with Parks & Recreation to produce the "Building City Park" video series and working with First Hose Company to produce the "Firefighting Museum" video series.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
YouTube lifetime video views	**211,098**	**224,110**	**250,277**
YouTube subscribers	**839**	**1,177**	**1,410**
Website visits	**486,244**	**491,782**	**691,930**
Facebook likes	**13,926**	**15,449**	**16,674**
Twitter followers	**2,164**	**2,236**	**2,199**
Instagram followers	**1,639**	**2,051**	**2,221**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 153,658	$ 160,499	$ 148,349	$ 166,257	3.6%
Benefits	42,829	48,815	45,902	50,853	4.2%
Personnel Subtotal	**196,488**	**209,314**	**194,251**	**217,110**	**3.7%**
Contractual Services	-	52,730	43,940	8,790	-83.3%
Operating Expenditures	26,770	53,742	56,390	56,607	5.3%
Capital Outlay	-	1,500	-	1,500	0.0%
Operating Subtotal	**26,770**	**107,972**	**100,330**	**66,897**	**-38.0%**
Total Expenditures	**$ 223,257**	**$ 317,286**	**$ 294,581**	**$ 284,007**	**-10.5%**
REVENUES BY TYPE					
Departmental Revenue	$ 1,413	$ -	$ 478	$ -	0.0%
Total Revenues	**$ 1,413**	**$ -**	**$ 478**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 221,844**	**$ 317,286**	**$ 294,103**	**$ 284,007**	**-10.5%**

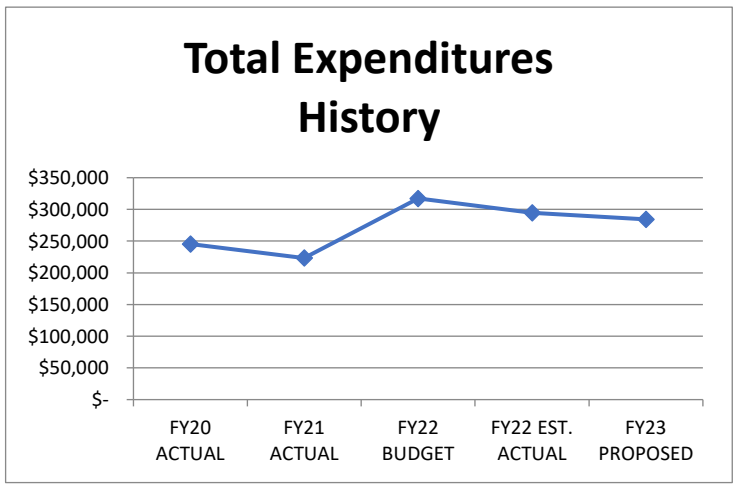
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

FY22 estimated actual expenditures are expected to be under FY22 budget levels by a total of 7.2% or $22.7K. Total personnel expenses make up the biggest portion of this with an expected decrease of 7.2% or $15.1K. Contractual services and capital outlay expenditures are expected to be lower than FY22 budget by a combined $10.3K while operating expenditures are expected to increase slightly by $2.6K.

Adopted FY22 to Proposed FY23

FY23 proposed budget expenditures are expected to be 10.5% or $33.3K lower than FY22 budget. This is a result of a $44K decrease in contractual services expenditures that is slightly offset by increases in total personnel and operating expenditures. Departmental revenues are expected to remain level with FY22 budget.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	2.00	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	4.50	4.50	4.50	4.50
Unfunded positions	0.00	0.00	0.00	0.00

The Communications department includes a part-time position that is shared with the City Clerk, as well as videographers.

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 FY23 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, *vision Hagerstown* 2035. PCAD will continue work on our social media platforms on positive 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

	2020/21	2021/22	2022/23
Value of Commercial Investment (in thousands)	**$ 151,748**	**$ 85,000**	**$ 30,000**
Value of Residential Investment (in thousands)	**$ 31,412**	**$ 20,000**	**$ 20,000**
Assessed Value of Newly Annexed Land (in thousands)	**$ 38,400**	**$ -**	**$ -**
Number of New Home Starts	**146**	**159**	**185**
Percent of HDC applicant affirmed cases	**95%**	**95%**	**95%**
Number of Site Plans Reviewed	**24**	**24**	**24**
Volume of Inspections Performed	**22,433**	**26,000**	**24,000**
Number of Inspections Appealed	**1**	**2**	**2**
Number of Zoning Certificates issued for new businesses*	**20**	**20**	**24**
Number of Rental Units Licensed	**9,709**	**9,950**	**10,050**
Number of Vacant Residential Properties Licensed	**228**	**345**	**500**
Number of Vacant Non-Residential Properties Licensed	**34**	**38**	**45**
Value of Abatements performed by the City (in thousands)	**$ 137**	**$ 150**	**$ 150**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,366,983	$ 1,360,729	$ 1,320,169	$ 1,349,421	-0.8%
Benefits	508,924	527,660	503,611	528,612	0.2%
Overtime	(2,545)	2,500	5,807	190	-92.4%
Personnel Subtotal	**1,873,363**	**1,890,889**	**1,829,587**	**1,878,223**	**-0.7%**
Contractual Services	3,432	7,362	3,451	7,331	-0.4%
Operating Expenditures	246,896	324,161	327,013	334,078	3.1%
Capital Outlay	17,883	5,346	5,583	8,665	62.1%
Operating Subtotal	**268,211**	**336,869**	**336,047**	**350,074**	**3.9%**
Total Expenditures	**$ 2,141,573**	**$ 2,227,758**	**$ 2,165,634**	**$ 2,228,297**	**0.0%**
REVENUES BY TYPE					
Departmental Revenue	$ 2,472,135	$ 1,804,110	$ 2,015,471	$ 1,858,123	3.0%
Total Revenues	**$ 2,472,135**	**$ 1,804,110**	**$ 2,015,471**	**$ 1,858,123**	**3.0%**
Expenditures, net of Revenues	**$ (330,561)**	**$ 423,648**	**$ 150,163**	**$ 370,174**	**-12.6%**

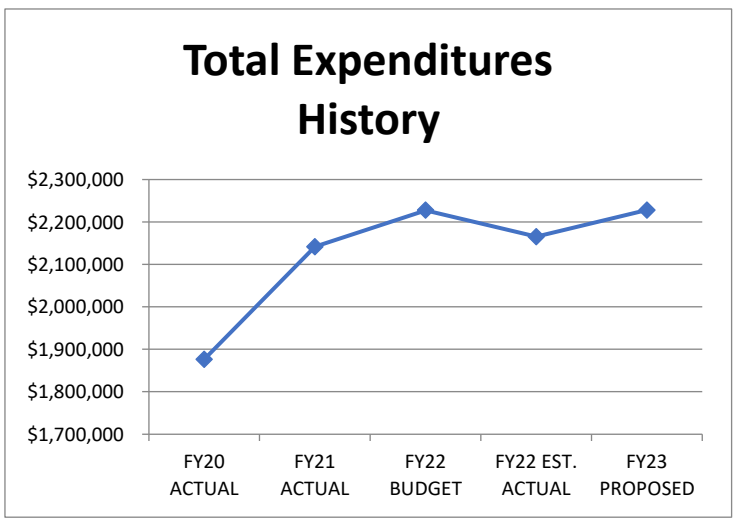
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Overall, FY22 estimated actual personnel costs are expected to be 3.2% or $61.3K lower than FY22 budget due to vacancies and new hires starting with lower salaries. Total FY22 estimated actual operating expenditures are expected to remain almost level with budget, with only a 0.2% or $800 increase due to development review case load and increased abatement activity. Funds budgeted for abatement of nuisance properties will be utilized to eradicate larger blight issues in our neighborhoods. Overall, FY22 estimated actual revenues are expected to be 11.7% or $211.4K higher due to development review and permitting activity.

Adopted FY22 to Proposed FY23

Overall, personnel costs are anticipated to decrease by 0.7% or $12.7K from FY22 budget to FY23 proposed budget. Contractual services are expected to remain almost level with FY22 budget while operating and capital outlay expenses are expected to increase by 3.9% or $13.2K. Revenues are anticipated to be slightly higher as new residential and commercial development continues to grow strongly in the city. 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 continue our social media campaign and efforts to elevate our image in the community and educate our customers on code issues.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	20.00	20.00	21.00	21.00
Part time	2.00	1.00	0.00	0.00
Seasonal	3.00	3.00	5.00	5.00
Staffing Total	25.00	24.00	26.00	26.00
Unfunded positions	0.00	0.00	0.00	0.00

The FY 2023 budget reflects the staffing change made by July 1, 2021 to convert one part-time inspector to a full-time inspector and to remove the seasonal positions from the budget. The new full-time position is partially funded with CDBG monies. Engineering still funds one part-time inspector to support the trash program.

PLANNING AND CODE ADMINISTRATION - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2022/2023

EXPENDITURES BY PROGRAM

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES					
Planning	$ 468,039	$ 482,361	$ 460,534	$ 436,169	-9.6%
Annexation	2,828	10,800	3,000	10,800	0.0%
Code Administration	1,670,706	1,734,597	1,702,100	1,781,328	2.7%
Total Expenditures	**$ 2,141,573**	**$ 2,227,758**	**$ 2,165,634**	**$ 2,228,297**	**0.0%**
REVENUES					
Departmental Revenue	$ 2,472,135	$ 1,804,110	$ 2,015,471	$ 1,858,123	3.0%
Total Revenues	**$ 2,472,135**	**$ 1,804,110**	**$ 2,015,471**	**$ 1,858,123**	**3.0%**
Expenditures, net of Revenues	**$ (330,561)**	**$ 423,648**	**$ 150,163**	**$ 370,174**	**-12.6%**

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 (2014-2024). In 2023, engage consultant for review and update of the 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. With the Urban Improvement Project mostly complete, support resulting secondary development and explore additional phases of large-scale urban improvement.

• **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. Explore further definition of neighborhood identities and expansion of Neighborhood 1st programming. Support the expansion of the "Operation Take Back" approach.

• **Alms House Redevelopment Concept:** Continue exploration and planning to renovate and repurpose a portion of the Alms House for use as a Hagerstown Police Department Substation. Additional space in the Alms house would also be available for neighborhood-based activities and community room meeting or outreach space.

• **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. Provide support for the development of the Mayoral Ambassador Program.

• **Youth Engagement:** Support and grow the initiatives and activities of the Hagerstown Youth Advisory Council (HYC). 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, abandoned property (when necessary) and transfer of ownership to a qualifying entity or homeowner. Explore program expansion beyond tax sale properties for blight removal throughout the City.

• **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, CDBG Microenterprise Grant, 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:** 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. (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. Seek possible outside operations of the facility through a Request for Proposals (RFP).

• **Arts & Entertainment District:** Maintain the City's designation as an Arts and Entertainment District and manage supporting programs. Support the A&E District Advisory Council. Achieve the redesignation of the A&E District for 2022-2032.

• **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. Support the Main Street Hagerstown Advisory Council and manage key programs. 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.

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. Transition the City Farmer's Market to an outdoor, seasonal downtown market with the sale and redevelopment of the Market House property.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Number of event attendees*	**7,500**	**50,000**	**95,000**
Number of volunteer hours	**600**	**600**	**800**
Number of business grand openings/anniversary celebrations	**16**	**17**	**25**
Number of new/retained jobs tied to incentive agreements	**1,000+**	**1,000+**	**1,000+**
New investment tied to incentives**	**$100 mil +**	**$100 mil +**	**$100 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

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 471,533	$ 459,454	$ 427,323	$ 461,058	0.3%
Benefits	152,242	148,908	168,872	152,472	2.4%
Overtime	71	-	20	-	0.0%
Personnel Subtotal	**623,846**	**608,362**	**596,215**	**613,530**	**0.8%**
Contractual Services	39,103	56,010	56,543	51,720	-7.7%
Operating Expenditures	200,144	366,902	397,578	351,750	-4.1%
Capital Outlay	5,316	6,250	6,250	18,750	200.0%
Operating Subtotal	**244,562**	**429,162**	**460,371**	**422,220**	**-1.6%**
Total Expenditures	**$ 868,408**	**$ 1,037,524**	**$ 1,056,586**	**$ 1,035,750**	**-0.2%**
REVENUES BY TYPE					
Departmental Revenue	$ 265,074	$ 573,949	$ 611,199	$ 773,784	34.8%
Total Revenues	**$ 265,074**	**$ 573,949**	**$ 611,199**	**$ 773,784**	**34.8%**
Expenditures, net of Revenues	**$ 603,334**	**$ 463,575**	**$ 445,387**	**$ 261,966**	**-43.5%**

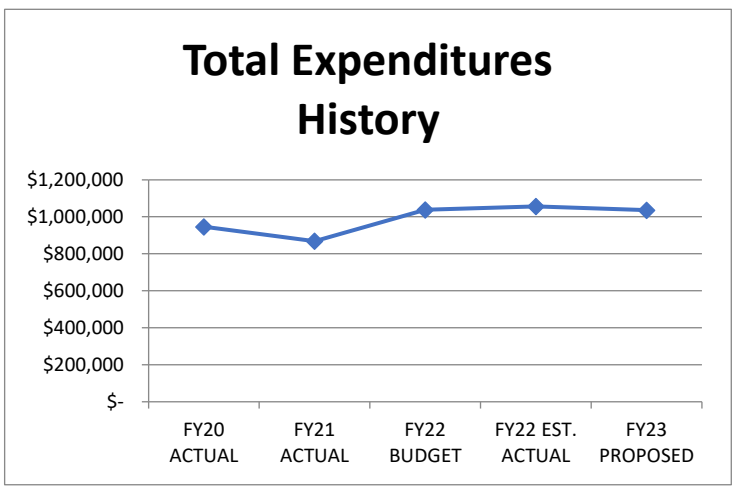
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total personnel costs are anticipated to be lower than FY22 budget by 2.0% or $12.1K. Additionally, total operating expenditures are expected to be 7.3% or $31.2K higher than budget. Departmental revenue amounts are expected to be higher than budget by 6.5% or $37.2K primarily due to an increase in Enterprise Zone tax credits and grants.

Adopted FY22 to Proposed FY23

Overall, FY23 proposed total expenditures are expected to be 0.2% or $1.7K lower than FY22 budget. Total personnel expenditures are expected to be 0.8% or $5.2K higher, while total operating expenditures are expected to be 1.6% or $6.9K lower. There is an expected increase of 34.8% or $199.8K in revenues, primarily due to Enterprise Zone tax credits and grants.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	6.85	6.15	6.15	6.15
Part time	1.28	2.00	2.00	2.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	8.13	8.15	8.15	8.15
Unfunded positions	0.00	0.00	0.00	0.00

There were slight allocation changes made for DCED in FY22 budget. Overall, FY22 estimated actual and FY23 proposed staffing levels are expected to remain level with FY23 budget.

EXPENDITURES BY PROGRAM

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES					
Public Functions	$ 264,397	$ 331,305	$ 339,142	$ 337,570	1.9%
Farmers Market	95,701	51,125	88,484	16,751	-67.2%
Community & Economic Dev	508,310	655,095	628,961	681,429	4.0%
Total Expenditures	**$ 868,408**	**$ 1,037,524**	**$ 1,056,586**	**$ 1,035,750**	**-0.2%**
REVENUES					
Departmental Revenue	$ 265,074	$ 573,949	$ 611,199	$ 773,784	34.8%
Total Revenues	**$ 265,074**	**$ 573,949**	**$ 611,199**	**$ 773,784**	**34.8%**
Expenditures, net of Revenues	**$ 603,334**	**$ 463,575**	**$ 445,387**	**$ 261,966**	**-43.5%**

DEPARTMENT / PROGRAM OVERVIEW

The Engineering Department has the unique opportunity to improve the livability of the citizens of Hagerstown. Through the construction of Capital Improvement Projects, 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. Stormwater activities are in a separate Program Description.

Solid Waste Collection and Disposal

The residential recycling and trash collection program is provided by a private contractor but 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

Engineering Division

• Support the design of the $70M Hagerstown Multi-Use Sports and Events Facility in downtown.
• Per the Strategic Plan, design and begin construction of a $9M third parking deck, designated for the first block of West Antietam Street.
• Per the Strategic Plan and in partnership with Eastern Sports Management, demolish Municipal Stadium and support design of a $22M, 114,000 square foot indoor sports "Field House" at the Municipal Stadium site.
• Begin construction of the $3M widening Professional Court to four lanes.
• Per the Strategic Plan, construct a $700K skatepark in Fairgrounds Park based on the planning and fundraising of the City Council-appointed Task Force.
• Per the Strategic Plan, design and begin construction of the $1M renovations to the former M&T Bank building just south of City Hall for relocation of customer service, billing, and DCED staff.
• Per the Strategic Plan, design and construct the first phase of the “Wheaton Park Master Improvement Plan” including plaza, parking, misting pad and interpretive plaques.
• Complete exterior repairs to three historic structures.
• Complete the construction of phase 2 of the Cultural Trail (and Urban Improvement Project Plaza).
• Transportation initiatives in FY21/22 include pavement preservation, railroad crossing improvements at Park Circle, replacement of curbs and sidewalks city-wide, traffic signal installation at Frederick Street and Eastern Boulevard, and alley reconstruction.

• See Stormwater Protection Program for other projects.

Solid Waste Collection and Disposal

• Continue to monitor the volatile recycling market and make adjustments as needed. Establish "At Your Door" program or continue electronics recycling/paper shredding event.

Sustainability Initiatives

• Seek additional energy efficiency grants and public art installations.

PERFORMANCE INDICATORS - ENGINEERING

	2020/21	2021/22	2022/23
Number of Contracts and RFP's	**27**	**24**	**20**
Curb and Sidewalk Repairs Completed	**203**	**190**	**200**
Traffic Complaints Resolved	**96**	**110**	**90**
Work Orders issued to Public Works	**95**	**249**	**150**
Portion of Streets Re-Paved	**13**	**24**	**12**
Public Arts Installations	**22**	**23**	**27**
Miles of Bike Lanes and Paths	**59**	**60**	**60**

PERFORMANCE INDICATORS - WASTE COLLECTION

	2020/21	2021/22	2022/23
Tons of Garbage Collected Curbside	**12,900**	**13,457**	**13,800**
Tons of Yard Waste Collected	**965**	**950**	**940**
Tons of Recyclables Collected	**1,934**	**2,268**	**2,300**
Residential Units Served	**14,800**	**14,984**	**15,000**
Commercial Units served	**105**	**111**	**115**
Tons of Electronics Waste Collected	**10.2**	**13.3**	**12**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 732,148	$ 670,302	$ 761,898	$ 801,537	19.6%
Benefits	272,037	255,681	267,663	293,439	14.8%
Overtime	8,047	3,200	7,675	7,500	134.4%
Personnel Subtotal	**1,012,232**	**929,183**	**1,037,236**	**1,102,476**	**18.7%**
Contractual Services	2,674,358	2,720,154	2,776,096	2,885,000	6.1%
Operating Expenditures	230,397	318,097	253,430	328,404	3.2%
Capital Outlay	3,465	2,150	2,650	4,150	93.0%
Operating Subtotal	**2,908,219**	**3,040,401**	**3,032,176**	**3,217,554**	**5.8%**
Total Expenditures	**$ 3,920,452**	**$ 3,969,583**	**$ 4,069,412**	**$ 4,320,030**	**8.8%**
REVENUES BY TYPE					
Departmental Revenue	$ 3,093,326	$ 3,064,950	$ 3,104,190	$ 3,313,050	8.1%
Total Revenues	**$ 3,093,326**	**$ 3,064,950**	**$ 3,104,190**	**$ 3,313,050**	**8.1%**
Expenditures, net of Revenues	**$ 827,126**	**$ 904,633**	**$ 965,222**	**$ 1,006,980**	**11.3%**

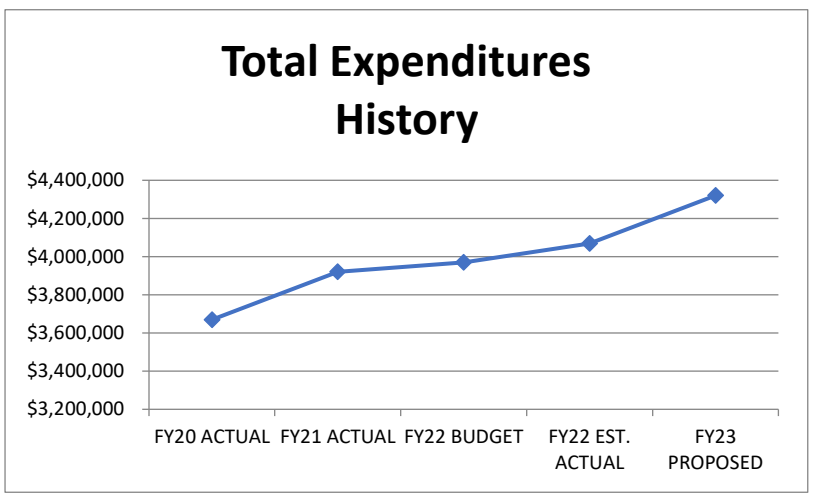
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

FY22 estimated actual total personnel costs are expected to be 11.6% or $108.1K higher than FY22 budget. Contractual services and capital outlay expenses are expected to be higher than FY22 budget by $56.4K in total but are offset by a decrease in operating expenditures of $64.7K. Total departmental revenue is expected to be 1.3% or $39.2K higher than FY22 budget mostly because of expected increases in permit revenues, engineering review fees, and refuse collection fees.

Adopted FY22 to Proposed FY23

In total, personnel costs are projected to be 18.7% or $173.3K higher in proposed FY23 budget compared to FY22 budget. Total operating expenditures are anticipated to be 5.8% or $177.2K higher in FY23 and includes increases for contractual services related to trash/recycling and grounds services. Finally, departmental revenue amounts are projected to be 8.1% or $248.1K higher in FY23 budget and this is associated with an increase in stormwater management permits, grading permits, engineering review fees, and refuse collection fees.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	10.46	8.94	8.94	10.24
Part time	1.00	1.00	1.00	1.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	11.46	9.94	9.94	11.24
Unfunded positions	0.00	0.00	0.00	0.00

In previous years, the staffing numbers reported for Engineering included Parks & Recreation staffing. Beginning in FY22, Parks and Recreation separated from Engineering. These staffing numbers represent those of just Engineering.

EXPENDITURES BY PROGRAM

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES					
Engineering	$ 1,085,255	$ 984,524	$ 1,106,733	$ 1,141,401	15.9%
Waste Collection and Disposal	2,835,197	2,985,060	2,962,679	3,178,629	6.5%
Total Expenditures	**$ 3,920,452**	**$ 3,969,583**	**$ 4,069,412**	**$ 4,320,030**	**8.8%**
REVENUES					
Departmental Revenue	$ 3,093,326	$ 3,064,950	$ 3,104,190	$ 3,313,050	8.1%
Total Revenues	**$ 3,093,326**	**$ 3,064,950**	**$ 3,104,190**	**$ 3,313,050**	**8.1%**
Expenditures, net of Revenues	**$ 827,126**	**$ 904,633**	**$ 965,222**	**$ 1,006,980**	**11.3%**

DEPARTMENT / PROGRAM OVERVIEW

The Division of Parks and Recreation has the unique opportunity to improve the livability and recreational possibilities for the citizens and visitors of Hagerstown. From simple enjoyment of the outdoors, to wellness program and organized sports, relaxation and leisure opportunities abound in the numerous parks, playgrounds, and the public pool. Staff understands that quality of life is important to the residents of the City. The numerous parks, facilities, and recreational programs 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.

DEPARTMENT / PROGRAM OBJECTIVES

• 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 recreational programs for the post COVID-19 pandemic world.

• Other goals for FY22/23 include: installing additional play equipment; begin renovations of the Hager House Museum; reconstruct stairs at the Fairground grandstands; complete the replacement of the Fairgrounds staple roof; begin a major renovation of Wheaton park to include improved parking, a misting pad, and entry plaza; new restrooms and 202 locomotive restoration at the Train Hub; the skatepark started in FY22 should be complete in FY23 providing a whole new sport opportunity to Fairgrounds Park.

• In FY22, Recreation took on the responsibility of organizing and managing downtown events. These events can be held either in the downtown parks such as the University Plaza, Hatters Plaza, and Cultural Trail or in the public streets. Most of the events are requested by outside organizations needing assistance with logistics. These events provide a great leisurely activity for all ages.

PERFORMANCE INDICATORS - PARKS

	2020/21	2021/22	2022/23
Number of Public Parks, Playgrounds, & Facilities	**29**	**29**	**29**
Acres of Park Land	**306**	**307**	**307**
Number of Pavilion Reservations	**163**	**364**	**365**
City Park Bandshell Reservations	**14**	**54**	**55**
Miles of Bike Lanes and Paths	**59**	**60**	**60**
Hager House Visitors	**647**	**2,200**	**3,000**
Hager House Promotions/Events	**12**	**4**	**8**
Hagerstown 202 Railroad Museum Promotions/Events	**2**	**3**	**6**
202 Railroad Visitors	**192**	**2,680**	**2,700**

PERFORMANCE INDICATORS - GENERAL RECREATION

	2020/21	2021/22	2022/23
Number of Events	**23**	**26**	**26**
Number of Recreation Programs	**65**	**60**	**65**

PERFORMANCE INDICATORS - POTTERFIELD POOL

	2020/21	2021/22	2022/23
Number of Days in Full Operation	**85**	**85**	**85**
Number of Private Rentals	**25**	**30**	**30**
Number of Season Passes (all types)	**58**	**60**	**60**
Daily Paid Attendance (non camp)	**17,007**	**17,000**	**17,000**
Total Attendance	**21,099**	**21,000**	**21,000**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 995,783	$ 1,157,087	$ 1,061,868	$ 1,236,944	6.9%
Benefits	373,686	446,991	420,621	514,056	15.0%
Overtime	9,086	14,500	14,500	14,500	0.0%
Personnel Subtotal	**1,378,555**	**1,618,578**	**1,496,989**	**1,765,500**	**9.1%**
Contractual Services	380,315	487,000	510,992	530,175	8.9%
Operating Expenditures	588,090	748,676	778,988	763,714	2.0%
Capital Outlay	-	2,100	8,829	9,100	333.3%
Operating Subtotal	**968,405**	**1,237,776**	**1,298,809**	**1,302,989**	**5.3%**
Total Expenditures	**$ 2,346,961**	**$ 2,856,354**	**$ 2,795,798**	**$ 3,068,489**	**7.4%**
REVENUES BY TYPE					
Departmental Revenue	$ 276,951	$ 291,875	$ 303,098	$ 293,181	0.4%
Total Revenues	**$ 276,951**	**$ 291,875**	**$ 303,098**	**$ 293,181**	**0.4%**
Expenditures, net of Revenues	**$ 2,070,010**	**$ 2,564,479**	**$ 2,492,700**	**$ 2,775,308**	**8.2%**

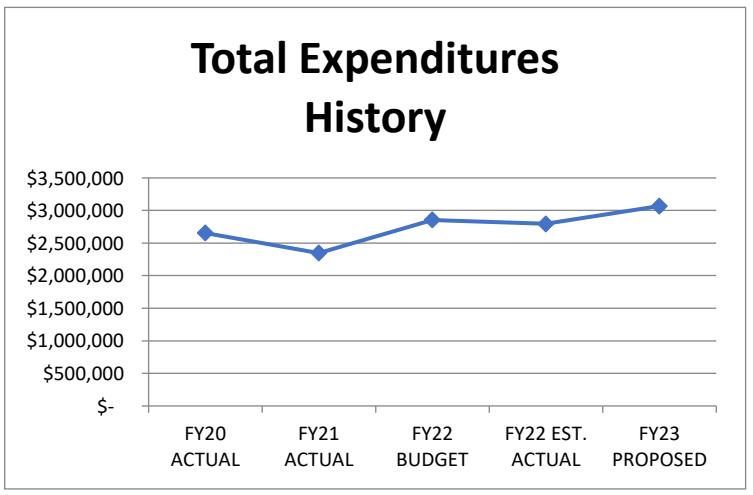
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total personnel costs are expected to be 7.5% or $121.6K lower than FY22 budget due to decreases in benefits. This will be partially offset by an increase in total operating expenses that are projected to be over budget by 4.9% or $61.0K. Last, total departmental revenue is expected to be slightly higher than budget with an increase of 3.8% or $11.2K.

Adopted FY22 to Proposed FY23

In total, personnel costs are projected to be 9.1% or $146.9K higher in proposed FY23 budget compared to FY22 budget. These increases are expected in salary and wages and benefit charges while overtime is expected to remain level with FY22 budget. Total overall operating expenditures are anticipated to be 5.3% or $65.2K higher in FY23. Finally, departmental revenue in FY23 budget is expected to be slightly higher at 0.4% or $1.3K associated with increases and decreases throughout the many revenue sources under the Parks and Recreation department.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	15.81	15.81	15.81	15.86
Part time	6.28	6.28	6.28	8.00
Seasonal	23.00	23.00	23.00	23.00
Staffing Total	45.09	45.09	45.09	46.86
Unfunded positions	4.00	4.00	4.00	4.00

In prior years, Parks & Recreation staffing information was combined with the Engineering department. Four vacant positions will remain unfunded in FY23. The Department has 23 part-time seasonal employees for grounds maintenance, park attendants, Potterfield Pool cashiers, Hager House guides, and the train museum attendants.

EXPENDITURES BY PROGRAM

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES					
Recreation	466,271	577,790	589,845	662,876	14.7%
Swimming Pool	129,223	168,445	179,007	188,020	11.6%
Municipal Stadium	32,099	52,236	43,285	12,208	-76.6%
Hager House	38,379	38,522	45,373	48,497	25.9%
Train Museum	23,272	35,938	28,372	43,451	20.9%
Parks Division	1,657,718	1,983,423	1,909,916	2,113,437	6.6%
Total Expenditures	**$ 2,346,961**	**$ 2,856,354**	**$ 2,795,798**	**$ 3,068,489**	**7.4%**
REVENUES					
Departmental Revenue	$ 276,951	$ 291,875	$ 303,098	$ 293,181	0.4%
Total Revenues	**$ 276,951**	**$ 291,875**	**$ 303,098**	**$ 293,181**	**0.4%**
Expenditures, net of Revenues	**$ 2,070,010**	**$ 2,564,479**	**$ 2,492,700**	**$ 2,775,308**	**8.2%**

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 2023, the Hagerstown Police Department will continue to focus resources in the areas of Intelligence-Led Policing and Community Oriented Policing. 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.

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,

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 2023, 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 throughout 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

POLICE - CONSOLIDATED - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2022/2023

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Total calls for service	**50,085**	**55,308**	**56,000**
Criminal arrests	**1,512**	**1,726**	**1,800**
Juvenile arrests	**105**	**104**	**105**
CDS arrests	**182**	**188**	**190**
Domestic Violence Calls for Service	**1,238**	**1,214**	**1,225**
Mental Health Related Emergency Petitions	**330**	**488**	**400**
Accidents with injuries	**287**	**286**	**290**
Total Crime Rate*	**0.060**	**0.058**	**0.059**
Violent Crime Rate*	**0.014**	**0.015**	**0.015**
Property Crime Rate*	**0.033**	**0.032**	**0.033**
Volunteer response hours	**1,628**	**1,697**	**1,700**
Automated Speed Enforcement Citations	**29,489**	**23,716**	**25,000**
Funded Full-time Sworn Personnel	**112 to 104**	**104**	**97**
Funded Full-time Civilian Personnel	**16**	**16**	**16**

*= number of crimes per resident

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 7,209,909	$ 7,215,420	$ 6,997,715	$ 7,954,115	10.2%
Benefits	3,404,323	3,603,954	3,343,470	3,719,908	3.2%
Overtime	574,450	515,269	665,400	735,560	42.8%
Personnel Subtotal	**11,188,682**	**11,334,643**	**11,006,585**	**12,409,583**	**9.5%**
Contractual Services	1,025,561	1,115,822	1,160,330	1,173,241	5.1%
Operating Expenditures	1,598,235	1,926,935	2,048,820	2,201,043	14.2%
Capital Outlay	92,810	120,741	113,841	100,350	-16.9%
Operating Subtotal	**2,716,607**	**3,163,498**	**3,322,991**	**3,474,634**	**9.8%**
Total Expenditures	**$ 13,905,288**	**$ 14,498,141**	**$ 14,329,576**	**$ 15,884,217**	**9.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 2,156,503	$ 2,468,354	$ 2,377,122	$ 2,659,825	7.8%
Total Revenues	**$ 2,156,503**	**$ 2,468,354**	**$ 2,377,122**	**$ 2,659,825**	**7.8%**
Expenditures, net of Revenues	**$ 11,748,785**	**$ 12,029,787**	**$ 11,952,454**	**$ 13,224,392**	**9.9%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Overall, FY22 estimated actual personnel costs are anticipated to be 2.9% or $328.1K lower than FY22 budget. Overtime totals are expected to be 29.1% or $150.1K higher due to staffing shortages but is offset by salary and wage expenses and benefit expenses being lower than budget by 3.0% or $217.7K and 7.2% or $260.5K correspondingly. Total operating expenditures reflect a total increase of 5.0% or $159.5K compared to FY22 budget levels. Overall, departmental revenue is estimated to be 3.7% or $91.2K less than budget. This is primarily a result of a decrease in the number of assigned school resource officers (SRO).

Adopted FY22 to Proposed FY23

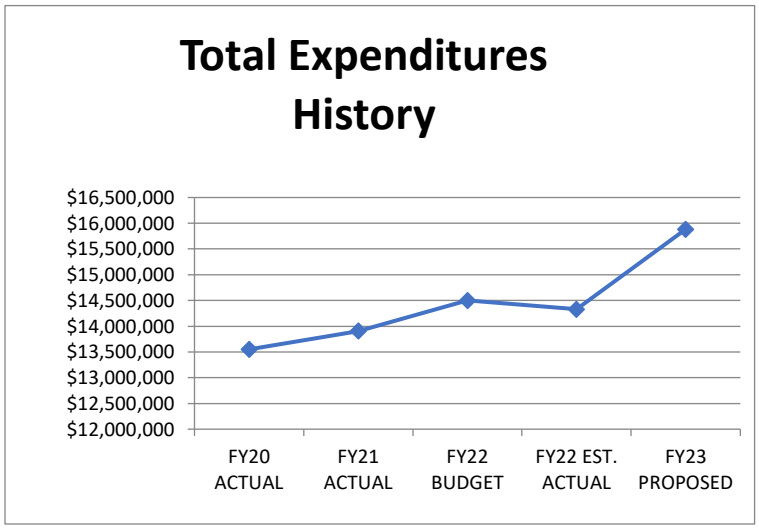
In total, personnel costs are projected to be 9.5% or $1.1M higher for proposed FY23 budget compared to the FY22 budget levels. The increase can be contributed to anticipated step increases in FY23. The overall budget for FY23 is projected at $15.9M. This is a increase of 9.6% or $1.4M from the FY22 budget.

Departmental revenue is expected to increase by 7.8% or $191.5K for FY23. Revenue for the twelve (12) Safe Speed cameras is projected to be $1.0M in FY23. This is an increase from the FY22 budget projection of $975.0K.

POLICE - CONSOLIDATED - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2022/2023

EXPENDITURES BY PROGRAM

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES					
Police Administration	$ 970,968	$ 988,481	$ 971,758	$ 993,293	0.5%
HPD Information Technology	310,124	401,659	399,617	368,133	-8.3%
Community Programs	3,500	40,321	40,321	40,321	0.0%
Police Records	281,035	277,915	276,550	281,182	1.2%
Communication / Dispatch	463,949	466,425	468,424	466,785	0.1%
Professional Services	446,607	539,286	680,844	722,219	33.9%
HPD Building	198,406	186,948	192,739	195,772	4.7%
Western Maryland Laboratory	374,155	362,420	363,141	391,372	8.0%
Police K-9	11,448	10,200	11,850	30,350	197.5%
Evidence & Property	112,605	105,327	106,068	105,354	0.0%
Patrol	7,557,226	7,842,984	7,484,260	8,614,026	9.8%
Criminal Investigation Division	1,271,608	1,277,815	1,210,915	1,341,176	5.0%
Patrol Vehicles	319,582	344,619	376,156	400,546	16.2%
Narcotics Task Force	844,465	883,833	942,589	1,085,312	22.8%
Police Auxiliary	9,888	13,300	12,459	17,609	32.4%
Speed Camera Enforcement	572,202	589,607	626,386	657,017	11.4%
Red Light Camera Program	157,519	167,000	165,500	173,750	4.0%
Total Expenditures	**$ 13,905,288**	**$ 14,498,141**	**$ 14,329,576**	**$ 15,884,217**	**9.6%**
REVENUES					
Departmental Revenue	$ 2,156,503	$ 2,468,354	$ 2,377,122	$ 2,659,825	7.8%
Total Revenues	**$ 2,156,503**	**$ 2,468,354**	**$ 2,377,122**	**$ 2,659,825**	**7.8%**
Expenditures, net of Revenues	**$ 11,748,785**	**$ 12,029,787**	**$ 11,952,454**	**$ 13,224,392**	**9.9%**



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	128.00	120.00	120.00	113.00
Part time	13.00	12.00	12.00	14.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	141.00	132.00	132.00	127.00
Unfunded positions	0.00	0.00	8.00	15.00

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 FY23, six (6) full time police officer positions 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 a minimum of 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. Work to improve deployment that more adequately provides coverage to growing areas of the municipal boundary.

• 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 potential and actual 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. Construct a building on-site to relocate support services at 25 W. Church Street.

• 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. Continue to implement the recommendations of the HFD 5-year Strategic Plan to guide the future path of the department with a specific priority towards 3-person staffing and position restoration.. 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. Acquire land for future consolidation and construction of replacement facilities and plan for expansion South along the Rt-65 corridor.

PERFORMANCE INDICATORS

	Calendar Year		
	2019	**2020**	**2021**
Number of emergency incidents within City limits	**13,095**	*	**14,049**
Number of EMS incidents within City limits	**11,505**	*	**12,241**
Total Unit Responses-HFD	**5,099**	**6,375**	**7,867**
Number of Incidents- HFD Total	**3,910**	**3,333**	**4,154**
Number of HFD EMS Incidents	**2,076**	**1,908**	**2,072**
Number of HFD Fire Incidents	**1,834**	**1,425**	**2,082**
Civilian Fire Injuries	**19**	**32**	**6**
Civilian Fire Deaths	**0**	**1**	**6**
# of Incidents with Recorded Fire Loss	**97**	**112**	**73**
Annual $ Fire Loss	**$769,306**	**$889,441**	**$837,274**
90% Fractile Response Time (first unit on scene-minutes)	*	*	**4:14**
Avg response time to box alarm structure fires (minutes)	*	*	**2:52**
Avg response time to all (first unit on scene-minutes)	*	*	**3:06**
Number of Plans Reviewed	**694**	**708**	**1023**
Number of Investigations	**337**	**327**	**229**
Number of Arrests	**13**	**15**	**21**
Fire Marshal's Office FH Events	**4,144**	**4,893**	
Fire Marshal's Office ESO Events (New software)			**5,133**
Number of free smoke detectors installed	**264**	**113**	**102**
Number of educational programs presented	**453**	**191**	*
Number of students (Children's Village) receiving 6hrs training			**502**
Children's Village Teaching (hours)			**168**
Number of people attending educational programs	**9,920**	**5,391**	*
Avg # of Firefighters on structure fires			**17**
Average # of firefighters responding per incident (all types)	**5**	**5**	**4.8**
Number of active volunteer firefighters/officers	**24**	**26**	**28**
Number of volunteers firefighters that received LOSAP benefits			**277**

Source: WC-9-1-1 CAD database & HFD Firehouse database

*CY20: CAD data is not available from DES for FY20 (# of emergency incidents and EMS incidents within City limits)

*Note: Current implementation of new ESO software, we will be submitting revised performance measures in FY23-24 (90% Fractile Response Time, Avg response time to box alarm structure fires, Avg response time to all, and Number of educational programs presented)

*CY21: Number of people attending educational programs: There were no educational programs due to the COVID-19 pandemic.

Added in FY21:Fire Marshal's Office ESO Events, Children's Village, Avg# of firefighters on structure fires, & LOSAP benefits

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 5,333,272	$ 5,582,531	$ 5,434,484	$ 5,512,428	-1.3%
Benefits	2,399,323	2,416,594	2,499,259	2,485,132	2.8%
Overtime	779,511	400,000	768,000	750,000	87.5%
Personnel Subtotal	**8,512,106**	**8,399,125**	**8,701,743**	**8,747,560**	**4.1%**
Contractual Services	52,933	67,240	64,108	53,000	-21.2%
Operating Expenditures	506,192	646,523	552,012	674,932	4.4%
Capital Outlay	8,530	12,000	10,800	15,000	25.0%
Operating Subtotal	**567,654**	**725,763**	**626,920**	**742,932**	**2.4%**
Total Expenditures	**$ 9,079,760**	**$ 9,124,887**	**$ 9,328,664**	**$ 9,490,492**	**4.0%**
REVENUES BY TYPE					
Departmental Revenue	$ 430,129	$ 191,800	$ 196,285	$ 181,800	-5.2%
Total Revenues	**$ 430,129**	**$ 191,800**	**$ 196,285**	**$ 181,800**	**-5.2%**
Expenditures, Net of Revenues	**$ 8,649,631**	**$ 8,933,087**	**$ 9,132,379**	**$ 9,308,692**	**4.2%**

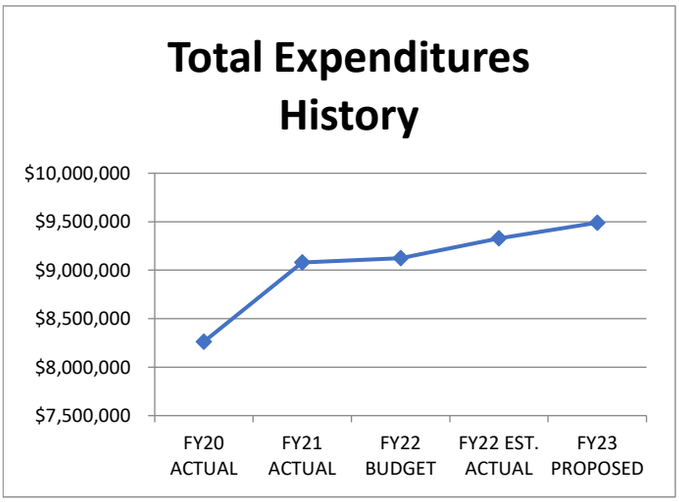
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total personnel costs for estimated actual FY22 are expected to be over budget by 3.6% or $302.6K. There are expected increases in benefit and overtime expenses that are slightly offset by a decrease in salary and wage expenses of 2.7% or $148K. Total operating expenditures also help offset the increase in personnel costs and are expected to be below FY22 budget by 13.6% or $98.8K. The current overtime burn rate exceeds the budgeted amount and is expected to exceed the total OTP budget for FY22. 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 FY22 to Proposed FY23

Overall, personnel costs in FY23 are projected to be 4.1% or $348.4K over FY22 budget amounts. This increase reflects potential salary enhancement for all HFD personnel, overtime increases, and termination payouts that occur when staff retire. Total operating expenditures are expected to increase slightly by 2.4% or 17.2K. Departmental revenue is expected to decrease 5.2% or $10K mostly due to decreases in building permits (fire) revenue.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	78.00	78.00	78.00	78.00
Part time	0.00	0.00	0.00	1.00
Staffing Total	78.00	78.00	78.00	79.00
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. The addition of a part time position in FY23 is for the Plan Reviewer.

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 137 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 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

- The City's only fuel station at 51 W. Memorial Blvd. was upgraded with new underground tanks and monitoring equipment in 2007. While the tanks have a 30 year useful life, the monitoring equipment needs to be periodically replaced. The current Veeder-Root fuel management and automatic tank gauge system has come to the end its useful lie and will need to be replaced.
- The Market House at 25 E. Church St. will be sold by the beginning of Fiscal Year 2023. The closing of the property will shift duties of the custodial and maintenance staff to other projects and properties. These duties may include operations for the proposed outdoor farmer's market to operate out of the downtown.
- The focus on traffic signals will continue to be on the improvements and maintenance of the 137 signaled intersections. This includes the testing of equipment within each traffic control cabinet to ensure the equipment is working per design. It also includes the installation of battery backup power to priority intersections to provide emergency power upon the rare instances during electrical outages.
- Streets will continue working on potholes, sidewalks, curbs, ground maintenance, street trees, trash collection, storm drain repair and street sweeping to provide the citizens with well maintained streets that are not littered with trash and debris. Winter duties include snow operations of plowing, salting and removal as necessary.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Number of lane miles swept	**9,846**	**10,000**	**10,000**
Snow storm costs	**$ 400,120**	**$ 378,213**	**$ 376,000**
Tons of Salt Used	**2,900**	**2,000**	**2,000**
Bulk Trash Collections	**495**	**500**	**500**
Traffic Islands Maintained	**163**	**163**	**163**
Public Trash Cans Maintained	**181**	**181**	**181**
Signaled Intersections	**137**	**137**	**137**
Sign Work Orders	**95**	**249**	**150**
Vehicles & Equipment Maintained	**385**	**39**	**391**
Property Abatements	**405**	**350**	**350**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,383,483	$ 1,432,802	$ 1,342,371	$ 1,486,335	3.7%
Benefits	582,720	605,110	579,363	638,879	5.6%
Overtime	39,937	49,088	49,088	49,050	-0.1%
Personnel Subtotal	**2,006,140**	**2,087,000**	**1,970,822**	**2,174,264**	**4.2%**
Contractual Services	161,721	164,845	183,039	193,878	17.6%
Operating Expenditures	1,072,196	1,061,995	968,254	1,005,182	-5.3%
Capital Outlay	2,707	16,821	17,111	20,750	23.4%
Operating Subtotal	**1,236,624**	**1,243,661**	**1,168,404**	**1,219,810**	**-1.9%**
Total Expenditures	**$ 3,242,764**	**$ 3,330,661**	**$ 3,139,226**	**$ 3,394,074**	**1.9%**
REVENUES BY TYPE					
Departmental Revenue	$ 118,943	$ 114,265	$ 145,268	$ 138,250	21.0%
Total Revenues	**$ 118,943**	**$ 114,265**	**$ 145,268**	**$ 138,250**	**21.0%**
Expenditures, net of Revenues	**$ 3,123,821**	**$ 3,216,396**	**$ 2,993,958**	**$ 3,255,824**	**1.2%**

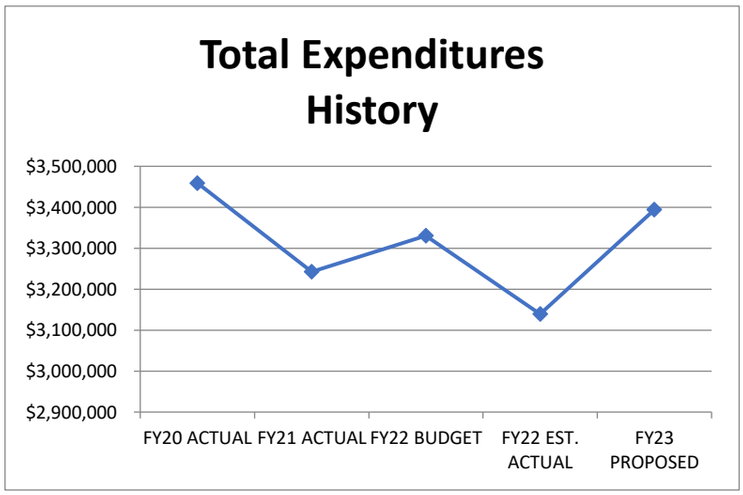
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total personnel expenditures from the FY22 budget compared to the FY22 estimated actual reflect a decrease of 5.6% or $116.2K. Overtime is expected to remain level with FY22 budget while salary and wages and benefit expenses are both expected to be lower. In total, operating expenses are anticipated to be 6.1% or $75.3K under budget. Departmental revenue is expected to be 27.1% or $31.0K higher than budget mostly due to gasoline billings to outsiders increasing.

Adopted FY22 to Proposed FY23

Total expenditures for the department are expected to slightly increase by 1.9% or $63.4K in FY23 proposed budget when compared to FY22 budget. This is due to an increase in total personnel expenditures of 4.2% or $87.3K that is expected to be offset by a decrease of 1.9% or $23.9K in total operating expenditures. Overall, revenues are expected to increase by 21.0% or $24.0K due to projected higher gasoline billings to outsiders.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	24.95	24.95	24.95	24.85
Seasonal	5.00	5.00	5.00	5.00
Staffing Total	29.95	29.95	29.95	29.85
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 FY23 budget reflects maintaining the current four (4) full-time position as unfunded.

EXPENDITURES BY PROGRAM

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES					
City Hall	$ 245,860	$ 284,530	$ 294,745	$ 296,281	4.1%
City Hall Annexations	-	-	18,352	15,500	
Signal Department	513,653	524,774	477,481	597,162	13.8%
Snow Removal	400,120	378,213	334,902	386,000	2.1%
Gas Station & Maintenance Garage	577,914	547,773	536,495	547,538	0.0%
Public Works & Streets Operations	1,410,781	1,491,901	1,362,391	1,445,543	-3.1%
Central Equipment Building	94,437	103,471	114,860	106,050	2.5%
Total Expenditures	**$ 3,242,764**	**$ 3,330,661**	**$ 3,139,226**	**$ 3,394,074**	**1.9%**
REVENUES					
Departmental Revenue	$ 118,943	$ 114,265	$ 145,268	$ 138,250	21.0%
Total Revenues	**$ 118,943**	**$ 114,265**	**$ 145,268**	**$ 138,250**	**21.0%**
Expenditures, net of Revenues	**$ 3,123,821**	**$ 3,216,396**	**$ 2,993,958**	**$ 3,255,824**	**1.2%**

The department consolidated department accounts in FY19 for efficiency and to create a designated Stormwater Protection account. The figures in "Public Works & Street Operations" now include Street Lighting. The figures in "Stormwater Protection" now include Street Cleaning. In FY22, Stormwater began operating as it's own separate entity fund but will still utilizes 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 FY23 proposed budget include the following current issues: 2009B, 2014, 2015A, 2015B, 2017A, 2017B, 2018A, and 2019A public improvement bond issues. 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 FY23 budget includes $123,000 in Golf Course Fund transfers. The FY23 budget includes a $1,055,000 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 FY23 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 FY23, there is a reserve of $542,855 for savings associated with the management of future vacancies in various departments, $150,000 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 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
DEBT SERVICE-PRINCIPAL AND INTEREST					
2006 Public Facilities Bonds	$ 647,221	$ 650,632	$ 650,632	$ -	-100.0%
2009-B Public Facilities Bonds (Build America Bond)	563,214	611,819	611,987	632,731	3.4%
2014 Public Improvements Bond	36,109	36,124	36,124	36,124	0.0%
2015-A Public Facilities Bond	221,351	226,086	226,086	228,307	1.0%
2015-B Public Facilities Bond	45,553	46,651	46,651	45,948	-1.5%
2017-A Public Facilities Bond	278,601	279,655	279,655	280,409	0.3%
2017-B Public Facilities Bond	35,326	34,725	34,725	35,666	2.7%
2018-A Public Facilities Bond	59,236	59,249	59,235	59,235	0.0%
2019-A Public Facilities Bond	276,014	273,198	273,198	270,339	-1.0%
2021-B Future Public Facilities Bond	-	54,920	-	-	-100%
Total Expenses	$ 2,162,625	$ 2,273,059	$ 2,218,293	$ 1,588,759	-30.1%
RETIREE HEALTH COSTS					
Health Insurance	1,448,059	1,452,000	1,450,000	1,450,000	-0.1%
Dental Insurance	49,580	50,000	50,000	50,000	0.0%
Total Expenses	$ 1,497,639	$ 1,502,000	$ 1,500,000	$ 1,500,000	-0.1%
INVENTORY ADJUSTMENTS					
Physical Inventory Adjustments	2,192	5,000	5,000	5,000	0.0%
E&O Inventory Write-offs	(6,073)	5,000	5,000	5,000	0.0%
Total Expenses	$ (3,881)	$ 10,000	$ 10,000	$ 10,000	0.0%
CIP, FUND BALANCE APPROPRIATIONS, AND OTHER TRANSFERS					
Capital Transfers to - CIP Fund	1,144,147	1,217,992	1,517,992	2,126,675	74.6%
GF Fund Balance to - CIP Fund	731,167	1,300,302	1,354,670	3,555,000	173.4%
Total Expenses	$ 1,875,314	$ 2,518,293	$ 2,872,661	$ 5,681,675	125.6%
OPERATING TRANSFERS TO OTHER FUNDS					
Golf Course Fund	271,657	200,466	200,466	123,000	-38.6%
Economic Redevelopment Fund	1,746,106	1,030,000	1,030,000	1,055,000	2.4%
Grant Fund	57,362	16,543	16,543	6,667	-59.7%
Total Expenses	$ 2,075,125	$ 1,247,009	$ 1,247,009	$ 1,184,667	-5.0%
CONTINGENCY RESERVES					
Vacancy Savings	-	(100,000)	-	542,855	-642.9%
General Contingency	-	27,578	-	150,000	443.9%
Total Expenses	$ -	$ (72,422)	$ -	$ 692,855	-1056.7%
CONTRIBUTIONS TO OTHER AGENCIES					
Art Museum	10,000	39,600	39,600	40,500	2.3%
Community Rescue Service	-	24,200	24,200	45,000	86.0%
Discovery Station	2,500	-	-	-	100.0%
Hagerstown Municipal Band	-	17,100	17,100	18,000	5.3%
Hagerstown Neighborhood Develop Partnership	-	27,550	27,550	28,450	3.3%
Heart of Civil War Heritage	-	7,200	7,200	-	-100.0%
Maryland Symphony Orchestra	-	15,650	15,650	17,550	12.1%
Maryland Theatre	100,000	108,100	108,100	9,000	-91.7%
Washington County Free Library	-	29,600	29,600	31,500	6.4%
Washington County Historical Society	-	3,100	3,100	5,000	61.3%
Unspecified Agency Contributions	-	-	-	10,000	100.0%
Total Contributions to Other Agencies	$ 112,500	$ 272,100	$ 272,100	$ 205,000	-24.7%

SCHEDULE OF PUBLIC FUNCTIONS
FISCAL YEAR 2022/2023

FUNCTION DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
Augustoberfest (City Services)	$ -	$ 17,000	$ 788	$ 17,000	0.0%
A&E District Event	1,800	16,571	17,571	16,000	-3.4%
Christmas Decorating	7,350	18,000	10,670	18,000	0.0%
Ghost Tours	-	750	-	750	0.0%
Hagerstown Official Commemorations	-	5,000	5,000	3,000	-40.0%
Hollyfest/Tree Lighting	1,003	3,500	3,500	3,500	0.0%
Imagine Hagerstown (City Services)	3,213	7,500	7,500	4,000	-46.7%
Imagine Hagerstown	44,283	58,000	58,000	56,000	-3.4%
Miscellaneous Downtown Events	19,745	41,500	68,212	41,500	0.0%
Miss Maryland Pageant	3,838	9,500	9,500	9,500	0.0%
Mummers Parade	-	-	-	22,000	100.0%
Taste of the Arts	-	2,500	2,500	2,500	0.0%
University Plaza Events	910	500	600	-	0.0%
Subtotal Public Function Events	**$ 82,142**	**$ 180,321**	**$ 183,841**	**$ 193,750**	**7.4%**
Christmas In The Park	6,901	13,000	23,967	15,000	15.4%
City Park Festival	6,162	15,000	13,036	15,000	0.0%
Fairgrounds Harvest Hoedown	2,494	8,000	6,200	10,000	25.0%
Fairgrounds July 4th Fireworks	34,894	40,000	46,008	45,000	12.5%
Music by the Lake	5,778	7,500	5,000	7,500	0.0%
Subtotal Recreation Events	**56,228**	**83,500**	**94,211**	**92,500**	**10.8%**
Total Recreation Events	**$ 138,370**	**$ 263,821**	**$ 278,052**	**$ 286,250**	**8.5%**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
MAYOR			
0101002-5865 Computer Equipment	Replace Computer	Replace As Needed	1,500
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	3,000
TOTAL FINANCE & ACCOUNTING			**3,500**
INFORMATION TECHNOLOGY			
0107200-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	500
0107200-5865 Computer Equipment	Replace Computers	Replace As Needed	2,400
TOTAL INFORMATION TECHNOLOGY			**2,900**
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**
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			
0109001-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	1,200
0109001-5865 Computer Equipment	Replace Computer	Replace As Needed	3,765
TOTAL PLANNING			**4,965**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CITY HALL BUILDING			
0109003-5821 Office Buildings	Replace A/C Units	Replace As Needed	2,200
0109003-5839 Portable Tools/Equipment	Replace Tools	Replace As Needed	650
0109003-5863 Decorative & Lighting	Replace Carpets, Furniture, And Remodel City Administrator's Office	Replace As Needed	5,000
TOTAL CITY HALL BUILDING			**7,850**
CITY ENGINEER			
0109004-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	150
0109004-5865 Computer Equipment	Replace Computers	Replace As Needed	4,000
TOTAL CITY ENGINEER			**4,150**
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**
POLICE INFORMATION TECHNOLOGY			
0110003-5865 Computer Equipment	Replace Notebooks, Desktops, Monitors, Servers, Tablets	Replace As Needed	30,650
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**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
WESTERN MARYLAND LAB			
0110205-5832 Photography Equipment	Maintenance and Purchase Photographic Equipment	Required For Forensic Documentation	1,200
0110205-5833 Laboratory Equipment	Purchase Lab Equipment	Replace Aging And Outdated	1,500
TOTAL WESTERN MARYLAND LAB			**2,700**
POLICE K9 PROGRAM			
0110206-5839 Portable Tools/Equipment	Purchase Of K-9 Equip (Sleeves, Leashes, Etc.)	Replace Worn Equipment	600
0110206- 5898 Other Capitalized Expenses	Purchase and Train New K-9 Dog	Includes all costs associated with purchase, training, and travel.	17,000
TOTAL POLICE K-9 PROGRAM			**17,600**
POLICE PATROL			
0110401-5834 Firearms, Body Armor	Police Officer Use / Safety Equipment - Ballistic Vests	Replacement Of Expired Vests & Purchase Of New Vests	7,500
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	500
0110401-5867 Communication Equipment	Portable Radios	Replace As Needed	2,500
TOTAL POLICE PATROL			**20,500**
FIRE DEPARTMENT			
0112001-5861 Desks, Chairs & Tables	Purchase Office Furniture	Replace As Needed	5,000
0112001-5865 Computer Equipment	Purchase Computers	Replace As Needed	10,000
TOTAL FIRE DEPARTMENT			**15,000**
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	2,700
TOTAL CODE ADMINISTRATION			**3,700**
TRAFFIC CONTROL			
0116003-5839 Portable Tools & Other Equipment	Replace Power Tools	Replace As Needed	900
0116003-5865 Computer Equipment	Purchase Computers	Replace As Needed	1,500
TOTAL TRAFFIC CONTROL			**2,400**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CENTRAL MAINTENANCE GARAGE			
0123003-5839 Portable Tools & Other Equipment	Tools Needed For Garage	Replace As Needed	5,100
0123003- 5861 Desks, Chairs & Tables	Replace Table And Chairs	Replace As Needed	500
0123003-5865 Computer Equipment	Replace Computer	Replace As Needed	1,300
TOTAL CENTRAL MAINTENANCE GARAGE			**6,900**
PUBLIC WORKS LABOR FORCE			
0124001-5839 Portable Tools & Other Equipment	Replace Tools & Equipment	Replace As Needed	600
0124001-5856 Mowers	Repair Mowers	Replace As Needed	200
0124001-5861 Desks, Chairs, and Tables	Replace furniture	Replace As Needed	**500**
0124001-5865 Computer Equipment	Replace Computers	Replace As Needed	1,300
TOTAL PUBLIC WORKS LABOR FORCE			**2,600**
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
PARKS AND EQUIPMENT DEPARTMENT			
0145000-5837 Playground & Parks Equipment	Replace Park Equipment	Replace grills, trash can lids, park benches, etc.	7,000
0145000-5865 Computer Equipment	Replace Computer	Replace As Needed	1,000
TOTAL PARKS AND EQUIPMENT DEPARTMENT			**8,000**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
ECONOMIC DEVELOPMENT & ADMIN			
0150001-5860 Office Furniture/Fixtures/Equipment	Replace Office Furniture, Fixtures & Equipment	Replace As Needed	12,000
0150001-5865 Computer Equipment	Replace Computer	Replace As Needed	6,000
0150001-5867 Communication Equipment	Replace Equipment	Replace As Needed	750
TOTAL ECONOMIC DEVELOPMENT & ADMIN			**18,750**
		TOTAL CAPITAL OUTLAY	**$ 197,715**

Utilities

City of Hagerstown





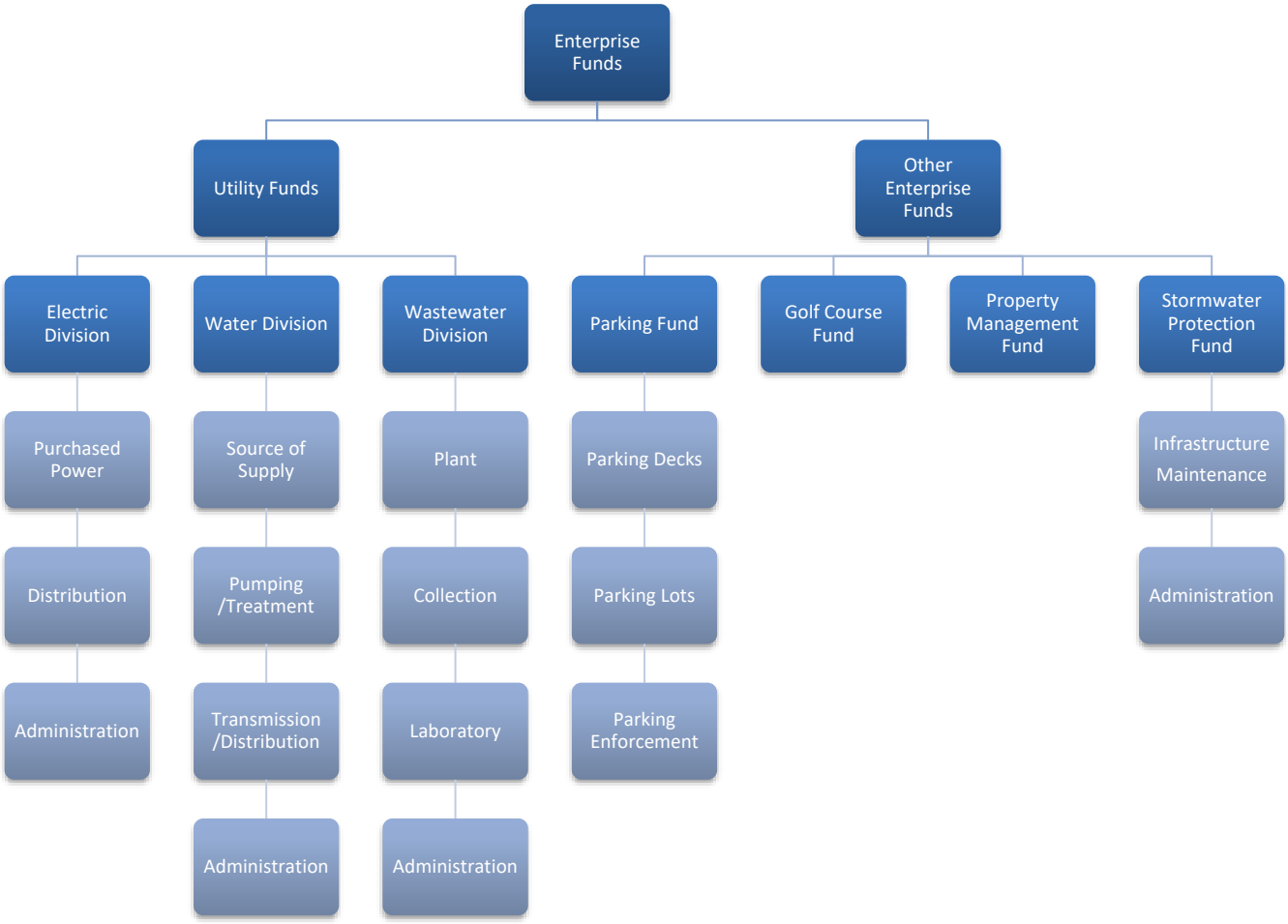




ENTERPRISE FUNDS
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Administration
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Laboratory
Parking Enforcement
Administration
Administration

ENTERPRISE FUNDS - COMBINING STATEMENT
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	ELECTRIC FUND	WATER FUND	WASTEWATER FUND	PARKING FUND	GOLF COURSE FUND	PROPERTY MANAGEMENT FUND	STORMWATER PROTECTION FUND	TOTAL
OPERATING REVENUES								
Service Charges	$25,059,690	$12,554,000	$14,318,800	$ 852,110	$ 285,000	$ 290,717	$ 3,185,000	$ 56,545,317
Other Revenues	542,000	$ 967,272	238,081	1,400	31,100	3,200	$ 11,000	$ 1,794,053
Total Operating Revenues	**25,601,690**	**13,521,272**	**14,556,881**	**853,510**	**316,100**	**293,917**	**3,196,000**	**58,339,370**
OPERATING EXPENSES								
Production and Treatment	19,101,813	6,395,446	5,448,385	-	-	-	-	30,945,644
Transmission, Distribution & Collection	2,637,074	2,472,367	1,966,456	-	-	-	-	7,075,898
Infrastructure and Construction	-	-	-	-	-	-	501,810	501,810
Selling, General & Administrative	3,304,093	3,188,385	3,729,883	703,812	467,597	281,012	750,704	12,425,485
Depreciation	986,000	4,096,000	3,271,000	277,100	71,400	110,900	125,100	8,937,500
Total Operating Expenses	**26,028,980**	**16,152,198**	**14,415,724**	**980,912**	**538,997**	**391,912**	**1,377,614**	**59,886,336**
Operating Income (Loss)	**(427,290)**	**(2,630,926)**	**141,157**	**(127,402)**	**(222,897)**	**(97,995)**	**1,818,386**	**(1,546,966)**
NON-OPERATING REVENUES (EXPENSES)								
Interest Earned	4,000	8,000	4,000	2,000	200	500	2,500	21,200
Premium on Bonds	-	4,172	4,073	2	-	-	-	8,247
Interest/Bond Issuance Expense	(7,922)	(408,728)	(263,126)	(76,586)	-	(3,707)	(20,914)	(780,983)
Gain (Loss) on Capital Assets	(32,500)	-	1,500	-	-	-	-	(31,000)
Total Other Income (Expense)	**(36,422)**	**(396,556)**	**(253,553)**	**(74,584)**	**200**	**(3,207)**	**(18,414)**	**(782,536)**
Net Income before Contributions & Transfers	**(463,712)**	**(3,027,482)**	**(112,396)**	**(201,986)**	**(222,697)**	**(101,202)**	**1,799,972**	**(2,329,502)**
OTHER FINANCING SOURCES (USES)								
Intergovernmental Revenue - ARPA	-	-	5,660,937	-	-	-	-	5,660,937
Intergovernmental Revenue - Capital	-	-	240,000	-	-	-	-	240,000
MDE Loan Forgiveness	-	1,500,000	-	-	-	-	-	1,500,000
Operating & Capital Transfers from Other Funds	65,354	94,601	85,670	-	123,000	400,000	-	768,625
Operating & Capital Transfers to Other Funds	(30,275)	(30,275)	(30,275)	(4,900)	-	-	-	(95,725)
Benefit Charges	-	502,142	500,000	-	-	-	-	1,002,142
Non-Cash Developers Contributions	242,500	350,000	250,000	-	-	-	-	842,500
Increase (Decrease) in Retained Earnings	**(186,133)**	**(611,014)**	**6,593,936**	**(206,886)**	**(99,697)**	**298,798**	**1,799,972**	**7,588,977**
ADJUST RETAINED EARNINGS TO A CASH FLOW BASIS								
Add Back Depreciation	986,000	4,096,000	3,271,000	277,100	71,400	110,900	125,100	8,937,500
Capital Outlay/Fixed Assets	(2,055,000)	(6,020,000)	(9,070,800)	(5,847,000)	(63,000)	(420,000)	(1,435,000)	(24,910,800)
Principal Payments on Long-term Debt	(17,760)	(1,691,388)	(1,391,282)	(31,466)	-	(5,959)	(35,833)	(3,173,688)
Non-Cash Developers Contributions	(242,500)	(350,000)	(250,000)	-	-	-	-	(842,500)
MDE Bond Financing	-	2,500,000	-	-	-	-	-	2,500,000
MDE Loan Forgiveness	-	(1,500,000)	-	-	-	-	-	(1,500,000)
Bond Proceeds	-	-	-	10,000,000	-	-	-	10,000,000
Net Sources (Uses) of Cash	**$ (1,515,393)**	**$ (3,576,402)**	**$ (847,146)**	**$ 4,191,749**	**$ (91,297)**	**$ (16,261)**	**$ 454,239**	**$ (1,400,511)**
Beginning Fund Balance	**$15,184,126**	**$93,964,615**	**$59,049,048**	**$ 6,927,845**	**$ 673,002**	**$ 2,545,334**	**$ 2,172,520**	**$ 180,516,488**
Ending Fund Balance	**$14,997,992**	**$93,353,601**	**$65,642,984**	**$ 6,720,959**	**$ 573,305**	**$ 2,844,132**	**$ 3,972,492**	**$188,105,465**

DEPARTMENT / PROGRAM OVERVIEW

The Mission of the Electric Division is to provide reliable, competitively priced electric utility service through skilled, safety-oriented, and customer focused employees. The success of our organization depends on teamwork, professionalism, and overall excellence achieved through 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.

DEPARTMENT / PROGRAM OBJECTIVES

• Staff continues to closely monitor 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.

• 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 guarantee a high quality service.

• Staff is recommending a large scale pole inspection program be contracted and performed to identify poles in need of replacement and to lengthen the life of infrastructure to improve system reliability. This process is also expected to lengthen the inspection cycle.

• Vegetation is a primary cause of disruption following a weather event. Maintaining clearances from overhead faculties will continue throughout the service territory by the City's contractors in an effort to lessen outage instances and duration.

• An increase in revenue is anticipated resulting from communication attachments to utility poles throughout the HLD service territory. Due to the high demand, some of this work is performed by contractors therefore a portion of the revenue is offset by expense.

• Work processes are expected to become more efficient as a result of the billing and work management systems. These improvements will allow staff to focus on financial accounting accuracy and decrease site revisitation for meter service and/or routine maintenance and repairs.

•A two-year extension to the Power Services Agreement with Energy Harbor will begin June 1,2022 to include a reduction to the wholesale power rate by $7.48 per Megawatt-Hour. This equates to a savings of approximately $2.3 Million annually considering the projected sales of 309,000 MWh in FY23. Any savings realized will be passed to the rate payers through the monthly Purchase Power Cost Adjustment calculation.

•An operating deficit is anticipated. The November 2020 settlement with Cascades Tissue Group has reduced revenues roughly $350K annually with the loss of debt payment, interest, revenue guarantee, and lease payment. Staff will continue to monitor expenses and consider restructuring customer rates to maintain operations.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Number of Residential Customers	**14,640**	**14,650**	**15,000**
Number of Non-Residential Customers	**2,575**	**2,580**	**2,585**
Million Kilowatt-hours Purchased	**315**	**315**	**318**
Million Kilowatt-hours Sold	**306**	**306**	**309**
Number of Funded Employees	**29.96**	**28.85**	**28.85**
Number of Customers Served per Employee	**575**	**597**	**610**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 2,043,139	$ 1,996,488	$ 1,948,547	$ 2,045,754	2.5%
Benefits	$ 902,767	1,176,222	1,138,960	1,131,091	-3.8%
Overtime	$ 97,760	109,500	117,302	112,000	2.3%
Personnel Subtotal	**$ 3,043,666**	**3,282,210**	**3,204,809**	**3,288,845**	**0.2%**
Contractual Services	$ 385,109	399,653	526,440	724,426	81.3%
Operating Expenditures	$ 20,625,788	20,754,432	20,310,737	21,019,610	1.3%
Operating Cap Exp (Cap Outlay)	$ -	100	100	100	0.0%
Other General Expenses	$ 1,148,720	1,037,908	978,408	1,066,697	2.8%
Operating Subtotal	**$ 22,159,617**	**22,192,093**	**21,815,686**	**22,810,833**	**2.8%**
Total Expenditures	**$ 25,203,284**	**$ 25,474,302**	**$ 25,020,494**	**$ 26,099,677**	**2.5%**
REVENUES BY TYPE					
Departmental Revenue	25,132,615	25,486,226	25,047,196	25,913,544	1.7%
Total Revenues	**$ 25,132,615**	**$ 25,486,226**	**$ 25,047,196**	**$ 25,913,544**	**1.7%**
Revenues, excess of Expenditures	**$ 70,669**	**$ (11,924)**	**$ (26,702)**	**$ 186,133**	**-1661.0%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

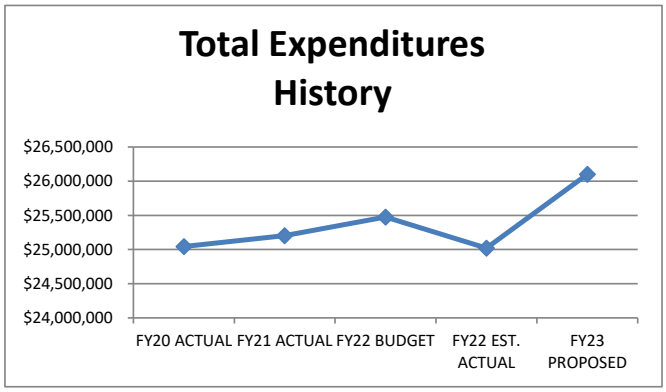
Adopted FY22 to Estimated Actual FY22

Overall, total estimated actual expenses are expected to be 1.8% or $447.6K lower than FY22 budget. Revenues are also expected to be 1.7% or $432.8K lower than FY22 budget. High use customers did not connect to the distribution system as timely as anticipated. As a result, industrial revenue is projected to decrease proportionally with wholesale power expenses. Contributions in Aide of Construction are also anticipated to decrease due to the lack of facilities installed to support these installations. The funding carved out for these planned capital improvements are being used to purchase materials and supplies for anticipated developments as they come online. The material and equipment required to provide and maintain service have increased in cost and decreased in availability. Staff is working toward a surplus of supplies to reduce interruption to services, present and future.

Adopted FY22 to Proposed FY23

In total, FY23 proposed expenditures are expected to be 3.2% or $800.4K higher than FY22 budget. This is mostly because requested funding for overhead line maintenance contracted services was increased to perform large scale pole inspection program while continuing vegetation management. Both of these services provide improvements to the distribution system and maintain reliability. An addition to the Capital Budget includes upgrades to the metering infrastructure. Testing requirements and the obsolete infrastructure are causing staff to investigate automated options for full system replacement.

While customers are anticipated to realize a decrease in the Purchase Power Cost Adjustment resulting from a reduction to the wholesale power rate, revenues and wholesale power expenses are projected to increase as new industrial and residential loads are connected on Wesel, Memorial & Eastern, Salem & Marshall, Burhans, and Security. Total revenues are expected to increase by 2.4% or $602.3K when compared to FY22 budget.



STAFFING SUMMARY

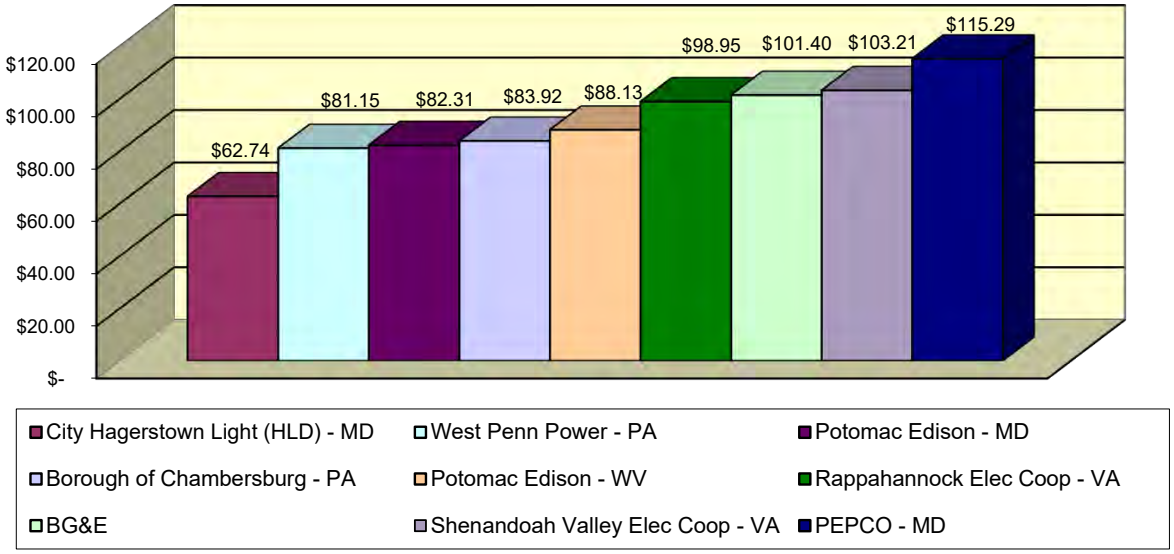
	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	29.96	28.85	28.85	28.85
Staffing Total	29.96	28.85	28.85	28.85
Unfunded positions	5.00	6.00	6.00	6.00

The Division will continue to monitor expenses throughout the year to reduce the projected FY23 deficit without eliminating essential services.

ELECTRIC FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
OPERATING REVENUES					
Service Charges	$ 24,319,319	$ 24,672,870	$ 24,267,040	$ 25,059,690	1.6%
Other Revenues	643,174	430,000	480,000	542,000	26.0%
Total Operating Revenues	**24,962,493**	**25,102,870**	**24,747,040**	**25,601,690**	**2.0%**
OPERATING EXPENSES					
Purchased Power	18,540,342	18,659,916	18,397,350	19,101,813	2.4%
Distribution Expenses	2,466,407	2,528,522	2,486,486	2,637,074	4.3%
Customer Accounts Expenses	987,220	1,059,973	936,059	933,309	-11.9%
Selling, General & Administrative	2,069,509	2,202,983	2,232,191	2,370,784	7.6%
Depreciation	962,314	1,002,500	948,000	986,000	-1.6%
Total Operating Expenses	**25,025,792**	**25,453,894**	**25,000,086**	**26,028,980**	**2.3%**
Operating Income (Loss)	**(63,299)**	**(351,024)**	**(253,046)**	**(427,290)**	**21.7%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - ARPA	134,562	-	-	-	0.0%
Intergovernmental Revenue - CARES Act	6,606	-	-	-	0.0%
Interest Earned	21,148	5,000	3,000	4,000	-20.0%
Interest/Bond Issuance Expense	(10,249)	(8,668)	(8,668)	(7,922)	-8.6%
Gain (Loss) on Capital Assets	(150,493)	175,000	168,800	(32,500)	-118.6%
Total Other Income (Expense)	**1,574**	**171,332**	**163,132**	**(36,422)**	**-121.3%**
Net Income before Contributions & Transfers	**(61,725)**	**(179,692)**	**(89,914)**	**(463,712)**	**158.1%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(16,750)	(11,740)	(11,740)	(30,275)	157.9%
Transfers from Health Insurance Fund	-	53,356	53,356	65,354	22.5%
Total Transfers From (To) Funds	**(16,750)**	**41,616**	**41,616**	**35,079**	**-15.7%**
CAPITAL CONTRIBUTIONS					
Non-Cash Developers Contributions	7,806	150,000	75,000	242,500	61.7%
Total Capital Contributions	**7,806**	**150,000**	**75,000**	**242,500**	**61.7%**
Increase (Decrease) in Retained Earnings	**(70,669)**	**11,924**	**26,702**	**(186,133)**	**-1661.0%**
Add Back Depreciation	962,314	1,002,500	948,000	986,000	-1.6%
Capital Outlay/Fixed Assets	(695,941)	(1,292,000)	(1,146,775)	(2,055,000)	59.1%
Principal Payments on Long-term Debt	(44,893)	(47,150)	(47,150)	(17,760)	-62.3%
Non-Cash Developers Contributions	(7,806)	(150,000)	(75,000)	(242,500)	61.7%
Changes in Working Capital	354,930	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 497,934**	**$ (474,726)**	**$ (294,223)**	**$ (1,515,393)**	**219.2%**
Beginning Fund Balance	**$ 15,228,093**	**$ 15,157,424**	**$ 15,157,424**	**$ 15,184,126**	**0.2%**
Ending Fund Balance	**$ 15,157,424**	**$ 15,169,348**	**$ 15,184,126**	**$ 14,997,992**	**-1.1%**

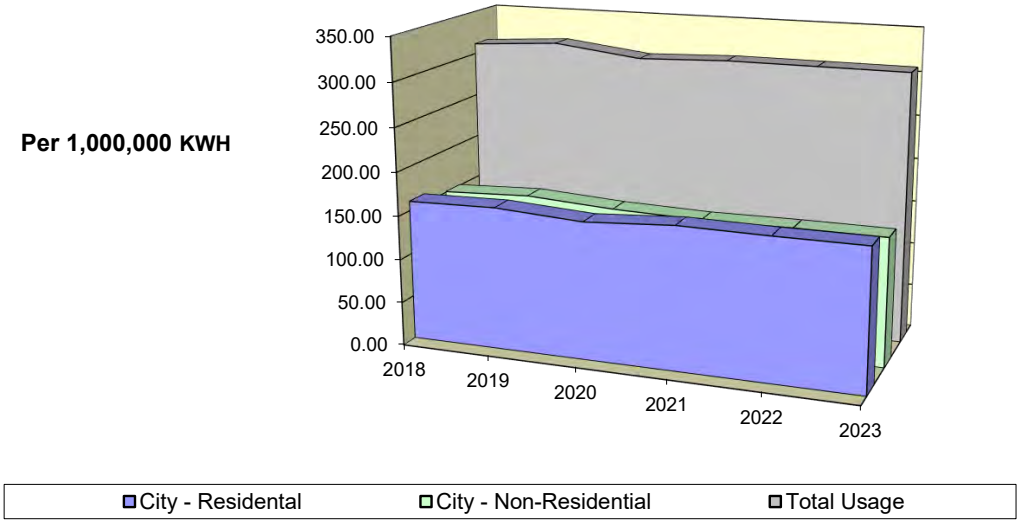
SERVICE CHARGE COMPARISON AS OF MARCH 2022



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 2018 - 2023

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 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/2022 BUDGET	2021/2022 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
ELECTRIC REVENUES					
Sales of Electric-Unbilled Readings	$ (32,140)	$ -	$ -	$ -	0.0%
Residential Lighting	13,021,209	12,288,000	12,927,000	12,347,000	0.5%
Residential Metering	3,868	4,000	3,600	3,400	-15.0%
Commercial Lighting	4,772,822	4,777,000	4,848,000	4,644,000	-2.8%
Commercial Metering	14,899	14,000	15,400	14,800	5.7%
Power Pl(09)	1,716,347	1,714,000	1,709,000	1,628,000	-5.0%
Power Ph(10)	4,021,396	5,126,000	4,044,000	5,701,000	11.2%
High Voltage-Newstech	81,034	-	-	-	0.0%
Dusk to Dawn	20,040	21,000	19,950	19,200	-8.6%
Street Lighting	618,271	618,870	617,780	591,440	-4.4%
Traffic Lighting	22,308	22,000	22,310	20,850	-5.2%
Reconnection Charges	59,265	88,000	60,000	90,000	2.3%
Total Electric Revenues	**24,319,319**	**24,672,870**	**24,267,040**	**25,059,690**	**1.6%**
OTHER REVENUES					
Pole Rental/Attachment Fees	40,752	45,000	61,500	65,000	44.4%
Building Rental-CMG	41,400	42,000	42,000	42,000	0.0%
Rent Income - Sub-Station	6,806	-	-	-	0.0%
Late Fees	53,839	200,000	150,000	200,000	0.0%
Miscellaneous Electric Revenue	122,000	40,000	150,000	150,000	275.0%
Customer Reimbursed Overtime	1,851	3,500	3,500	3,500	0.0%
Scrap Sales	32,663	7,500	30,000	30,000	300.0%
Recovery of Inventory	25,983	40,000	17,000	-	-100.0%
Insurance Reimbursements	28,015	50,000	25,000	50,000	0.0%
Recovery of Notes Receivable-F.U.F.	287,845	-	-	-	0.0%
Bad Check Charges	2,018	2,000	1,000	1,500	-25.0%
Total Other Revenues	**643,174**	**430,000**	**480,000**	**542,000**	**26.0%**
Total Operating Revenues	**$ 24,962,493**	**$ 25,102,870**	**$ 24,747,040**	**$ 25,601,690**	**2.0%**

ELECTRIC FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

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.	405,000
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.	10,000
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.	34,500
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
Test Equipment-C0609 Procure/repair test equipment to improve maintenance programs and power quality for customers.	Station Equipment	Improve reliability of service.	15,000
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
Meter Replacement-C0679 Procure and replace electric revenue meters across the HLD serivce territory.	Services and Meters	Improve device accuracy and provide for an automated read and outage detection system.	300,000

ELECTRIC FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Brookmeadow-C0703 Provide underground electric service to 110 townhome units in the Brookmeadow development.	Infrastructure	Provide electric service to new customers.	120,000
Burhans Village-C0707 Proposed development connecting Burhans Boulevard and Mitchell Avenue requiring underground electric service.	Infrastructure	Provide electric service to new customers.	17,500
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.	60,000
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.	50,000
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.	15,000
SUBTOTAL CAPITAL IMPROVEMENT PROJECTS			**$ 1,577,500**
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
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

ELECTRIC FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
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
SUBTOTAL OTHER CAPITAL PROJECTS			**$ 477,500**
5074001-5865 Computer Equipment	Computer Equipment	Replace as needed.	100
TOTAL CAPITAL OUTLAY			**$ 2,055,100**

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 11.09 MGD (2021 average daily demand) of potable water to all City residents and surrounding communities in Washington County. The water system is comprised of approximately 441 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. The Division will also request MDE funding for the replacement of the Mack Water Tank - the tank has developed two leaks in the last three years and is over 50 years old. Water Distribution will continue the Leak Detection Program to meet MDE water loss reduction plan requirements. The Division 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 projects. Capital Project Improvement Planning assists greatly in reducing system operational issues related to water main and equipment failures.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Number of Inside City Customers	**13,505**	**13,548**	**13,628**
Number of Outside City Customers	**16,469**	**16,554**	**16,704**
Million Gallons Produced	**3,864**	**3,931**	**3,933**
Million Gallons Accounted For	**3,399**	**3,294**	**3,343**
Percentage of Unaccounted for Water	**12.0%**	**16.2%**	**15.0%**
Number of Full time Employees	**48.67**	**50.60**	**49.60**
Number of Customers Served per Employee	**616**	**595**	**612**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 3,115,032	$ 3,141,774	$ 2,910,123	$ 3,188,590	1.5%
Benefits	1,212,326	1,454,407	1,374,758	1,454,035	0.0%
Overtime	155,966	167,900	161,700	162,400	-3.3%
Personnel Subtotal	**4,483,323**	**4,764,081**	**4,446,581**	**4,805,025**	**0.9%**
Contractual Services	1,850,098	748,071	1,223,130	2,476,626	231.1%
Operating Expenditures	3,490,057	3,693,243	4,332,630	4,713,097	27.6%
Operating Cap Exp (Cap Outlay)	30,597	71,000	67,300	61,000	-14.1%
Other General Expenses	4,225,127	4,331,319	4,353,319	4,535,453	4.7%
Operating Subtotal	**9,595,879**	**8,843,633**	**9,976,379**	**11,786,176**	**33.3%**
Total Expenditures	**$ 14,079,202**	**$ 13,607,714**	**$ 14,422,960**	**$ 16,591,201**	**21.9%**
REVENUES BY TYPE					
Departmental Revenue	15,610,862	13,742,007	14,312,933	15,980,187	16.3%
Total Revenues	**$ 15,610,862**	**$ 13,742,007**	**$ 14,312,933**	**$ 15,980,187**	**16.3%**
Expenditures, net of Revenues	**$ (1,531,660)**	**$ (134,294)**	**$ 110,027**	**$ 611,014**	**-555.0%**

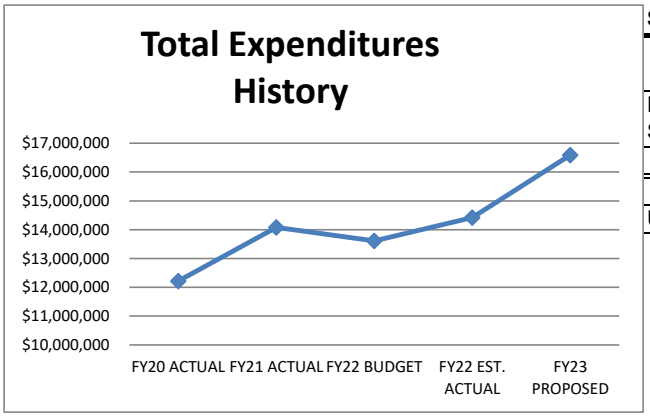
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Overall, total expenditures for FY22 estimated actual are expected to increase over FY22 budget by 6.0% or $815.2K. Total personnel costs are expected to be 6.7% or $317.5K lower than FY22 budget but are offset by an increase of 12.8% or $1.1M in total operating. Within the total operating expense category, contractual services are expected to increase by $475.1K mostly due to an increase in engineering costs and operating expenditures by $639.4K due to increases for equipment maintenance, electricity, cellphones, and insurance. Departmental revenues are expected to be 4.2% or $571K higher than FY22 budget mostly due to an increase in reconnection charges and late fees.

Adopted FY22 to Proposed FY23

In the FY23 proposed budget, total personnel costs are expected to increase 0.9% or $41K when compared to FY22 budget. The Water Division staff is decreasing by 1 full time position as a result of staffing allocations in the support operations and also decreasing by 1 seasonal position. This is offset by wage enhancements and an increase in employer benefits. Total operating expenses are expected to be 33.3% or $2.9M higher than FY22 budget. There is a significant increase in engineering fees within the contractual services category. The $1.6M increase in engineering fees is due to fees associated with Edgemont Reservoir. Operating expenditures are also expected to increase 27.6% or $1M. The largest increases are within electricity and various chemical accounts. FY23 proposed departmental revenues are expected to be 16.3% or $2.2M higher than FY22 budget. This is mostly due to a MDE loan forgiveness of $1.5M for the RC Wilson plant. This loan forgiveness will have no effect on cash and will instead eliminate a liability.



STAFFING SUMMARY

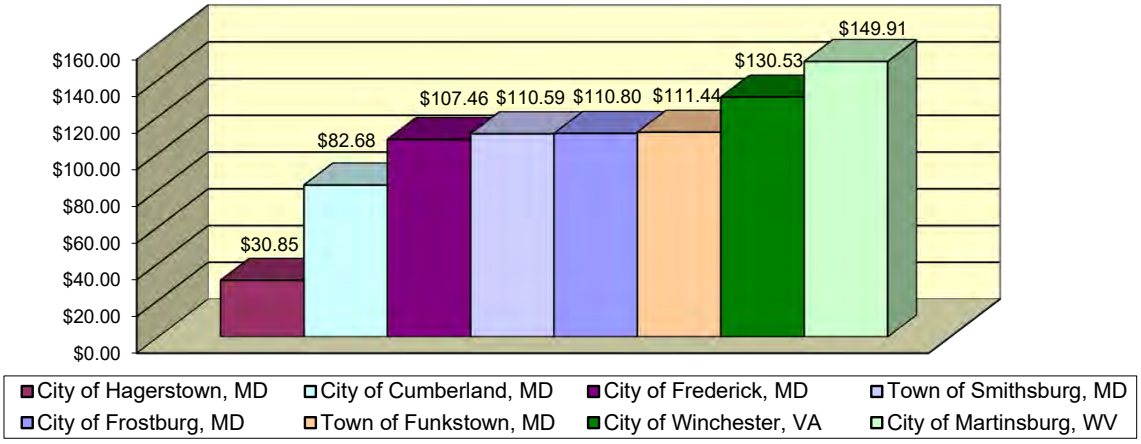
	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	48.67	50.60	50.60	49.60
Seasonal	2.00	1.00	1.00	-
Staffing Total	50.67	51.60	51.60	49.60
Unfunded positions	4.00	4.00	4.00	4.00

The Division will continue to monitor operational costs and revenue through FY23 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 2022/2023

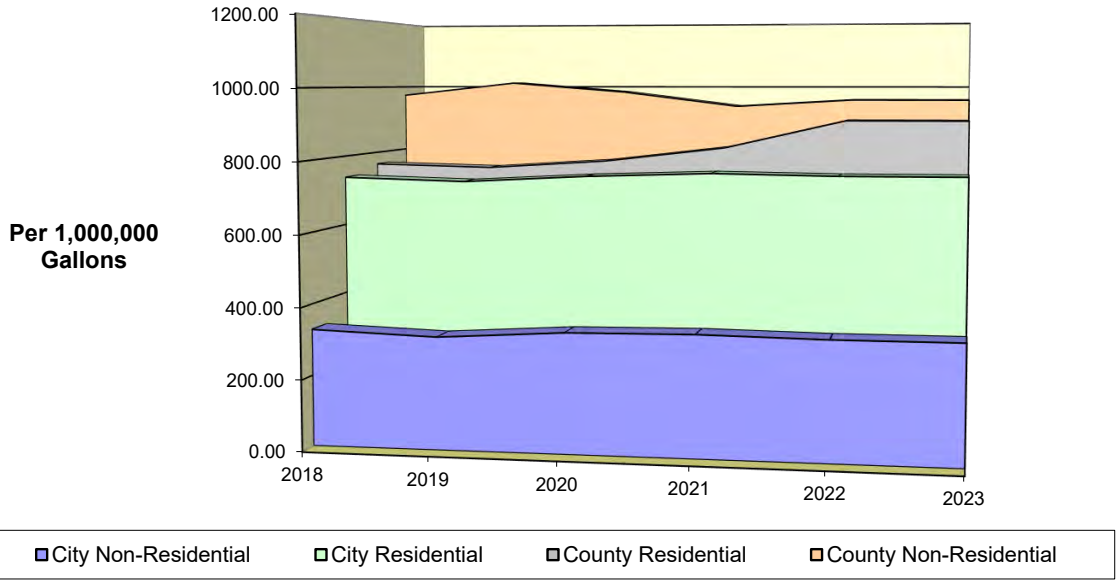
ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 PROPOSED
OPERATING REVENUES					
Service Charges	$ 11,925,088	$ 11,917,000	$ 12,008,200	12,554,000	5.3%
Other Revenues	977,007	877,438	1,107,100	967,272	10.2%
Total Operating Revenues	**12,902,095**	**12,794,438**	**13,115,300**	**13,521,272**	**5.7%**
OPERATING EXPENSES					
Source of Supply	1,340,163	61,000	554,235	1,556,875	2452.3%
Pumping & Water Treatment	3,516,460	3,866,569	4,029,030	4,838,571	25.1%
Transmission & Distribution	2,306,423	2,418,632	2,359,302	2,472,367	2.2%
Selling,General & Administrative	2,691,123	2,930,644	3,127,524	3,188,385	8.8%
Depreciation	3,824,538	3,892,000	3,914,000	4,096,000	5.2%
Total Operating Expenses	**13,678,707**	**13,168,845**	**13,984,091**	**16,152,198**	**22.7%**
Operating Income (Loss)	**(776,612)**	**(374,406)**	**(868,791)**	**(2,630,926)**	**602.7%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - ARPA	252,978	-	-	-	0.0%
Intergovernmental Revenue - CARES Act	6,778	-	-	-	0.0%
Interest Earned	4,463	8,000	8,000	8,000	0.0%
Premium on Bonds	4,172	4,172	4,172	4,172	0.0%
Interest/Bond Issuance Expense	(383,745)	(427,129)	(427,129)	(408,728)	-4.3%
Gain (Loss) on Capital Assets	-	-	64	-	0.0%
Total Other Income (Expense)	**(115,354)**	**(414,957)**	**(414,893)**	**(396,556)**	**-4.4%**
Net Income before Contributions & Transfers	**(891,966)**	**(789,363)**	**(1,283,684)**	**(3,027,482)**	**283.5%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(16,750)	(11,740)	(11,740)	(30,275)	157.9%
Transfers from Health Insurance Fund	-	83,255	83,255	94,601	13.6%
Total Transfers From (To) Funds	**(16,750)**	**71,515**	**71,515**	**64,326**	**-10.1%**
CAPITAL CONTRIBUTIONS					
Benefit Charges	1,246,446	502,142	752,142	502,142	0.0%
MDE Loan Forgiveness	-	-	-	1,500,000	100.0%
Non-Cash Developers Contributions	1,193,930	350,000	350,000	350,000	0.0%
Total Capital Contributions	**2,440,376**	**852,142**	**1,102,142**	**2,352,142**	**176.0%**
Increase (Decrease) in Retained Earnings	**1,531,660**	**134,294**	**(110,027)**	**(611,014)**	**-555.0%**
Add Back Depreciation	3,824,538	3,892,000	3,914,000	4,096,000	5.2%
Capital Outlay/Fixed Assets	(2,136,030)	(2,775,575)	(2,520,000)	(6,020,000)	116.9%
Principal Payments on Long-term Debt	(1,788,379)	(1,691,982)	(1,691,982)	(1,691,388)	0.0%
Non-Cash Developers Contributions	(1,193,930)	(350,000)	(350,000)	(350,000)	0.0%
MDE Bond Financing	-	-	-	2,500,000	100.0%
MDE Loan Forgiveness	-	-	-	(1,500,000)	100.0%
Changes in Working Capital	3,585,175	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 3,823,034**	**$ (791,263)**	**$ (758,009)**	**$ (3,576,402)**	**352.0%**
Beginning Fund Balance	**$ 92,542,982**	**$ 94,074,642**	**$ 94,074,642**	**$ 93,964,615**	**-0.1%**
Ending Fund Balance	**$ 94,074,642**	**$ 94,208,936**	**$ 93,964,615**	**$ 93,353,601**	**-0.9%**

SERVICE CHARGE COMPARISON AS OF MARCH 2022
(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 2018 - 2023



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 2022/23

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
WATER SERVICES					
Metered Sales-Unbilled	$ 56,629	$ -	$ -	$ -	0.0%
Water Fixed Charge - City	606,156	618,000	600,000	618,000	0.0%
Water Fixed Charge - County	2,268,853	2,334,000	2,334,000	2,444,000	4.7%
Metered City Water	1,876,088	1,879,000	1,879,000	1,979,000	5.3%
Metered County Water	7,005,851	7,044,000	7,044,000	7,411,000	5.2%
Reconnection Charges	109,755	40,000	150,000	100,000	150.0%
Bad Check Charges	1,755	2,000	1,200	2,000	0.0%
Total Service Charges	**11,925,088**	**11,917,000**	**12,008,200**	**12,554,000**	**5.3%**
OTHER REVENUES					
Contracted Services	3,233	20,000	20,000	20,000	0.0%
Water Service Application Fee	42,150	25,000	32,000	30,000	20.0%
Water Transfer Fee	34,950	55,000	35,000	55,000	0.0%
W.C.S.D. Consumption Data Service	67,195	66,372	67,000	66,372	0.0%
Review/Inspection Fee	58,124	20,000	20,000	20,000	0.0%
Insurance Reimbursements	5,041	12,766	38,000	-	-100.0%
Rent-City Employees	25,700	26,400	16,000	16,000	-39.4%
Late Fees	66,084	120,000	250,000	120,000	0.0%
Miscellaneous Other Revenues	10,120	12,000	14,000	14,000	16.7%
County Debt Service Surcharge	21,432	21,400	21,400	21,400	0.0%
Cell Tower Rent	11,500	11,500	11,500	11,500	0.0%
Fire Protection	177,969	181,000	181,000	187,000	3.3%
Plumbing	441,435	300,000	400,000	400,000	33.3%
Net Gain/Loss-Scrap Sales	12,074	6,000	1,200	6,000	0.0%
Total Other Revenues	**977,007**	**877,438**	**1,107,100**	**967,272**	**10.2%**
Total Operating Revenues	**$ 12,902,095**	**$ 12,794,438**	**$ 13,115,300**	**$ 13,521,272**	**5.7%**

WATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Water Fund Vehicles-C0117 Replace 2012 F550 Service Truck #206 ($110,000) Replace 2007 Wachs Valve Turner #262 ($150,000) Replace 2018 RR Hillside Mower #238 ($90,000) Replace 2004 Gravely Mower #246 ($25,000)	Vehicle Replacement	Replace units - reduced maintenance costs anticipated.	375,000
FY22 Vehicles on Order: 2005 F550 Service Truck #208 ($100,000) 2009 Ford F750 Dump Truck #211 ($100,000) 2008 Ford F550 Dump Truck #233 ($100,000)	Vehicle Replacement	Vehicles were ordered in FY22 but due to high lead times, they will not be received and expense not recognized until FY23.	300,000
RC Willson WTP Improvements-C0166 Various plant improvements each year for equipment replacement to include pumps, motors, communication equipment, etc.	Equipment	Improve service and increase system reliability.	950,000
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.	650,000
Mack Water Tank-C0274 Design and construct a new Mack Water Tank	Infrastructure	Current Mack Tank is 50 years old and has had two leaks in the past three years.	2,400,000
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.	150,000
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 requirements.	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

WATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
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
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.	75,000
SUBTOTAL CAPITAL IMPROVEMENT PROJECTS			**$ 6,020,000**
5270501-5833 Laboratory Equipment-Willson	Laboratory Equipment	Maintain laboratory equipment.	6,000
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.	5,000
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
5270502-5833 Laboratory Equipment-Pump Stations	Laboratory Equipment	Replace laboratory equipment.	2,000

WATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
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
5270502-5867 Communication Equipment-Pump Stations	Communication Equipment	To replace communication equipment as needed.	3,000
5271001-5825 Residential Buildings-Source of Supply	Maintain Residential/ Rental Properties	Rental property maintenance (3 properties).	5,000
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.).	500
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 2022/2023

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.	1,500
TOTAL CAPITAL OUTLAY			**$ 6,081,000**

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 5.96 MG per day of wastewater for calendar year 2021. 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 force main, 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. Improvements to the Pelletizing facility were completed in FY22 - these 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 $405,780 from our 2022 Operations and Maintenance Grant submission.

• The City invested approximately $11.2 million to upgrade the sludge thickening, storage, and pelletizing facilities at the Wastewater Treatment Plant. These facilities 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 FY22, the City was awarded an ARC Grant to continue 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 1099s and require major rehabilitation to extend the life of the system 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 in calendar year 2021.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Number of Inside City Customers	**13,280**	**13,422**	**13,462**
Number of Outside City Customers	**6,950**	**7,022**	**7,032**
Annual Million Gallons/Day Treated	**5.44**	**5.97**	**6.00**
Inflow/Infiltration Million Gallons/Day Treated	**1.34**	**1.48**	**1.50**
Available Allocation in Thousand Gallons (carryover)	**2,560**	**2,030**	**2,000**
Number of Funded Employees	**46.95**	**45.55**	**46.55**
Number of Customers Served per Employee	**434**	**444**	**452**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 2,674,212	$ 2,750,444	$ 2,486,867	$ 2,938,084	6.8%
Benefits	1,201,816	1,473,527	1,392,496	1,495,976	1.5%
Overtime	123,511	86,500	116,500	111,500	28.9%
Personnel Subtotal	**3,999,539**	**4,310,471**	**3,995,863**	**4,545,560**	**5.5%**
Contractual Services	1,784,686	2,080,803	2,094,080	2,319,826	11.5%
Operating Expenditures	4,035,874	3,894,133	3,990,339	4,256,338	9.3%
Operating Cap Exp (Cap Outlay)	12,839	17,100	26,200	23,000	34.5%
Other General Expenses	2,897,160	3,454,276	3,166,276	3,564,401	3.2%
Operating Subtotal	**8,730,559**	**9,446,312**	**9,276,896**	**10,163,565**	**7.6%**
Total Expenditures	**$ 12,730,098**	**$ 13,756,783**	**$ 13,272,759**	**$ 14,709,125**	**6.9%**
REVENUES BY TYPE					
Departmental Revenue	16,574,630	15,574,202	16,315,306	21,303,061	36.8%
Total Revenues	**$ 16,574,630**	**$ 15,574,202**	**$ 16,315,306**	**$ 21,303,061**	**36.8%**
Expenditures, net of Revenues	**$ (3,844,532)**	**$ (1,817,419)**	**$ (3,042,547)**	**$ (6,593,936)**	**262.8%**

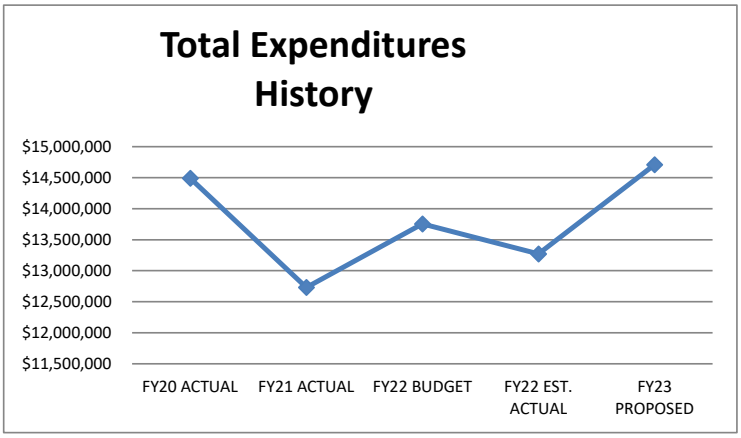
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total personnel expenditures are expected to be under budget in FY22 by 7.3% or $314.6K mostly generated from funded vacancies and replacing staff at entry level. In addition, staff allocations and prorations have been changed between water and wastewater labs. Overall total operating expenses are expected to be lower than FY22 budget by 3.5% or $484.K due to decreases in other general expenses. Department revenue is also expected to increase by 4.8% or $741.1K over FY22 budget due to increases in metered services revenue.

Adopted FY22 to Proposed FY23

Overall, total personnel expenditures are expected to increase by 5.5% or $235.1K from FY22 budget to FY23 proposed budget due to anticipated wage enhancements and increases in overtime to current trends. Total operating expenses are expected to be over FY22 budget levels by 7.6% or $717.3K due to increases throughout various operating expense categories. The largest dollar increase of $96.0K is in operating expenditures resulting from equipment maintenance, gasoline, and electricity costs. Revenues are expected to significantly increase by 36.8% or $5.7M in the FY23 proposed budget. This is due to receiving $5.7M in grant funding from the American Rescue Plan Act (ARPA). The ARPA funds are specifically being used to purchase a new camera rig truck under capital improvement project C0004 ($425.9K), construction of Pump Station #33 under C0565 ($3.0M), and the reconstruction of Pump Station #13 under C0574 ($2.2M).



STAFFING SUMMARY

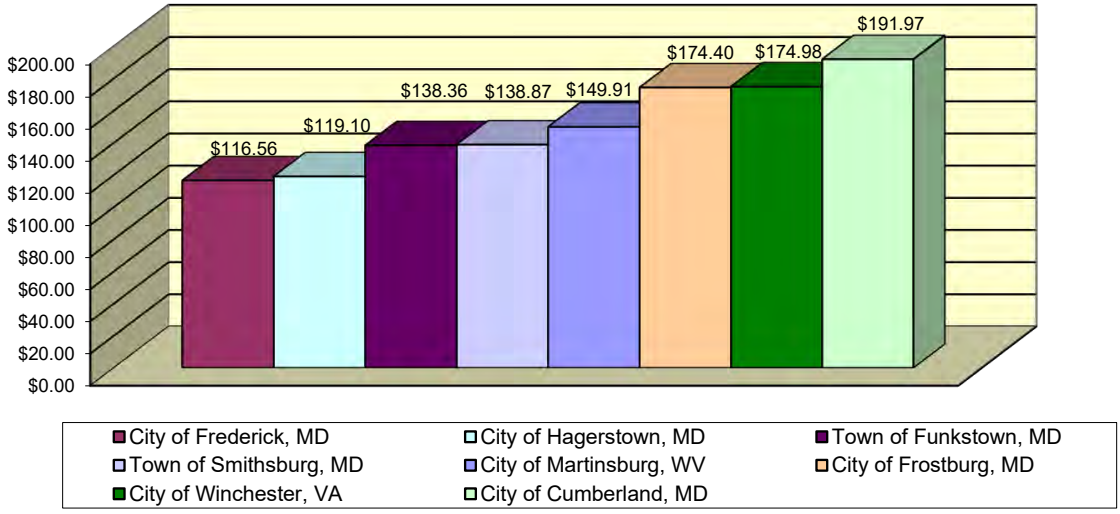
	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	46.95	45.55	45.55	46.55
Staffing Total	46.95	45.55	45.55	46.55
Unfunded positions	2.00	2.00	2.00	2.00

The Division will continue to monitor operational costs and revenue through FY23 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 2022/2023

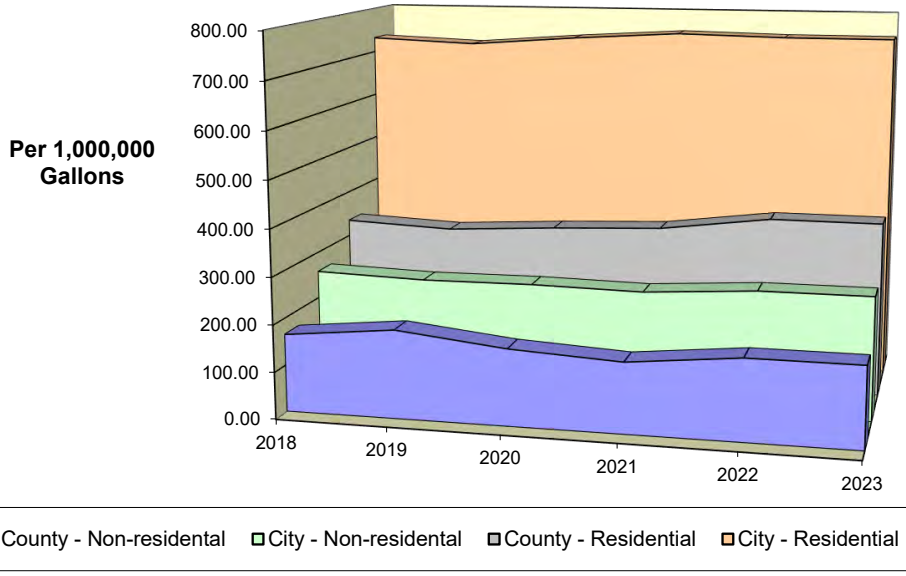
ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
OPERATING REVENUES					
Service Charges	$ 13,872,855	$ 13,902,000	$ 14,506,150	$ 14,318,800	3.0%
Other Revenues	241,414	229,927	260,381	238,081	3.5%
Total Operating Revenues	**14,114,269**	**14,131,927**	**14,766,531**	**14,556,881**	**3.0%**
OPERATING EXPENSES					
Plant Expenses	4,994,735	4,852,713	4,947,201	5,448,385	12.3%
Laboratory Expenses	275,384	301,723	255,686	314,704	4.3%
Collections	1,504,040	1,565,328	1,522,225	1,651,752	5.5%
Selling, General & Administrative	3,058,779	3,582,742	3,381,370	3,729,883	4.1%
Depreciation	2,630,521	3,156,000	2,868,000	3,271,000	3.6%
Total Operating Expenses	**12,463,459**	**13,458,507**	**12,974,483**	**14,415,724**	**7.1%**
Operating Income (Loss)	**1,650,810**	**673,420**	**1,792,048**	**141,157**	**-79.0%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - ARPA	215,300	-	-	-	0.0%
Intergovernmental Revenue - CARES Act	5,498	-	-	-	0.0%
Intergovernmental Revenue	240,000	180,781	180,781	-	-100.0%
Interest Earned	1,536	3,000	4,000	4,000	33.3%
Premium on Bonds	4,073	4,073	4,073	4,073	0.0%
Interest/Bond Issuance Expense	(249,889)	(286,536)	(286,536)	(263,126)	-8.2%
Gain (Loss) on Capital Assets	6,128	8,000	1,500	1,500	-81.3%
Total Other Income (Expense)	**222,646**	**(90,682)**	**(96,182)**	**(253,553)**	**179.6%**
Net Income before Contributions & Transfers	**1,873,456**	**582,738**	**1,695,866**	**(112,396)**	**-119.3%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(16,750)	(11,740)	(11,740)	(30,275)	157.9%
Transfers from Health Insurance Fund	-	71,421	71,421	85,670	20.0%
Total Transfers From (To) Funds	**(16,750)**	**59,681**	**59,681**	**55,395**	**-7.2%**
CAPITAL CONTRIBUTIONS					
Benefit Charges	1,216,249	500,000	612,000	500,000	0.0%
Intergovernmental Revenue - ARPA	-	-	-	5,660,937	100.0%
Intergovernmental Revenue - Capital	-	425,000	425,000	240,000	-43.5%
Non-Cash Developers Contributions	771,577	250,000	250,000	250,000	0.0%
Total Capital Contributions	**1,987,826**	**1,175,000**	**1,287,000**	**6,650,937**	**466.0%**
Increase (Decrease) in Retained Earnings	**3,844,532**	**1,817,419**	**3,042,547**	**6,593,936**	**262.8%**
Add Back Depreciation	2,630,521	3,156,000	2,868,000	3,271,000	3.6%
Capital Outlay/Fixed Assets	(1,618,776)	(2,817,000)	(2,933,000)	(9,070,800)	222.0%
Principal Payments on Long-term Debt	(1,456,966)	(1,482,705)	(1,482,705)	(1,391,282)	-6.2%
Non-Cash Developers Contributions	(771,577)	(250,000)	(250,000)	(250,000)	0.0%
Changes in Working Capital	406,503	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 3,034,237**	**$ 423,714**	**$ 1,244,842**	**$ (847,146)**	**-299.9%**
Beginning Fund Balance	**$52,161,969**	**$ 56,006,501**	**$ 56,006,501**	**$ 59,049,048**	**5.4%**
Ending Fund Balance	**$56,006,501**	**$ 57,823,919**	**$ 59,049,048**	**$ 65,642,984**	**13.5%**

SERVICE CHARGE COMPARISON AS OF MARCH 2022
(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 2018 - 2023



The chart reflects increases in both City-Residential and County-Residential customers since 2018

WASTEWATER FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
WASTEWATER SERVICES					
Fixed Service Charge - City	$ 1,799,918	$ 1,827,000	$ 1,843,150	$ 1,881,800	3.0%
Fixed Service Charge - County	785,343	796,000	788,400	819,800	3.0%
Fixed Service Charge - Joint Service	812,043	824,000	833,800	848,700	3.0%
Service Charges-Unbilled	43,641	-	-	-	0.0%
Metered City Wastewater	5,736,906	5,789,000	6,058,300	5,962,700	3.0%
Metered County Wastewater	2,740,863	2,775,000	2,877,100	2,858,200	3.0%
Metered Joint Service Wastewater	1,848,717	1,785,000	2,000,200	1,838,500	3.0%
Low-Pressure System Charge	105,424	106,000	105,200	109,100	2.9%
Total Service Charges	**13,872,855**	**13,902,000**	**14,506,150**	**14,318,800**	**3.0%**
OTHER REVENUES					
Wastewater Application Fees	8,700	4,000	3,500	4,000	0.0%
Wastewater Connection Charges	8,900	4,000	5,000	4,000	0.0%
Review/Inspection Fee	26,971	5,000	5,000	5,000	0.0%
Industrial Permit Maintenance Fee	8,250	8,000	8,000	5,000	-37.5%
Reimbursements	2,042	1,500	1,600	1,500	0.0%
Insurance Reimbursements	1,498	-	-	-	0.0%
Lab Testing	746	746	4,000	400	-46.4%
Industrial Surcharges	57,870	35,000	95,000	50,000	42.9%
Rental Income	14,311	14,681	14,681	14,681	0.0%
Late Fees	105,105	150,000	120,000	150,000	0.0%
Miscellaneous Revenue	6,034	6,000	3,100	3,000	-50.0%
Net Gain/Loss-Scrap Sales	988	1,000	500	500	-50.0%
Total Other Revenues	**241,414**	**229,927**	**260,381**	**238,081**	**3.5%**
Total Operating Revenues	**$ 14,114,269**	**$ 14,131,927**	**$ 14,766,531**	**$ 14,556,881**	**3.0%**

WASTEWATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Vehicle Replacement Program-C0004 Replace 2006 Jet-Vac Cleaner #528 ($750,000)	Vehicle Replacement	Replacement units - reduced maintenance costs anticipated.	750,000
FY22 Vehicles on Order: 2001 Ford E350 Camera Rig #518 ($425,937) 2003 Ford F550 Crane Truck #507 ($165,578) 2011 Chevy HHR Van #506 ($27,285)	Vehicle Replacement	Vehicles were ordered in FY22 but due to high lead times, they will not be received and expense not recognized until FY23. The Camera Rig truck purchase is funded with ARPA grant money.	618,800
Manhole Raising-C0267 Raise Manholes to meet new street grade, replace 3 inch thick lids with lighter more accessible lids.	Manhole Raising 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 waste water to the Wastewater Treatment Plant from low lying areas.	Pump Station Rehabilitation Project	Reduce maintenance and increase safety and security of stations.	15,000
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.	275,000
East End Pump Station #33-C0565 Construction of lift station on Hebb Road.	Construction	New station needed to promote growth and development.	3,000,000
Pump Station #13 Reconstruction-C0574 Reconstruction of Pump Station #13 on Western Maryland Parkway.	Construction	Pump Station #13 needs to be returned to service when the Flow Transfer Agreement with the County expires in August 2022. ARPA grant funds are being used to fund this project.	2,235,000
WWT Plant Equipment-C0584 Replaces various aging equipment or adds additional new equipment to maintain efficient operations, permits compliance, and security.	Equipment	Deteriorating equipment that has reached its useful life cycle requires replacement to maintain reliable, continuous, operations.	500,000
WWT Building/Structures/Equipment & Software-C0585 Renovations, repairs, maintenance, and purchase of engineering equipment and software as needed.	Construction Equipment Software	Aging structures that require repairs and improvements.	30,000

WASTEWATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Oxygen System Improvements-C0657 Specialized services includes work by an outside consultant to continue efforts to integrate controls for oxygen control panels into Plant SCADA system.	Equipment Upgrades	Improve reliability, efficiencies, and maintain MDE compliance.	45,000
Solids Processing-Pelletizer Improvements - C0711 Miscellaneous improvements per the Synagro operating contract to include HVAC, electrical, plumbing, and building.	Improvements	To maintain the solids processing structure and pelletizing equipment.	100,000
Synagro Facility Upgrade Improvements-C0712 Replace or rehabilitate the Pellet Silo	Equipment	Existing silo has been in service since 1988 and the condition has deteriorated.	350,000
Collection System Equipment-C0713 Replaces various aging equipment or adds additional new equipment.	Equipment	Maintain efficient operations and permit compliance to ensure regulatory compliance.	80,000
Laboratory Equipment-C0745 New hood and ventilation system ($250,000) Lachat replacement unit ($55,000) DI Water System ($15,000) Laboratory Improvements ($100,000)	Equipment	Replace obsolete equipment and rehab/rebuild the Environmental Laboratory to ensure compliance with Laboratory and OSHA standards.	420,000
Grinder Pump Replacement Program-C0767 Replace 20 Grinder Pumps.	Equipment	Replace deteriorating equipment.	112,000
SSES City-Wide-CS Rehab-C0800 Correct infiltration & inflow into the Wastewater Collection System by replacement or re-lining defective piping.	Piping	Reducing the inflow & infiltration will provide future recapturing of allocation for the WWTP.	250,000
Pump Station Upgrades-C0832 Reconstruct or replace Pump Station #13.	Infrastructure	Needed to receive flows coming from the County as part of the Flow Transfer Agreement expiring in August of 2022.	100,000
Truck Lines and Laterals-C0834 Purchase or transfer of Infrastructure.	Infrastructure	Provide efficient use of Wastewater infrastructure throughout system.	165,000
SUBTOTAL CAPITAL IMPROVEMENT PROJECTS			**$ 9,070,800**

WASTEWATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
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.	3,000
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.	5,000
5472701-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn office furniture and equipment.	4,000
5472701-5865 Computer Equipment	Computer Equipment	Replace worn equipment.	3,000
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			**$ 9,093,800**

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 500 spaces in 12 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.

PayByPhone was incorporated in 2020 to provide an additional payment option (credit card) for drivers. Adoption of this program for payment has been very encouraging.

The total number of parking lots is projected to be reduced by 1 with the sale of the Market Lot by June 30, 2022. This will reduce the number of public parking spaces by 183 spaces. An additional 14 spaces will be added to the Central Parking Lot with the purchase of property at 32 N. Potomac St.

DEPARTMENT / PROGRAM OBJECTIVES

• The coronavirus, COVID-19, continues to affect businesses, government offices, and entertainment venues alike. Staff remains committed to providing convenient parking in the decks, lots, and on the street.

• 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. The City's third parking deck will be constructed in conjunction with the Hagerstown Multi-Use Sports and Events Facility to be located on the corner of Baltimore Street and Summit Avenue. This new parking deck will support the operations of the sports and event facility while providing additional parking for the projected development that will follow this project. Acquisition of property and design of the new deck are underway with a projected completion date of late calendar year 2023. The deck will house 350-400 parking spaces based on a recent parking study completed at the end of 2021.

• Completion of a third parking deck will increase the need for staffing in late 2023 or early 2024. Staff will need to analyze parking rates for the expected evening and weekend ball games to determine a potentially new parking rate.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Parking Decks			
No. of Parking Spaces	**625**	**625**	**625**
No. of Permit Holders (avg. per week)	**360**	**487**	**490**
Revenue			
Meters: Fees & Permits	**$279,207**	**$303,723**	**$270,360**
Decks: Fees & Permits	**$360,302**	**$435,500**	**$442,250**
Parking Enforcement	**$156,251**	**$139,500**	**$139,500**
Number of Parking Lots (Paid and Residential)	**13**	**13**	**12**
Number of Parking Lot Permit Holders (avg per month)	**248**	**307**	**310**
Total Parking Spaces (Lots & Street)	**1,032**	**1,032**	**863**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 343,190	$ 353,908	$ 333,859	$ 369,516	4.4%
Benefits	113,999	130,674	113,903	128,473	-1.7%
Overtime	2,188	3,083	2,850	2,850	-7.6%
Personnel Subtotal	**459,376**	**487,665**	**450,612**	**500,839**	**2.7%**
Contractual Services	15,341	13,753	31,630	22,676	64.9%
Operating Expenditures	103,813	150,452	178,895	174,296	15.8%
Operating Cap Exp (Cap Outlay)	-	6,040	10,473	6,000	-0.7%
Other General Expenses	287,201	305,117	284,717	358,586	17.5%
Operating Subtotal	**406,354**	**475,362**	**505,715**	**561,558**	**18.1%**
Total Expenditures	**865,730**	**$ 963,027**	**$ 956,327**	**$ 1,062,398**	**10.3%**
REVENUES BY TYPE					
Departmental Revenue	808,611	733,912	881,125	855,512	16.6%
Total Revenues	**$ 808,611**	**$ 733,912**	**$ 881,125**	**$ 855,512**	**16.6%**
Expenditures, net of Revenues	**$ 57,119**	**$ 229,115**	**$ 75,202**	**$ 206,886**	**-9.7%**

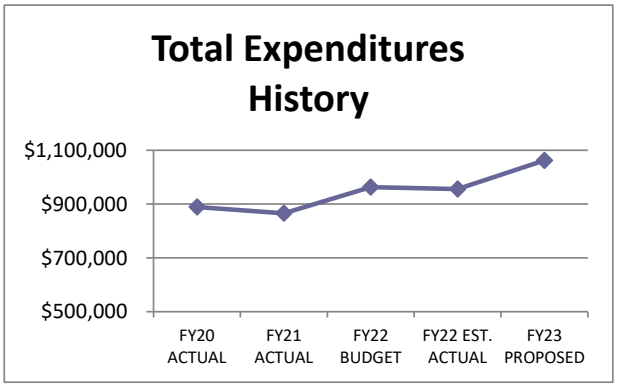
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

All categories within personnel expenditures in FY22 estimated actuals are expected to be lower than FY22 budget by 7.6% or $37.1K. This decrease is partially offset by an expected increase of 6.4% or $30.4K in total operating expenses. Contractual expenses are expected to be $17.9K higher than FY22 budget mostly due to increases in other contracted services, such as PaybyPhone, and operating expenditures are expected to increase $28.4K due to annual parking deck software maintenance agreements and stormwater fees. Other general expenses are expected to decrease $20.4K due to lower than anticipated depreciation costs. Departmental revenues are expected to increase by 20.1% or $147.2K as they start trending upwards returning to the levels before the COVID-19 pandemic.

Adopted FY22 to Proposed FY23

In total, expenditures in the FY23 proposed budget are expected to be 10.3% or $99.4K higher than FY22 budget. Total personnel expenditures are expect to be 2.7% or $37.1K higher than FY22 budget and total operating 18.1% or $86.2K mostly due to continuation of trends in other contracted services, annual maintenance agreements, and stormwater fees. Departmental revenues are also expected to be 16.6% or $121.6K higher as they start returning to levels more in line with before the COVID-19 pandemic.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	2.80	2.80	2.80	2.80
Part time	9.00	9.00	9.00	9.00
Seasonal	2.00	2.00	2.00	2.00
Staffing Total	13.80	13.80	13.80	13.80
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. Staffing levels have remained the same since.

PARKING FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
OPERATING REVENUES					
University District Parking Deck	$ 219,042	$ 208,900	$ 265,500	$ 267,250	27.9%
A & E Parking Deck	141,260	145,000	170,000	175,000	20.7%
Parking Lot Fees	279,207	291,510	303,723	270,360	-7.3%
Net Parking Fines	156,251	86,500	139,500	139,500	61.3%
Other Operating Revenues	760	-	1,400	1,400	100.0%
Total Operating Revenues	**796,519**	**731,910**	**880,123**	**853,510**	**16.6%**
OPERATING EXPENSES					
University District Parking Deck	123,274	152,728	165,116	158,675	3.9%
A & E Parking Deck	197,119	208,907	212,343	225,727	8.1%
Other Parking Facilities	189,417	208,534	208,310	231,924	11.2%
Parking Enforcement Expenses	68,720	87,742	85,840	87,485	-0.3%
Depreciation	267,456	287,000	266,600	277,100	-3.4%
Total Operating Expenses	**845,984**	**944,910**	**938,210**	**980,912**	**3.8%**
Operating Income (Loss)	**(49,465)**	**(213,000)**	**(58,087)**	**(127,402)**	**-40.2%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - ARPA	10,765	-	-	-	0.0%
Intergovernmental Revenue - CARES Act	573	-	-	-	0.0%
Interest Earned	754	2,000	1,000	2,000	0.0%
Premium on Bonds	2	2	2	2	0.0%
Interest/Bond Issuance Expense	(16,346)	(16,077)	(16,077)	(76,586)	376.4%
Total Other Income (Expense)	**(4,254)**	**(14,075)**	**(15,075)**	**(74,584)**	**429.9%**
Net Income before Contributions & Transfers	**(53,719)**	**(227,075)**	**(73,162)**	**(201,986)**	**-11.0%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(3,400)	(2,040)	(2,040)	(4,900)	140.2%
Total Transfers From (To) Funds	**(3,400)**	**(2,040)**	**(2,040)**	**(4,900)**	**140.2%**
Increase (Decrease) in Retained Earnings	**(57,119)**	**(229,115)**	**(75,202)**	**(206,886)**	**-9.7%**
Add Back Depreciation	267,456	287,000	266,600	277,100	-3.4%
Capital Outlay/Fixed Assets	(122,182)	(306,800)	(174,478)	(5,847,000)	1805.8%
Principal Payments on Long-term Debt	(66,399)	(69,098)	(69,098)	(31,466)	-54.5%
Changes in Working Capital	(78,156)	-	-	-	0.0%
Bond Proceeds	-	-	-	10,000,000	100.0%
Net Sources (Uses) of Cash	**$ (56,400)**	**$ (318,013)**	**$ (52,178)**	**$ 4,191,749**	**-1418.1%**
Beginning Fund Balance	**$ 7,060,166**	**$ 7,003,047**	**$ 7,003,047**	**$ 6,927,845**	**-1.1%**
Ending Fund Balance	**$ 7,003,047**	**$ 6,773,932**	**$ 6,927,845**	**$ 6,720,959**	**-0.8%**

PARKING FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
UNIVERSITY DISTRICT PARKING DECK					
Parking Deck Permits	$ 188,466	$ 160,000	$ 200,000	$ 200,000	25.0%
Parking Deck Fees	22,306	35,000	44,000	45,000	28.6%
Downtown Promotions	-	1,400	-	-	-100.0%
Validation Fees	10,245	15,000	24,000	24,000	60.0%
Park N Shop	(446)	(1,000)	(1,000)	(1,000)	0.0%
Volume Parking Discount	(1,530)	(1,500)	(1,500)	(750)	-50.0%
Total University District Deck Revenues	**219,042**	**208,900**	**265,500**	**267,250**	**27.9%**
A&E PARKING DECK					
Parking Deck Permits	89,031	100,000	110,000	110,000	10.0%
Parking Deck Fees	52,754	45,000	60,000	65,000	44.4%
PEP Discounts	(480)	-	-	-	0.0%
Volume Parking Discount	(45)	-	-	-	0.0%
Total A&E Parking Deck Revenues	**141,260**	**145,000**	**170,000**	**175,000**	**20.7%**
PARKING LOT REVENUES					
Street Meters	58,021	78,000	78,000	78,000	0.0%
Antietam Street Lot Meters	12,380	15,000	14,000	14,000	-6.7%
Bryan Center Lot Meters	86	200	500	500	150.0%
Central Lot Meters	20,246	26,000	26,000	28,000	7.7%
Hospital Street Meters	1,244	-	-	-	0.0%
Market House Lot Meters	727	1,300	700	-	-100.0%
Rochester Lot Meters	371	450	600	600	33.3%
Central Lot Permits	64,924	45,000	64,000	64,000	42.2%
Church Street Lot Permits	51,026	51,500	51,500	51,500	0.0%
Market House Lot Permits	41,202	40,300	36,663	-	-100.0%
Rochester Lot Permits	4,827	5,000	7,000	7,000	40.0%
Departmental Charges-Parking Permits	27,286	32,000	28,000	30,000	-6.3%
Free Parking - 41 E Franklin Street	(1,188)	(1,296)	(1,296)	(1,296)	0.0%
Free Parking - 39 E Franklin Street	(1,944)	(1,944)	(1,944)	(1,944)	0.0%
Total Parking Lot Revenues	**279,207**	**291,510**	**303,723**	**270,360**	**-7.3%**
PARKING TICKET REVENUES					
Fines-Traffic Violations	1,200	2,500	2,500	2,500	0.0%
Original Issuance	133,195	110,000	125,000	125,000	13.6%
Late fees	113,906	74,000	112,000	112,000	51.4%
Uncollectable Parking Tickets	(92,050)	(100,000)	(100,000)	(100,000)	0.0%
Total Parking Ticket Revenues	**156,251**	**86,500**	**139,500**	**139,500**	**61.3%**
OTHER OPERATING REVENUES					
EV Charging Stations	708	-	1,400	1,400	100.0%
Miscellaneous Revenue	52	-	-	-	0.0%
Total Other Operating Revenues	**760**	**-**	**1,400**	**1,400**	**100.0%**
Total Operating Revenues	**$ 796,519**	**$ 731,910**	**$ 880,123**	**$ 853,510**	**16.6%**

PARKING FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Parking Facilities - 3rd Parking Deck-C0173 Design and construct the City's third parking deck located at the corner of Baltimore St. and Summit Ave.	Buildings & Structures	Support the operations of the Hagerstown Multi-Use Sports and Events Facility and provide additional parking for projected development.	5,717,000
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 Fund Vehicles-C0829 Replace Supervisor Pickup Truck #033 ($35,000)	Vehicle Replacement	Vehicle repair costs and maintenance increase with the age of the vehicle.	35,000
Parking Lot Improvements-C0857 Improve the overall condition of surface parking lots: Rochester Lot parking lot wall caps, fencing, and stairs	Parking Lot Improvements	Preservation of the pavement allows the pavement to last much longer before total replacement is necessary. Sidewalk improvements include handicap accessible ramps to meet ADA requirements. Light improvements by transitioning to LED lights improve security while reducing energy costs.	80,000
SUBTOTAL CAPITAL IMPROVEMENT PROJECTS			**$ 5,847,000**
5674011-5838 Parking Facilities Equipment	Equipment	Golf cart and fencing enclosure to secure the golf cart.	5,000
5674013-5861 Desks-Chairs-Tables	Office Equipment	Replace as needed.	1,000
TOTAL CAPITAL OUTLAY			**$ 5,853,000**

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 and became effective January 1, 2021. In the last few years, all tee markers have been replaced, 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.

DEPARTMENT / PROGRAM OBJECTIVES

• Rates, services, and programs are continually being reviewed for improvements and modifications. Customer service is the highest priority whether it is on the greens, renting clubs, or purchases from the Club house.

• The Turkey Cup Tournament returned in the Fall of 2021. The event was a big success and is scheduled to return in the Fall of 2022. The opportunity exists for other tournaments in future years.

• Improvements in the Spring of 2022 include cart path paving. Improvements in FY23 include additional fencing to prevent trespassing and replacement of half of the netting. The remaining netting will be replaced in fiscal year 2023-2024.

• Plans continue to develop for the construction of the restoration and relocation of the stream on Holes #2 and #6. Stormwater protection program funds in the amount of $800,000 are budgeted for this work that is scheduled for the winter of 2022-2023.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Number of Golfers	**19,425**	**20,581**	**18,000**
Number of Rounds Started	**16,192**	**16,287**	**14,000**
Average daily rounds of golf	**54**	**56**	**52**
Number of cart rentals	**11,988**	**12,718**	**10,500**
Number of golf leagues	**1**	**1**	**1**
Number of golf tournaments	**3**	**4**	**4**
Pro Shop Sales/Other Revenues (in $)	**$ 39,484**	**$ 26,600**	**$ 31,100**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 188,359	$ 173,508	$ 174,408	$ 167,770	-3.3%
Benefits	96,676	108,082	105,315	95,640	-11.5%
Overtime	15,706	15,000	15,242	15,000	0.0%
Personnel Subtotal	**300,741**	**296,590**	**294,965**	**278,410**	**-6.1%**
Contractual Services	42,828	22,903	38,491	38,414	67.7%
Operating Expenditures	119,161	139,045	150,625	150,773	8.4%
Operating Cap Exp (Cap Outlay)	819	-	-	-	0.0%
Other General Expenses	41,438	65,500	53,900	71,400	9.0%
Operating Subtotal	**204,246**	**227,448**	**243,016**	**260,587**	**14.6%**
Total Expenditures	**$ 504,987**	**$ 524,038**	**$ 537,981**	**$ 538,997**	**2.9%**
REVENUES BY TYPE					
Departmental Revenue	639,208	497,186	524,166	439,300	-11.6%
Total Revenues	**$ 639,208**	**$ 497,186**	**$ 524,166**	**$ 439,300**	**-11.6%**
Expenditures, net of Revenues	**$ (134,221)**	**$ 26,852**	**$ 13,815**	**$ 99,697**	**271.3%**

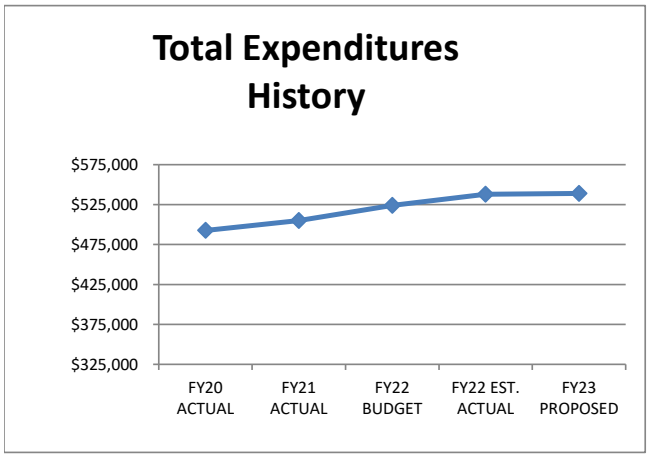
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total expenditures reflect a 2.7% or $13.9K increase from the adopted budget to FY22 estimated mostly due to increases in contractual services and operating expenses. This is a result of expected increases in credit card processing fees, other contracted services, and central maintenance garage charges. In addition, depreciation projections were estimated based upon actual trends experiencing and are expected to decrease under FY22 budget by 17.7% or $11.6K. Departmental revenue is expected to be 5.4% or $27K higher than FY22 budget due to increased play time and golf cart rentals.

Adopted FY22 to Proposed FY23

In total, personnel expenditures are projected to decrease by 6.1% or $18.2K due to anticipated shifting in staff between General Fund Recreation program areas. An allocation in FY23 will be performed to make any necessary adjustments to the part time staffing amounts between Golf Fund and General Fund. Overall operating expenses are expected to be 14.6% or $15K higher than FY22 budget due to increases in operating expenses and contractual services. Departmental revenues show an overall 11.6% or $57.9K decrease when compared to FY22 budget mostly due to a decrease in Highway User revenues and revenues transferred in from the general fund. Many categories within the operating revenues, such as golf cart rentals and greens fees, are expected to increase over FY22 budget as a result of the increase in customers.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	2.24	2.24	2.24	2.24
Part time	1.72	1.72	1.72	1.00
Seasonal	3.00	2.00	2.00	2.00
Staffing Total	6.96	5.96	5.96	5.24
Unfunded positions	0.00	0.00	0.00	0.00

Overall, staffing for the Golf Course will remain mostly steady in FY23 proposed budget. A budget amendment will be completed in FY23 for any needed changes to the part time number between General Fund and Golf Fund. In FY22, seasonal staffing was decreased to 2.

GOLF COURSE FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
OPERATING REVENUES					
Green Fees	$ 193,505	$ 137,000	$ 147,000	$ 165,000	20.4%
Cart Rentals	111,516	90,000	110,000	110,000	22.2%
Tournaments and Specials	12,002	10,000	10,000	10,000	0.0%
State Shared: Highway User Income	-	30,000	30,000	-	-100.0%
Other Revenues	39,484	29,500	26,600	31,100	5.4%
Total Operating Revenues	**356,507**	**296,500**	**323,600**	**316,100**	**6.6%**
OPERATING EXPENSES					
Operating Expenses	463,549	458,538	484,081	467,597	2.0%
Depreciation	41,438	65,500	53,900	71,400	9.0%
Total Operating Expenses	**504,987**	**524,038**	**537,981**	**538,997**	**2.9%**
Operating Income (Loss)	**(148,480)**	**(227,538)**	**(214,381)**	**(222,897)**	**-2.0%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - ARPA	10,765	-	-	-	0.0%
Intergovernmental Revenue - CARES Act	194	-	-	-	0.0%
Interest Earned	85	220	100	200	-9.1%
Total Other Income (Expense)	**11,044**	**220**	**100**	**200**	**-9.1%**
Net Income before Contributions & Transfers	**(137,436)**	**(227,318)**	**(214,281)**	**(222,697)**	**-2.0%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from General Fund	271,657	200,466	200,466	123,000	-38.6%
Total Transfers From (To) Funds	**271,657**	**200,466**	**200,466**	**123,000**	**-38.6%**
Increase (Decrease) in Retained Earnings	**134,221**	**(26,852)**	**(13,815)**	**(99,697)**	**271.3%**
Add Back Depreciation	41,438	65,500	53,900	71,400	9.0%
Capital Outlay/Fixed Assets	-	(98,000)	(92,490)	(63,000)	-35.7%
Changes in Working Capital	(14,047)	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 161,612**	**$ (59,352)**	**$ (52,405)**	**$ (91,297)**	**53.8%**
Beginning Fund Balance	**$ 579,448**	**$ 713,669**	**$ 686,817**	**$ 673,002**	**-5.7%**
Ending Fund Balance	**$ 713,669**	**$ 686,817**	**$ 673,002**	**$ 573,305**	**-16.5%**

GOLF COURSE FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
GREENS REVENUES					
Greens Fees-Weekday,Regular,9-Hole	178,303	120,000	130,000	150,000	25.0%
Season Pass- Regular Individual	15,202	17,000	17,000	15,000	-11.8%
Total Greens Revenues	**193,505**	**137,000**	**147,000**	**165,000**	**20.4%**
GOLF CART REVENUES					
Cart Rentals-Regular, 9-Holes	111,516	90,000	110,000	110,000	22.2%
Total Golf Cart Revenues	**111,516**	**90,000**	**110,000**	**110,000**	**22.2%**
TOURNAMENTS & SPECIALS	**12,002**	**10,000**	**10,000**	**10,000**	**0.0%**
STATE SHARED: HIGHWAY USER INCOME	**-**	**30,000**	**30,000**	**-**	**-100.0%**
OTHER REVENUES					
Rental of Golf Clubs	877	1,000	1,000	1,000	0.0%
Tee Marker/Scorecard Sponsorship	5,200	4,500	-	4,500	0.0%
Golf Course Concession Revenues	7,141	5,000	6,000	6,000	20.0%
Golf Course Vending Revenues	10,173	8,000	10,000	10,000	25.0%
Golf Course Alcohol Revenues	13,772	10,000	10,000	10,000	0.0%
Property Rent-Golf Course	-	400	-	-	-100.0%
Recreation Programs	530	-	-	-	0.0%
Discounts/Promotions	(270)	500	(500)	(500)	-200.0%
Miscellaneous Golf Revenues	2,061	100	100	100	0.0%
Total Other Revenues	**39,484**	**29,500**	**26,600**	**31,100**	**5.4%**
Total Operating Revenues	**$ 356,507**	**$ 296,500**	**$ 323,600**	**$ 316,100**	**6.6%**

GOLF COURSE FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

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 Replace nets bordering senior center ($15,000) Erect a chain link fence to secure facilities ($10,000)	Land Improvements	To provide a more enjoyable experience to the customers with the enhancements to the course.	25,000
TOTAL CAPITAL OUTLAY			**$ 63,000**

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); 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. This property is now privately owned after being sold through the City's Competitive Negotiated Sale program in FY21.

• Planned repairs for FY23 and future fiscal years include: 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 building has three rental spaces leased to the following tenants: State of Marlyand DLLR, Maryland Watch Works, and The Foundry. DCED operations will also remain in the Elizabeth Hager Building through part of FY23 until new DCED office space is ready at 32 N Potomac Street in 2023.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Number of leases:			
Elizabeth-Hager Center	**4**	**3**	**4**
Fire Police Headquarters	**1**	**1**	**1**
BuroBox	**10**	**8**	**10**
36-40 N. Potomac Street	**5**	**6**	**N/A**
Alms House	**0**	**0**	**0**

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 74,067	$ 75,560	$ 75,560	$ 79,038	4.6%
Benefits	23,822	22,004	22,159	22,954	4.3%
Overtime	-	-	-	-	0.0%
Personnel Subtotal	**97,890**	**97,564**	**97,719**	**101,992**	**4.5%**
Contractual Services	15,615	25,019	16,172	16,194	-35.3%
Operating Expenditures	503,446	187,015	205,281	162,826	-12.9%
Operating Cap Exp (Cap Outlay)	-	600	-	-	0.0%
Other General Expenses	592,264	144,875	633,869	114,607	-20.9%
Operating Subtotal	**1,111,325**	**357,509**	**855,322**	**293,627**	**-17.9%**
Total Expenditures	**$ 1,209,215**	**$ 455,073**	**$ 953,040**	**$ 395,619**	**-13.1%**
REVENUES BY TYPE					
Departmental Revenue	351,267	343,187	742,763	694,417	102.3%
Total Revenues	**$ 351,267**	**$ 343,187**	**$ 742,763**	**$ 694,417**	**102.3%**
Expenditures, net of Revenues	**$ 857,948**	**$ 111,886**	**$ 210,277**	**$ (298,798)**	**-367.1%**

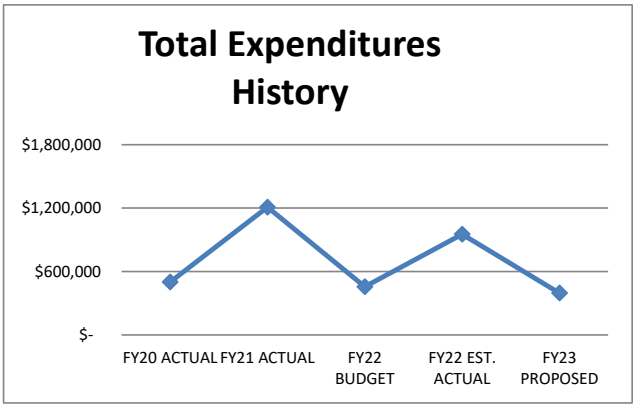
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

In total, FY22 estimated actual personnel expenses are expected to remain relatively level with FY22 budget. Operating expenditures are anticipated to be significantly higher than FY22 budget by 139.2% or $497.8K. This increase is from the loss recognized for the donation of 790-800 Potomac Avenue to Antietam Fire Company. Revenues are also expected to increase by 116.4% or $399.6K due to a transfer of $446K from the General Fund for the lease to Antietam Fire Company that was forgiven. Rental income revenues are also expected to be lower than FY22 budget mostly due to the sale of 36-40 North Potomac Street.

Adopted FY22 to Proposed FY23

FY23 personnel expenditures are projected to increase 4.5% or $4.4K compared to FY22 while total operating expenditures are expected to decrease 17.9% or $63.9K. The decreases in operating expenses can be attributed to the sale of 36-40 North Potomac Street and the donation of 790-800 Potomac Avenue; we will no longer incur expenses to care for these buildings. Departmental revenue is projected to increase 102.3% or $351.2K over FY22 budget due to a transfer of $400K from the CDBG fund. This is to fund the repairs to the Alms House under capital improvement project C0755.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	0.90	0.90	0.90	0.90
Part time	0.72	0.00	0.00	0.00
Staffing Total	1.62	0.90	0.90	0.90
Unfunded positions	0.00	0.00	0.00	0.00

Starting in FY22, a part-time position was eliminated.

PROPERTY MANAGEMENT FUND - COMPARATIVE INCOME STATEMENT
2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
OPERATING REVENUES					
Rent from Tenants	$ 335,291	$ 326,987	$ 286,920	$ 290,717	-11.1%
Other Revenues	1,975	3,200	3,200	3,200	0.0%
Total Operating Revenues	**337,266**	**330,187**	**290,120**	**293,917**	**-11.0%**
OPERATING EXPENSES					
Selling, General and Administrative Expenses	616,950	310,198	319,171	281,012	-9.4%
Depreciation	131,866	141,000	108,900	110,900	-21.3%
Total Operating Expenses	**748,816**	**451,198**	**428,071**	**391,912**	**-13.1%**
Operating Income (Loss)	**(411,550)**	**(121,011)**	**(137,951)**	**(97,995)**	**-19.0%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - CARES Act	73	-	-	-	0.0%
Interest Earned	13,928	13,000	6,632	500	-96.2%
Interest/Bond Issuance Expense	(4,041)	(3,875)	(3,875)	(3,707)	-4.3%
Gain (Loss) on Capital Assets	(456,358)	-	(521,094)	-	0.0%
Total Other Income (Expense)	**(446,398)**	**9,125**	**(518,337)**	**(3,207)**	**-135.1%**
Net Income before Contributions & Transfers	**(857,948)**	**(111,886)**	**(656,288)**	**(101,202)**	**-9.5%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from CDBG Fund	-	-	-	400,000	100.0%
Transfers from General Fund	-	-	446,011	-	0.0%
Total Transfers From (To) Funds	**-**	**-**	**446,011**	**400,000**	**100.0%**
Increase (Decrease) in Retained Earnings	**(857,948)**	**(111,886)**	**(210,277)**	**298,798**	**-367.1%**
Add Back Depreciation	131,866	141,000	108,900	110,900	-21.3%
Capital Outlay/Fixed Assets	-	(160,000)	(230,000)	(420,000)	162.5%
Principal Payments on Long-term Debt	(5,511)	(5,555)	(5,555)	(5,959)	7.3%
Changes in Working Capital	860,840	-	521,094	-	0.0%
Net Sources (Uses) of Cash	**$ 129,247**	**$ (136,441)**	**$ 184,162**	**$ (16,261)**	**-88.1%**
Beginning Fund Balance	**$ 3,613,559**	**$ 2,755,611**	**$ 2,755,611**	**$ 2,545,334**	**-7.6%**
Ending Fund Balance	**$ 2,755,611**	**$ 2,643,725**	**$ 2,545,334**	**$ 2,844,132**	**7.6%**

PROPERTY MANAGEMENT FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
Rent - 2-6 N Potomac Street, 1st Floor	$ 175,291	167,100	167,100	167,100	0.0%
Rent - 14 N Potomac Street, Suite 200A/B	31,908	35,744	35,744	35,744	0.0%
Rent - 6 N Potomac Street	11,262	-	15,000	22,728	100.0%
Rent - 14 N Potomac Street, Suite B-3	19,400	21,300	21,300	24,180	13.5%
Rent - 14 N Potomac Street, Suite 200C	150	-	-	-	0.0%
Rent - 60 W Wash Street, Suite 102	8,201	7,600	7,791	8,025	5.6%
Rent - 790-800 Potomac Avenue	16,454	16,000	8,395	-	-100.0%
Rent - 40 N Potomac Street	15,517	17,003	-	-	-100.0%
Rent - 60 W Washington St Rear	34,223	32,940	31,590	32,940	0.0%
Rent - 38 N Potomac Street	17,750	20,900	-	-	-100.0%
Rent - 36 N Potomac Street	5,136	8,400	-	-	-100.0%
Total Rent from Tenants	**335,291**	**326,987**	**286,920**	**290,717**	**-11.1%**
Membership Dues	1,975	3,200	3,200	3,200	0.0%
Total Other Revenues	**1,975**	**3,200**	**3,200**	**3,200**	**0.0%**
Total Operating Revenues	**$ 337,266**	**$ 330,187**	**$ 290,120**	**$ 293,917**	**-11.0%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Rental income from tenants and membership dues in FY22 estimated actuals are projected to be 12.1% or $40.1K lower than FY22 budget. This decrease is specially the result of the sale of 36-40 North Potomac Street and the cancelation of a lease and donation of 790-800 Potomac Ave to Antietam Fire Company. There is a $15K increase in rental income for 6 North Potomac Street due a new tenant, The Foundry Pop-Ups.

Adopted FY22 to Proposed FY23

Total rents in FY23 proposed will decrease by 11.1% or $36.3K when compared to FY22 budget. This decrease is the result of the sale of 36-40 North Potomac Street and the cancelation of a lease and donation of 790-800 Potomac Ave to Antietam Fire Company. Rent collected from 6 North Potomac Street, 14 N Potomac Street Suite B-3, and 60 W Wash Street are expected to be higher than FY22 budget.

PROPERTY MANAGEMENT FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Alms House Repairs-C0755 Construct a police substation and community room space in the lower levels of the Alms House.	Building Renovation	Provides a police presence in the northeast quadrant of the City.	400,000
Elizabeth Hager Center-C0803 Painting, various leasehold improvements, and continued replacement of HVAC units on an as needed basis.	Building Renovation	Maintain the quality of the building.	20,000
TOTAL CAPITAL OUTLAY			**$ 420,000**

DEPARTMENT / 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 Protection Program that charges 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.

The Stormwater Protection Fund is different than the other Enterprise funds in that it utilizes manpower from Public Works and Engineering.

DEPARTMENT / 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 street sweeping program and evaluate ways to increase MDE stormwater credits
- Per the Strategic Plan, implement projects to clean and treat stormwater including MKS pond retrofit, creation of stormwater management facility at the BMX track, golf course stream relocation, and West Hillcrest Avenue green street project.
- Expand street tree and forest planting program using grant funds from the Chesapeake Bay Trust; partner with the Maryland Forest Service to plant tress at the R.C Willson treatment plant, Breichner treatment plant, and west end reservoirs.
- Implement incentive programs for residents and larger commercial establishments to install stormwater management best practices.

PERFORMANCE INDICATORS

	2020/21	2021/22	2022/23
Number of tons collected by sweepers	418	350	400
Number of stormdrain inlets	2,515	2,520	2,540
Number of stormdrain manholes	587	590	598
Miles of public stormdrain	106	107	108
Total stormwater BMP's in City	334	340	360
Incentive projects	-	5	5
Lineal feet of stream restoration	-	400	1,800
Facility retrofits	-	1	1
Green street projects	-	1	1

EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 251,948	$ 369,611	$ 262,271	$ 303,255	-18.0%
Benefits	73,927	101,157	79,353	98,787	-2.3%
Overtime	3,744	5,000	5,000	5,000	0.0%
Personnel Subtotal	**329,620**	**475,768**	**346,624**	**407,042**	**-14.4%**
Contractual Services	117,114	256,000	129,500	272,500	6.4%
Operating Expenditures	147,323	1,337,143	333,256	572,972	-57.1%
Other General Expenses	656,161	113,878	108,399	146,014	28.2%
Operating Subtotal	**920,599**	**1,707,021**	**571,155**	**991,486**	**-41.9%**
Total Expenditures	**$ 1,250,218**	**$ 2,182,788**	**$ 917,779**	**$ 1,398,528**	**-35.9%**
REVENUES BY TYPE					
Departmental Revenue	$ 1,207,440	$ 2,946,932	$ 3,133,078	$ 3,198,500	8.5%
Total Revenues	**$ 1,207,440**	**$ 2,946,932**	**$ 3,133,078**	**$ 3,198,500**	**8.5%**
Expenditures, net of Revenues	**$ 42,779**	**$ (764,144)**	**$ (2,215,299)**	**$ (1,799,972)**	**135.6%**

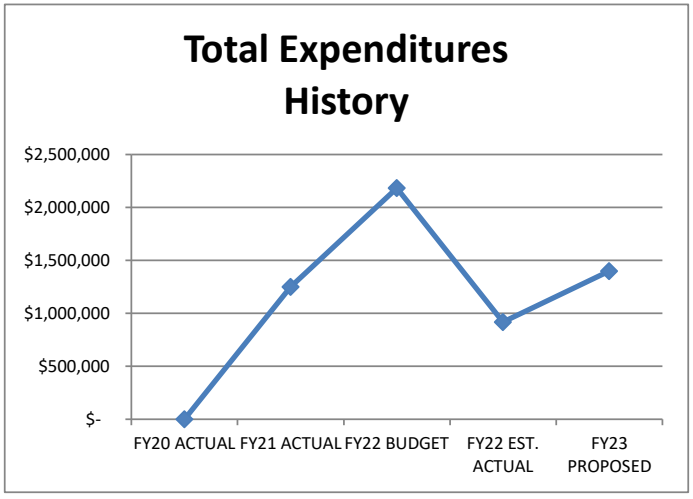
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total FY22 estimated actual personnel expenditures reflect a 27.1% or $129.1K decrease from FY22 budget due to less staffing allocated from the General Fund. Operating expenditures also expected to significantly decrease by 66.5% or $1.1M. Of this, $780.3K was from a decrease in expenses we expected to incur for uncollectible customer accounts. The amount of uncollectible customer accounts is lower than originally anticipated during implementation of this program initiative. Conversely, departmental revenues are expected to increase by 6.3% or $186.1K mostly due to higher than expected revenues generated from the stormwater fixed fee.

Adopted FY22 to Proposed FY23

Personnel expenditures in the proposed FY23 budget are expected to decrease 14.4% or $68.7K from FY22 budget. This is due to less staff allocated from the General Fund and a new position not being necessary at this time. In total, operating expenditures are also expected to be lower than FY22 budget by 41.9% or $715.5K. This decrease is again mostly due to lower than originally expected uncollectible customer accounts. Departmental revenues in the FY23 proposed are expected to be slightly higher than FY22 budget by 8.5% or $251.6K due to rates and trends expected in stormwater fixed fee revenues.



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	0.00	5.36	5.36	4.11
Seasonal	0.00	4.00	4.00	4.00
Staffing Total	0.00	9.36	9.36	8.11
Unfunded positions	0.00	0.00	0.00	0.00

In FY21 and prior, staffing was included in General Fund areas of Public Works and Engineering for Stormwater Protection related activities.

STORMWATER PROTECTION FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
OPERATING REVENUES					
Stormwater Fixed Fee	$ 589,852	$ 3,121,268	$ 3,240,828	$ 3,320,000	6.4%
Credit SWM Program	(2,100)	(176,836)	(120,000)	(135,000)	-23.7%
Late Fees	2,273	-	11,000	11,000	100.0%
Total Operating Revenues	**590,025**	**2,944,432**	**3,131,828**	**3,196,000**	**8.5%**
OPERATING EXPENSES					
Infrastructure Maintenance	325,083	447,333	470,603	501,810	12.2%
Capital Construction	15,070	136,298	9,678	-	-100.0%
Selling, General & Administrative	253,905	1,485,280	329,099	750,704	-49.5%
Depreciation	71,199	91,300	86,000	125,100	37.0%
Total Operating Expenses	**665,257**	**2,160,210**	**895,380**	**1,377,614**	**-36.2%**
Operating Income (Loss)	**(75,233)**	**784,222**	**2,236,448**	**1,818,386**	**131.9%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue - ARPA	10,765	-	-	-	0.0%
Interest Earned	14	2,500	1,250	2,500	0.0%
Interest/Bond Issuance Expense	(26,823)	(22,578)	(22,399)	(20,914)	-7.4%
Total Other Income (Expense)	**(16,044)**	**(20,078)**	**(21,149)**	**(18,414)**	**-8.3%**
Net Income before Contributions & Transfers	**(91,277)**	**764,144**	**2,215,299**	**1,799,972**	**135.6%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from Capital Improvements Fund	77,564	-	-	-	0.0%
Transfer of Long Term Debt	(558,138)	-	-	-	0.0%
Total Transfers From (To) Funds	**(480,575)**	**-**	**-**	**-**	**0.0%**
CAPITAL CONTRIBUTIONS					
*Capital Contributions	529,072	-	-	-	0.0%
Total Capital Contributions	**529,072**	**-**	**-**	**-**	**0.0%**
Increase (Decrease) in Retained Earnings	**(42,779)**	**764,144**	**2,215,299**	**1,799,972**	**135.6%**
Add Back Depreciation	71,199	91,300	86,000	125,100	37.0%
Capital Outlay/Fixed Assets	(678,682)	(1,012,500)	(750,000)	(1,435,000)	41.7%
Principal Payments on Long-term Debt	(32,940)	(34,348)	(34,356)	(35,833)	4.3%
Changes in Working Capital	683,435	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 233**	**$ (191,404)**	**$ 1,516,943**	**$ 454,239**	**-337.3%**
Beginning Fund Balance	**$ -**	**$ (42,779)**	**$ (42,779)**	**$ 2,172,520**	**-5178.4%**
Ending Fund Balance	**$ (42,779)**	**$ 721,364**	**$ 2,172,520**	**$ 3,972,492**	**450.7%**

*FY2020/21 Capital Contributions reflect a transfer of Capital Fixed Assets at book value from General Fund.

STORMWATER PROTECTION FUND - CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Stormdrain System Upgrades-C0444 Unspecified work to deal with aging system and to remediate issues from the video inspection.	Infrastructure	Replace deteriorating system as problems arise or install new storm drain based on complaints.	150,000
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
Reforestation Using SPP Funds - C0594 Plant trees to reforest both existing and pervious and impervious areas to earn credits that will help the City comply with the 20% restoration requirement in the NPDES permit.	Infrastructure - Reforestation	To qualify for credits, the trees must be planted in compliance with MDE's definition of "forest".	25,000
Stream Restorations-C0866 Construction of stream restoration at the golf course in the winter of 2022-2023.	Stormwater Management	Streams are eroding and impacting properties and the golf course.	1,160,000
TOTAL CAPITAL OUTLAY			**$ 1,435,000**

Events

City of Hagerstown





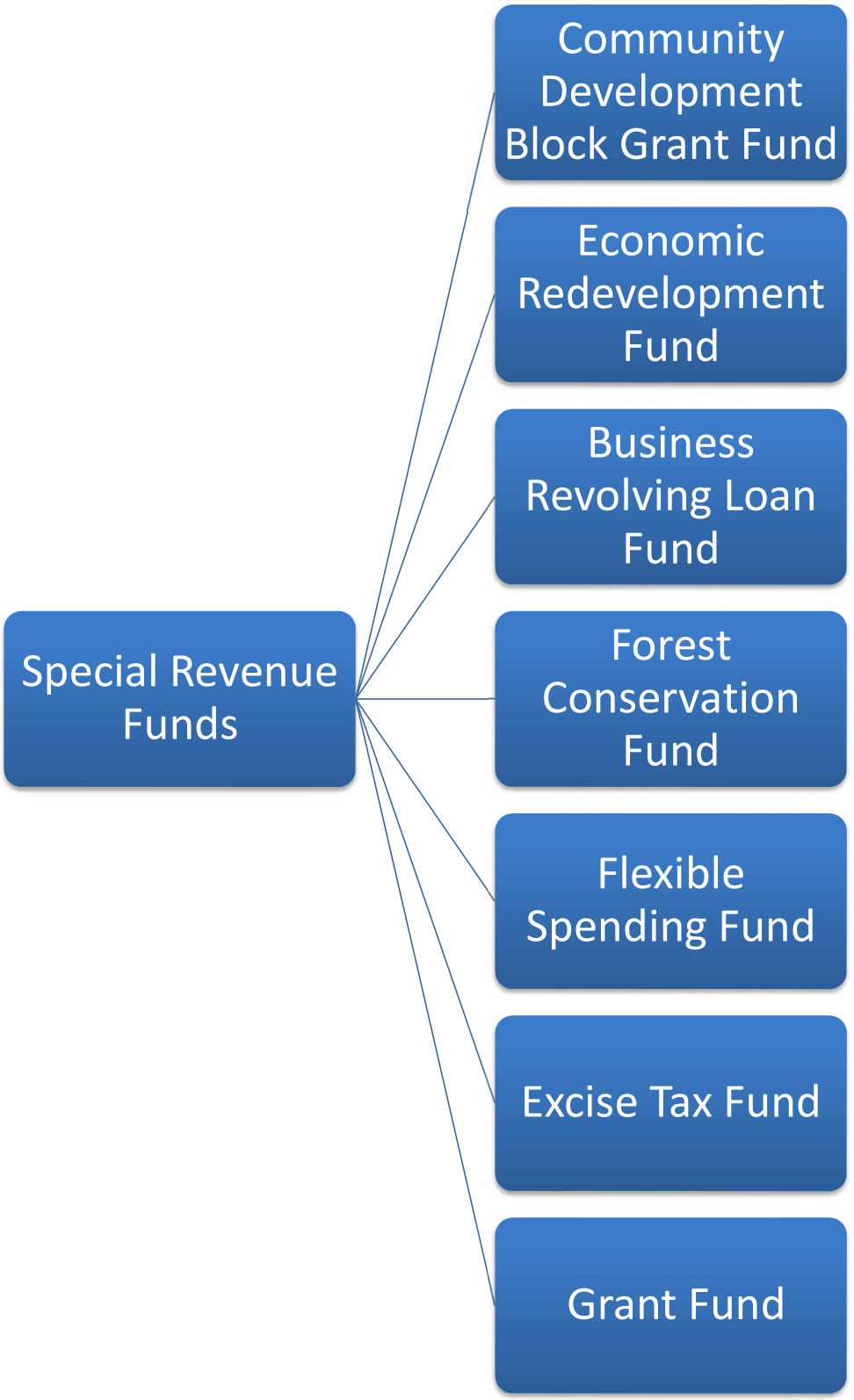




SPECIAL REVENUE FUNDS
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Special Revenue Funds
Community Development Block Grant Fund
Economic Redevelopment Fund
Business Revolving Loan Fund
Forest Conservation Fund
Flexible Spending Fund
Excise Tax Fund
Grant Fund

SPECIAL REVENUE FUNDS -COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2022/2023

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	$ 1,540,041	$ 412,500	-	$ -	$ -	$ -	$ 371,363	$ 2,323,904
Program Income	220,125	-	261,000	-	-	-	-	481,125
Reforestation Fees	-	-	-	25,000	-	-	-	25,000
Interest on Investments	75	500	500	350	25	100	-	1,550
Other Revenues	-	11,744	500	-	1,000	-	-	13,244
Total Revenues	**1,760,241**	**424,744**	**262,000**	**25,350**	**1,025**	**100**	**371,363**	**2,844,823**
EXPENDITURES								
New Loan Expenditures	-	-	250,000	-	-	-	-	250,000
Commercial/Industrial Improvements	475,000	-	-	-	-	-	-	475,000
Clearance/Demolition	75,000	-	-	-	-	-	-	75,000
Public Facilities and Improvements	595,000	-	-	-	-	-	-	595,000
Public Services	182,951	-	-	-	-	-	-	182,951
Contra Principal Payments	45,000	-	-	-	-	-	-	45,000
Cost of Properties Held for Resale	221,000	-	-	-	-	-	-	221,000
Housing Rehab	162,000	-	-	-	-	-	-	162,000
Program Administration	62,742	-	-	-	-	-	-	62,742
Administration	145,789	33,848	10,390	-	-	-	-	190,027
Public Safety	-	-	-	-	-	-	378,030	378,030
PEP Subsidized Rent Payments	-	131,500	-	-	-	-	-	131,500
Economic Incentives		35,000	-	-	-	-	-	35,000
Economic Incentives: State Grant	-	412,500	-	-	-	-	-	412,500
City Center Redevelopment: Invest Hagerstown	-	500,000	-	-	-	-	-	500,000
City-Wide Redevelopment: Invest Hagerstown	-	150,000	-	-	-	-	-	150,000
Homeownership Grant: Invest Hagerstown	-	120,000	-	-	-	-	-	120,000
Rental Property Rehab:Invest Hagerstown	-	55,000	-	-	-	-	-	55,000
Façade:Invest Hagerstown	-	30,000	-	-	-	-	-	30,000
Total Expenditures	**1,964,482**	**1,467,848**	**260,390**	**-**	**-**	**-**	**378,030**	**4,070,750**
Excess of Revenues Over (under) Expenditures	**(204,241)**	**(1,043,104)**	**1,610**	**25,350**	**1,025**	**100**	**(6,667)**	**(1,225,927)**
OTHER FINANCING USES								
Operating Transfers From Other Funds	-	1,055,000	-	-	-	-	6,667	1,061,667
Operating Transfers (to) Other Funds	-	-	-	(90,000)	-	-	-	(90,000)
Total Other Financing Uses	**-**	**1,055,000**	**-**	**(90,000)**	**-**	**-**	**6,667**	**971,667**
Net Change in Fund Balance	**(204,241)**	**11,896**	**1,610**	**(64,650)**	**1,025**	**100**	**-**	**(254,260)**
Beginning Fund Balance	**1,666,031**	**1,137,462**	**1,131,965**	**147,060**	**(13,928)**	**2,987**	**175,692**	**4,247,269**
Ending Fund Balance	**$ 1,461,790**	**$ 1,149,358**	**$ 1,133,575**	**$ 82,410**	**$ (12,903)**	**$ 3,087**	**$ 175,692**	**$ 3,993,009**
DETAIL OF ENDING FUND BALANCE								
Restricted	$ 1,461,790	$ -	$ -	$ 82,410	$ -	$ -	$ 175,692	1,719,892
Committed*	-	606,008	-	-	-	-	-	606,008
Assigned	-	543,350	1,133,575	-	(12,903)	3,087	-	1,667,109
Ending Fund Balance	**$ 1,461,790**	**$ 1,149,358**	**$ 1,133,575**	**$ 82,410**	**$ (12,903)**	**$ 3,087**	**$ 175,692**	**$ 3,993,009**

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 this long span of the significantly reduced entitlement amounts, the City's entitlements have gradually increased each year since FY19. The estimated entitlement amount for FY23 is $825,000. At this time, an exact entitlement amount for FY23 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 FY23 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 home repair programs and City sponsored home repair programs.

- The DCED works in cooperation with other City Departments to carry out neighborhood based projects. Proposed FY23 Public Facility projects to be carried out in cooperation with the Public Works & Engineering Departments include Wheaton Park enhancements, pedestrian bridges at City Park and sidewalk accessibility ramp construction. In cooperation with the Hagerstown Police Department, phased renovations are planned for the vacant Alms House property to create a police substation and community room.

- The FY23 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 was also distributed to multiple non-profit organizations for public service activites associated with the COVID-19 pandemic response. As of February 2022, approximately 75% of the City's CDBG-CV funding has been expended.

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

	2020/21	2021/22	2022/23
Number of Active Loans Outstanding	**35**	**37**	**39**
Value of Active Loans Portfolio ($000)	**$ 1,134**	**$ 1,120**	**$ 1,150**
Down Payment Assistance Cases	**7**	**8**	**10**
CDBG Single Family Rehabilitation Projects	**19**	**14**	**18**
Citizens Assisted Through Public Services	**849**	**750**	**800**
Citizens Assisted Through CDBG -CV Public Services	**2,628**	**250**	**150**
Overall Low/Moderate Benefit Ratio (%)	**100%**	**100%**	**95%**
Total Administrative Costs as Percent of Total Expenditures	**11%**	**18%**	**18%**

ENTITLEMENT SPENDING

	AWARD	AMOUNT USED THRU FY22	FY23 BUDGET	REMAINING
B14 HUD Entitlement Grant	646,183	646,183	-	-
B15 HUD Entitlement Grant	641,604	641,604	-	-
B16 HUD Entitlement Grant	654,941	495,941	159,000	-
B17 HUD Entitlement Grant	667,757	663,062	4,695	-
B18 HUD Entitlement Grant	757,083	749,488	7,595	-
B19 HUD Entitlement Grant	771,221	731,221	40,000	-
B20 HUD Entitlement Grant	803,671	603,671	200,000	-
B21 HUD Entitlement Grant	835,051	560,051	275,000	-
B22 HUD Entitlement Grant	825,000	-	825,000	-

EXPENDITURE SUMMARY

	2020/21	2021/22		2022/23	2022/23
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
Commercial/Industrial Improvements	$ -	$ 85,000	$ 85,000	$ 475,000	458.8%
Clearance and Demolition	-	75,000	-	75,000	0.0%
Public Facilities and Improvements	309,948	941,337	819,804	595,000	-36.8%
Public Services	667,494	399,916	363,664	182,951	-54.3%
Contra Principal Payments	310,357	66,000	60,000	45,000	-31.8%
Cost of Properties Held for Resale	-	221,000	221,000	221,000	0.0%
Housing Rehab	131,286	73,574	53,399	162,000	120.2%
Program Administration	43,738	59,527	58,974	62,742	5.4%
Administration	(26,314)	162,524	132,134	145,789	-10.3%
Total Expenditures	**$ 1,436,509**	**$ 2,083,878**	**$ 1,793,975**	**$ 1,964,482**	**-5.7%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total estimated actual FY22 CDBG expenditures are currently projected to be lower than the FY22 adopted budget. This can often vary or change depending on capital projects that span multiple fiscal years. Demand for homeowner repair programs can also fluctuate and homeowner projects can also span multiple fiscal years.

In FY22, CDBG funding was provided for a portion of a full-time code inspector position focused on improving the quality of life in City neighborhoods. Funding for this position is also included in the FY23 budget. Administrative and personnel costs associated with various activities will remain in compliance with the regulatory cap of 20%.

A cooperative effort with the Public Works Department & the Engineering Department lead to the following neighborhood based projects in FY22:

- Accessibility Ramp Improvements
- Skate Park 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 FY22 through FY23:

- Wheaton Park Enhancements

Adopted FY22 to Proposed FY23

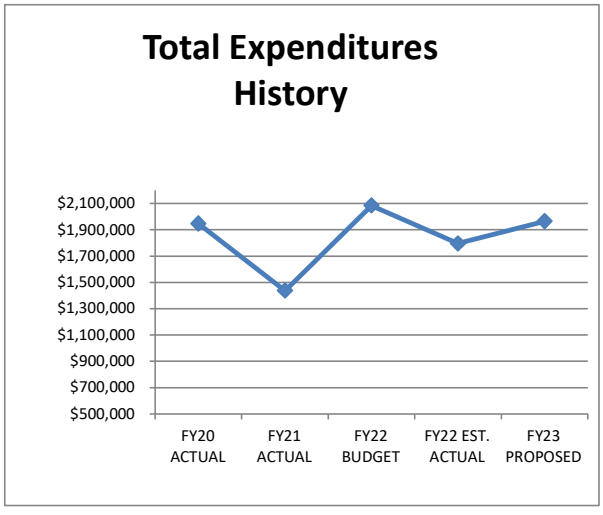
Due to the ongoing federal budget process, the City's FY23 entitlement amount has not been determined. Even if CDBG grant amounts are similar from year to year, projects that span multiple fiscal years, carry over funding from projects completed under budget, and fluctuations in program income can result in significant budget variation when comparing fiscal year expenditures. Based on the estimated entitlement amount for FY23 and potential carry over funds from previous years, the proposed FY23 budget has been set where expenditures equal the estimated entitlement funds and program income funds. The budgeted loss of approximately $204K is from the result of a loss on a property sale of one unit at 261 S. Prospect Street.

The FY23 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 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES					
CDBG Grant Entitlements	$ 487,265	$ 1,200,051	$ 915,384	$ 1,511,290	25.9%
HUD Cares Act Entitlements	508,994	238,216	209,464	28,751	-87.9%
Program Income-Principal Repayments	309,790	66,000	60,000	45,000	-31.8%
Program Income-Other	346,435	183,618	173,000	175,125	-4.6%
Interest on Investments	124	75	(42)	75	0.0%
Other Revenues	-	-	-	-	0.0%
Total Operating Revenues	**1,652,609**	**1,687,960**	**1,357,806**	**1,760,241**	**4.3%**
EXPENDITURES					
Commercial/Industrial Improvements	$ -	$ 85,000	$ 85,000	$ 475,000	458.8%
Clearance and Demolition	-	75,000	-	75,000	0.0%
Public Facilities and Improvements	309,948	941,337	819,804	595,000	-36.8%
Public Services	667,494	399,916	363,664	182,951	-54.3%
Contra Principal Payments	310,357	66,000	60,000	45,000	-31.8%
Cost of Properties Held for Resale	-	221,000	221,000	221,000	0.0%
Housing Rehab	131,286	73,574	53,399	162,000	120.2%
Program Administration	43,738	59,527	58,974	62,742	5.4%
Administration	(26,314)	162,524	132,134	145,789	-10.3%
Total Operating Expenditures	**1,436,509**	**2,083,878**	**1,793,975**	**1,964,482**	**-5.7%**
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ 216,100**	**$ (395,918)**	**$ (436,169)**	**$ (204,241)**	**-48.4%**
Beginning Fund Balance	**1,886,100**	**2,102,200**	**2,102,200**	**1,666,031**	**-20.7%**
Ending Fund Balance	**$ 2,102,200**	**$ 1,706,282**	**$ 1,666,031**	**$ 1,461,790**	**-14.3%**



STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
Full time	2.00	2.70	2.70	2.70
Staffing Total	2.00	2.00	2.00	2.70
Unfunded positions	0.00	0.00	0.00	0.00

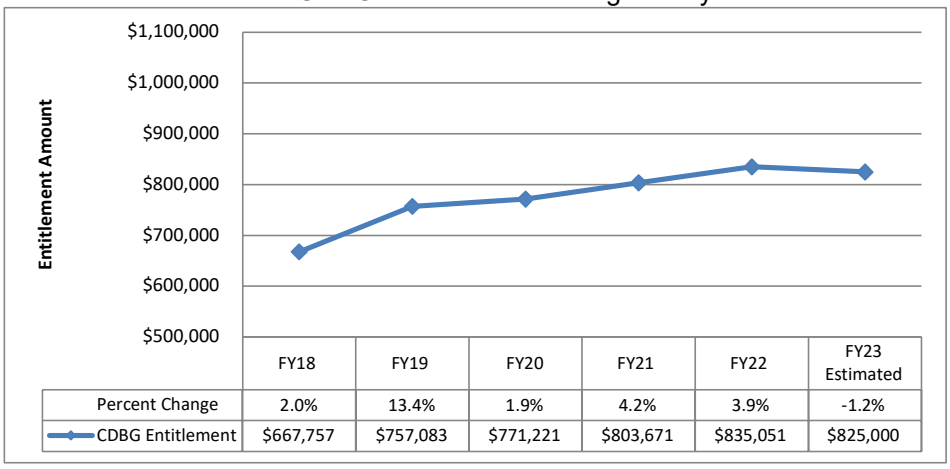
COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
GRANTS					
CDBG Grant Entitlements (HUD)					
B14 Entitlement	39,962	-	-	-	0.0%
B15 Entitlement	1,925	-	1,690	-	0.0%
B16 Entitlement	10,793	-	50,660	159,000	100.0%
B17 Entitlement	50,478	-	-	4,695	100.0%
B18 Entitlement	16,870	-	-	7,595	100.0%
B19 Entitlement	156,660	12,000	26,844	40,000	233.3%
B20 Entitlement	210,576	353,000	356,344	200,000	-43.3%
B21 Entitlement	-	835,051	479,846	275,000	-67.1%
B22 Entitlement	-	-	-	825,000	100.0%
HUD Cares Act Funding Round One	472,375	470	470	-	-100.0%
HUD Cares Act Funding Round Two	36,619	237,746	208,994	28,751	-87.9%
Total Grants	996,259	1,438,267	1,124,848	1,540,041	7.1%
PROGRAM INCOME					
Sale of Properties	318,345	155,000	155,000	155,000	0.0%
Principal Repayments on Loans	309,790	66,000	60,000	45,000	-31.8%
Interest Income on Loans	28,090	28,618	18,000	20,125	-29.7%
Total Program Income	656,226	249,618	233,000	220,125	-11.8%
INVESTMENT EARNINGS	124	75	(42)	75	0.0%
Total Operating Revenues	**$ 1,652,609**	**$ 1,687,960**	**$ 1,357,806**	**$ 1,760,241**	**4.3%**

The CDBG Entitlement Funding History graph and chart below illustrate the CDBG Entitlement current year amounts awarded to the City for FY18–FY22, and the CDBG Entitlement amount estimated to be awarded to the City for FY23. 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 FY18 and FY19 by 2.0% and 13.4% with increases in funding of 1.9%, 4.2% and 3.9% in Fiscal Years 20-22 to bring the entitlement to $180.0K above the FY17 level. The City has continued to see increases annually since FY18. In FY23, the City anticipates a 1.2% decrease in funding.

CDBG Entitlement Funding History



	FY18	FY19	FY20	FY21	FY22	FY23 Estimated
Percent Change	2.0%	13.4%	1.9%	4.2%	3.9%	-1.2%
CDBG Entitlement	$667,757	$757,083	$771,221	$803,671	$835,051	$825,000

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
COMMERCIAL/INDUSTRIAL IMPROVEMENTS					
Microenterprise Grants	-	85,000	85,000	75,000	-11.8%
Commercial Rehab-City Owned Property	-	-	-	400,000	100.0%
Total Commercial/Industrial Improvements	-	85,000	85,000	475,000	458.8%
CLEARANCE & DEMOLITION					
City - Downtown Buildings	-	75,000	-	75,000	0.0%
Total Clearance & Demolition	-	75,000	-	75,000	0.0%
CONTRA PRINCIPAL PAYMENTS	310,357	66,000	60,000	45,000	-31.8%
COST OF PROPERTIES HELD FOR RESALE	-	221,000	221,000	221,000	0.0%
PUBLIC FACILITIES & IMPROVEMENTS					
Handicap Ramps	120,669	107,000	106,919	120,000	12.1%
City Fairgrounds Park	-	389,000	389,000	-	-100.0%
Traffic Signal Replacement	169,898	-	-	-	0.0%
Medal of Honor Triangle	1,008	-	-	-	0.0%
Neighborhood Parks	18,373	294,286	238,885	475,000	61.4%
Loans	-	151,051	85,000	-	-100.0%
Total Public Facilities & Improvements	309,948	941,337	819,804	595,000	-36.8%
PUBLIC SERVICES *					
CAC Cares Act Funding	433,975	470	470	-	-100.0%
REACH Shelter Security	20,000	21,000	21,000	21,000	0.0%
Public Services	-	-	-	18,700	100.0%
Community Free Clinic	48,000	49,000	49,000	49,000	0.0%
Community Free Clinic (Cares Act)	-	50,002	50,002	-	-100.0%
Girl's Inc Supper Program	10,000	11,000	11,000	11,000	0.0%
Children in Need	6,000	7,000	7,000	-	-100.0%
Girls Inc. of Washington County (Cares Act)	21,100	-	-	-	0.0%
Senior Living Alternative Meals	52,000	43,500	43,500	43,500	0.0%
CAC Financial Literacy	5,500	5,500	-	-	-100.0%
Together With Families	7,000	6,700	6,700	-	-100.0%
Crime Camera Equipment	-	-	-	-	0.0%
Commission on Aging (Cares Act Round 1)	17,300	-	-	-	0.0%
Commission on Aging (Cares Act Round 2)	4,947	57,503	28,751	28,751	-50.0%
Goodwill	10,000	11,000	11,000	11,000	0.0%
Goodwill (Cares Act)	9,877	112,035	112,035	-	-100.0%
YMCA (Cares Act)	21,796	18,206	18,206	-	-100.0%
Jonathan Street House of Worship	-	7,000	5,000	-	-100.0%
Total Public Services	667,494	399,916	363,664	182,951	-54.3%
HOUSING REHAB					
Res Single Fam Emergency Repair	4,934	31,800	30,000	40,000	25.8%
Homeownership Program	5,122	-	175	500	100.0%
Habitat Repair Program	26,170	18,000	10,000	18,000	0.0%
Commission on Aging	17,438	24,000	24,000	24,000	0.0%
HNDP Downpayment & Settlement	17,500	24,500	24,500	28,000	14.3%
Single Family Loan Program	131,347	75,000	30,000	50,000	-33.3%
Contra Expense - Single Family Loan Program	(131,347)	(150,000)	(115,000)	(50,000)	-66.7%
CDBG Administration (Single Family)	26,895	21,000	21,000	21,000	0.0%
Code Admin PT Inspector	31,608	28,524	28,524	30,000	5.2%
Home Ownership Acq. Resale	1,060	-	50,000	-	0.0%
Contra Expense - Home Ownership Acq. Resale	-	-	(50,000)	-	0.0%
Residential Single Family Rehabilitation	560	750	200	500	-33.3%
Total Housing Rehab	131,286	73,574	53,399	162,000	120.2%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
PROGRAM ADMINISTRATION					
Salary and Wages	40,257	50,090	50,090	52,648	5.1%
Benefits	3,351	9,162	8,820	9,819	7.2%
Overtime	130	275	64	275	0.0%
Total Program Administration	43,738	59,527	58,974	62,742	5.4%
ADMINISTRATION **					
Salary and Wages	109,821	111,224	86,000	98,748	-11.2%
Benefits	56,551	58,157	55,781	54,919	-5.6%
Overtime	7	100	25	100	0.0%
Allocated Labor - Salaried	(26,895)	(21,000)	(21,000)	(21,000)	0.0%
Office Supplies	-	100	100	100	0.0%
Computer Software & Supplies	-	275	-	275	0.0%
Dues, Subscriptions & Periodicals	-	300	-	300	0.0%
Advertising & Printing	2,452	1,850	1,500	1,850	0.0%
Legal Fees	1,421	3,000	2,000	3,000	0.0%
Auditing Fees	1,902	1,961	1,937	1,984	1.2%
Consolidated Plan	6,900	-	-	-	0.0%
Public Transportation Expenses	-	100	-	100	0.0%
Lodging & Meals	-	100	100	100	0.0%
Conference & Seminar Fees	-	500	-	500	0.0%
Postage Expenses	-	75	25	50	-33.3%
Other General Expenses	(182,745)	-	-	-	0.0%
Photocopy Expenses	-	75	-	75	0.0%
Buildings & Contents Insurance	1,965	2,007	2,416	2,588	28.9%
General Liability Insurance	(30)	-	-	-	0.0%
Interest Exp. - Escrowed Taxes	26	200	100	100	-50.0%
Communication Expense	1,416	1,850	1,750	1,750	-5.4%
Capital Outlay	892	1,650	1,400	250	-84.8%
Total Administration	(26,314)	162,524	132,134	145,789	-10.3%
Total Expenditures	**$ 1,436,509**	**$ 2,083,878**	**$ 1,793,975**	**$ 1,964,482**	**-5.7%**

* 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 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
1050001-5865 Computer Equipment	Computer equipment	Replace worn or obsolete equipment.	250
TOTAL CAPITAL OUTLAY			**$ 250**

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 FY23, it is anticipated that program income will allow up to $250,000 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.

Properties Held for Resale

The following chart illustrates the properties held for resale in the economic redevelopment fund at 11850 Indian Lane and 216 S. Prospect Street along with the costs invested in the properties.

11850 Indian Lane Expenditures	FY17	FY18-20	FY21	Total
Acquisition	$ 467,896	-	-	$ 467,896
Demolition/Construction/Rehabilitation	$ -	$ 102,231	$ 6,700	$ 108,931
Total	$ 467,896	$ 102,231	$ 6,700	$ 576,827

216 S. Prospect Street Expenditures	FY17	FY18-20	FY21	Total
Acquisition	$ -	$ -	981	$ 981
Demolition/Construction/Rehabilitation	$ -	$ -	$ 28,200	$ 28,200
Total	$ -	$ -	$ 29,181	$ 29,181

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.

Beginning in FY19, the Invest Hagerstown program was re-started from the initial program with dedicated funding from the General Fund real estate tax rate. Funding was provided in the amounts of $549,000 in FY19, $800,000 in FY20, $804,000 in FY21, and $819,000 in FY22 to support various incentive program components.

Since FY19, the Invest Hagersown Program has leveraged more than $20 million in private sector investment, more than 125 new jobs, and 33 new homeowners.

Invest Hagerstown - FY23 Proposed Budget:

The FY23 Budget includes $855,000 for funding of the Invest Hagerstown Program. The components of the program are expected to model similarly to the FY22 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 Loan to Grant Program: Provides down payment/closing cost assistance funding of $7,500 City Wide. Funding is provided as a 0% interest loan to applicants buying a home in the City of Hagerstown and loan converts to a grant if applicant resides in home for five years.

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 Invest Hagerstown program since FY19 is shown below:

Invest Hagerstown Program Incentives	FY19	FY20	FY21	FY22	FY22	FY23
Expenditures	**Actual**	**Actual**	**Actual**	**Budget**	**Estimated Actual**	**Proposed Budget**
City Center Redevelopment	$ 350,000	$ 250,000	$ 730,000	$ 750,000	$ 750,000	$ 500,000
City Wide Redevelopment	$ 154,000	$ 115,000	$ 25,000	$ 150,000	$ 160,000	$ 150,000
Homeownership	$ 45,000	$ 102,500	$ 62,335	$ 112,500	$ 112,500	$ 120,000
Rental Property Rehabilitation	$ -	$ 15,000	$ (7,500)	$ 62,267	$ 62,267	$ 55,000
Fascade: Invest Hagerstown	$ -	$ 14,898	$ -	$ 41,500	$ 41,500	$ 30,000
Total Expenditures per Year	**$ 549,000**	**$ 497,398**	**$ 809,835**	**$ 1,116,267**	**$ 1,126,267**	**$ 855,000**

Invest Hagerstown – FY14 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 FY19, all of the funding of the initial program was 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	FY22	Future
Expenditures:	**Designated**	**Actual**	**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 Fiscal Year	**$ 1,498,574**	**$ 1,246,979**	**$ 1,595**	**$ -**	**$ -**	**$ 250,000**

*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 in December 2014.

ECONOMIC REDEVELOPMENT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES					
State Community Legacy Grant	$ 9,160	$ 210,840	$ 210,840	$ 275,000	30.4%
State Main Street Grant	249,574	-	-	-	0.0%
State Strategic Demolition Grant	25,000	100,000	25,000	137,500	37.5%
Program Income	100,000	-		-	0.0%
Interest on Investments	123	300	100	500	66.7%
Other Revenues	23,960	22,289	14,402	11,744	-47.3%
Total Revenues	**407,817**	**333,429**	**250,342**	**424,744**	**27.4%**
EXPENDITURES					
Administrative Expenditures	16,291	20,020	16,541	30,020	50.0%
Current Property Expenditures	2,000	2,635	4,807	3,828	45.3%
PEP Subsidized Rent Payments	99,823	131,500	110,000	131,500	0.0%
Economic Incentives *	25,009	751,106	751,106	35,000	-95.3%
Economic Incentives: Community Legacy Grant	9,160	10,840	10,840	275,000	2436.9%
Economic Incentives: State Grant Main Street	249,574	-	-	-	0.0%
Economic Incentives: State Grant	25,000	100,000	25,000	137,500	37.5%
City Center Redevelopment: Invest Hagerstown	730,000	750,000	750,000	500,000	-33.3%
City-Wide Redevelopment: Invest Hagerstown	25,000	150,000	160,000	150,000	0.0%
Homeownership Grant: Invest Hagerstown	62,335	112,500	112,500	120,000	6.7%
Rental Property Rehab:Invest Hagerstown	(7,500)	62,267	62,267	55,000	-11.7%
Facade:Invest Hagerstown	-	41,500	41,500	30,000	-27.7%
USMH Housing Catalyst #3 **	2,120	221,650	200,000	-	-100.0%
Loss on Sale of Capital Assets	374,701	-	-	-	0.0%
Total Expenditures	**1,613,513**	**2,354,018**	**2,244,561**	**1,467,848**	**-37.6%**
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund *	942,106	211,000	211,000	200,000	-5.2%
Transfers from General Fund: Invest Hag Incentives	804,000	819,000	819,000	855,000	4.4%
Total Other Financing Sources	1,746,106	1,030,000	1,030,000	1,055,000	2.4%
Net Change in Fund Balance	**540,410**	**(990,589)**	**(964,219)**	**11,896**	**-101.2%**
Beginning Fund Balance	**1,561,271**	**2,101,681**	**2,101,681**	**1,137,462**	**-45.9%**
Ending Fund Balance	**$ 2,101,681**	**$ 1,111,092**	**$ 1,137,462**	**$ 1,149,358**	**3.4%**

* FY21 included a separate economic incentive of $716,106 spent in FY22
** FY22 Budget and Projected includes a $200K Community Legacy grant pass thru.

BUSINESS REVOLVING LOAN FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES & LOAN REPAYMENTS					
Program Income:					
Principal Repayments on Loans	$ -	$ 200,000	$ 250,000	$ 250,000	25.0%
Interest from Loans	22,956	26,653	11,000	11,000	-58.7%
Interest on Investments	128	2,000	500	500	-75.0%
Allowance for Uncollectible Loans	129,571	-	-	-	0.0%
Other Revenues	-	500	250	500	0.0%
Total Revenues	**152,655**	**229,153**	**261,750**	**262,000**	**14.3%**
EXPENDITURES, NEW LOANS & OTHER WORKING CAPITAL					
Salary and Wages	9,273	9,579	7,800	6,352	-33.7%
Benefits	2,711	2,763	2,570	2,288	-17.2%
Contractual Services	2,291	1,750	1,250	1,750	0.0%
Other General Expenses	-	-	670	-	0.0%
Capital Outlay	-	200	200	-	-100.0%
New Loan Expenditures	-	200,000	250,000	250,000	25.0%
Total Expenditures	**14,275**	**214,292**	**262,490**	**260,390**	**21.5%**
Net Change in Fund Balance	**138,380**	**14,861**	**(740)**	**1,610**	**-89.2%**
Beginning Fund Balance	**994,325**	**1,132,705**	**1,132,705**	**1,131,965**	**-0.1%**
Ending Fund Balance	**$ 1,132,705**	**$ 1,147,566**	**$ 1,131,965**	**$ 1,133,575**	**-1.2%**

STAFFING SUMMARY

	FY21	FY22 Bud	FY22 Est Act	FY23
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 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 BUDGET	2022/23 % CHANGE
REVENUES					
Reforestation Fees	$ 8,172	$ 15,000	$ 148,100	$ 25,000	66.7%
Interest on Investments	153	150	45	350	133.3%
Total Revenues	**8,325**	**15,150**	**148,145**	**25,350**	**67.3%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	(176,125)	(80,000)	(25,000)	(90,000)	12.5%
Total Other Financing Sources	**(176,125)**	**(80,000)**	**(25,000)**	**(90,000)**	**12.5%**
Net Change in Fund Balance	**(167,800)**	**(64,850)**	**123,145**	**(64,650)**	**-0.3%**
Beginning Fund Balance	**191,715**	**23,915**	**23,915**	**147,060**	**514.9%**
Ending Fund Balance	**$ 23,915**	**$ (40,935)**	**$ 147,060**	**$ 82,410**	**301.3%**

FLEXIBLE SPENDING FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES					
Interest on Investments	$ 6	$ -	$ 25	$ 25	100.0%
Employer FICA Savings	-	-	-	-	0.0%
Unreimbursed Employee Deductions	(7,123)	-	1,000	1,000	100.0%
Total Revenues	**(7,118)**	**-**	**1,025**	**1,025**	**100.0%**
EXPENDITURES					
Contractual Services	-	-	-	-	0.0%
Total Expenditures	**-**	**-**	**-**	**-**	**0.0%**
Net Change in Fund Balance	**(7,118)**	**-**	**1,025**	**1,025**	**100.0%**
Beginning Fund Balance	**(7,835)**	**(14,953)**	**(14,953)**	**(13,928)**	**-6.9%**
Ending Fund Balance	**$ (14,953)**	**$ (14,953)**	**$ (13,928)**	**$ (12,903)**	**-13.7%**

EXCISE TAX FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES					
Interest on Investments	$ 23	$ 50	$ 15	$ 100	100.0%
Total Revenues	**23**	**50**	**15**	**100**	**100.0%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	-	-	-	-	0.0%
Total Other Financing Sources	**-**	**-**	**-**	**-**	**0.0%**
Net Change in Fund Balance	**23**	**50**	**15**	**100**	**100.0%**
Beginning Fund Balance	**2,949**	**2,972**	**2,972**	**2,987**	**0.5%**
Ending Fund Balance	**$ 2,972**	**$ 3,022**	**$ 2,987**	**$ 3,087**	**2.2%**

GRANT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES:					
Federal Grants	$ 88,107	$ 113,137	$ 78,332	$ 105,167	-7.0%
State Grants	266,333	368,614	339,588	266,196	-27.8%
Interest on Investments	43	85	-	-	-100.0%
Total Revenues	**354,484**	**481,836**	**417,920**	**371,363**	**-22.9%**
EXPENDITURES:					
Salary and Wages	94,680	116,095	99,145	88,060	-24.1%
Benefits	6,649	10,448	19,317	27,857	166.6%
Overtime	76,726	140,699	96,494	88,500	-37.1%
Personnel Subtotal	**178,055**	**267,242**	**214,956**	**204,417**	**-23.5%**
Contractual Services	90,754	100,907	88,822	93,363	-7.5%
Operating Expenditures	17,865	45,214	38,555	27,450	-39.3%
Capital Outlay	84,511	71,601	78,800	32,800	-54.2%
Other General Expenses	40,617	13,330	13,330	20,000	50.0%
Operating Subtotal	**233,747**	**231,052**	**219,507**	**173,613**	**-24.9%**
TOTAL EXPENDITURES	**411,803**	**498,294**	**434,463**	**378,030**	**-24.1%**
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund	57,362	16,543	16,543	6,667	-59.7%
Total Other Financing Sources	**57,362**	**16,543**	**16,543**	**6,667**	**-59.7%**
Net Change in Fund Balance	**43**	**85**	**-**	**-**	**-100.0%**
Beginning Fund Balance	**175,649**	**175,692**	**175,692**	**175,692**	**0.0%**
Ending Fund Balance	**$ 175,692**	**$ 175,777**	**$ 175,692**	**$ 175,692**	**0.0%**

Activity in this fund is dependent on grants that we receive. The following grants have been included for next year:

		2022/23 PROPOSED
Police Department		
	FY22 MHSO Traffic Safety Program	2,000
	FY22 Lethality Assessment Coordinator	6,667
	FY23 Maryland Criminal Intelligence Network	266,196
	FY23 MHSO Pedestrian/Bicycle Safety Grant	500
	FY23 MHSO Traffic Safety Program	6,000
	FY23 Police Recruitment and Retention	40,000
	FY23 Lethality Assessment Coordinator	26,667
	FY23 Bulletproof Vest Partnership Program	30,000
Total Police Department		**378,030**
Total Grant Expenditures		**$ 378,030**

GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2022/2023

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Maryland Criminal Intelligence Network			
1610000-5865-G0401			
Computer Equipment	Police Use	Purchase of computer equipment	2,800
Future Bulletproof Vest Partnership			
1610000-5834-G9999			
Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vests.	30,000
TOTAL CAPITAL OUTLAY			**$ 32,800**

Municipal Government Works

City of Hagerstown











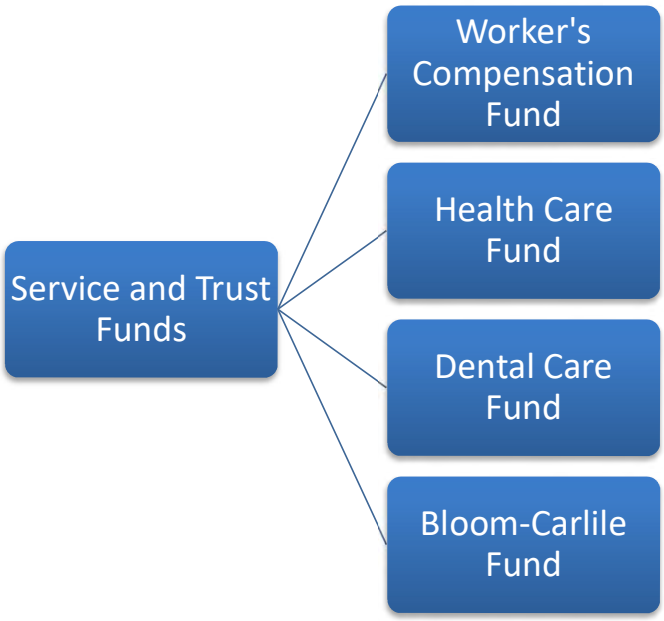
SERVICE AND TRUST FUNDS
SECTION 5

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SERVICE & TRUST FUND - COMBINING STATEMENT
FISCAL YEAR 2022/2023

ACCOUNT DESCRIPTION	WORKERS COMPENSATION	HEALTH CARE	DENTAL CARE	BLOOM-CARLILE	TOTAL
OPERATING REVENUES					
Premium Revenues	$ 1,679,754	$ 7,557,185	$ 486,034	$ -	$ 9,722,973
Prescription Rebates	-	476,714	-	-	476,714
Total Operating Revenues	**$ 1,679,754**	**$ 8,033,899**	**$ 486,034**	**$ -**	**$ 10,199,687**
OPERATING EXPENSES					
Medical and Dental Claims Expense	-	5,875,611	347,659	-	6,223,270
Claims Reserve, Stop Loss Reinsurance and Excess Insurance	1,874,753	439,560	5,000	-	2,319,313
Legal Fees, Administrative Expenses & Injury and Damage Awards	157,876	388,264	43,362	-	589,502
Health Savings Acct Contributions	-	50,000	-	-	50,000
Wellness Program	-	50,000	-	-	50,000
Audit Fees	321	321	321	-	963
OPEB Trust Contributions	-	700,000	-	-	700,000
Community Assistance Expenditures	-	-	-	4,600	4,600
Total Operating Expenses	**$ 2,032,950**	**$ 7,503,756**	**$ 396,342**	**$ 4,600**	**$ 9,937,648**
Operating Income (Loss)	**$ (353,196)**	**$ 530,143**	**$ 89,692**	**$ (4,600)**	**$ 262,039**
NON OPERATING REVENUES (EXPENSES)					
Investment Earnings	500	2,000	1,000	200	3,700
Total Other Income (Expense)	**$ 500**	**$ 2,000**	**$ 1,000**	**$ 200**	**$ 3,700**
Net Income before Operating Transfers	**$ (352,696)**	**$ 532,143**	**$ 90,692**	**$ (4,400)**	**$ 265,739**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers (to) - General Fund	-	(654,375)	-	-	(654,375)
Transfers (to) -Electric Fund	-	(65,354)	-	-	(65,354)
Transfers (to)- Water Fund	-	(94,601)	-	-	(94,601)
Transfers (to) -Wastewater Fund	-	(85,670)	-	-	(85,670)
Total Transfers From (To) Funds	**$ -**	**$ (900,000)**	**$ -**	**$ -**	**$ (900,000)**
Increase (Decrease) in Retained Earnings	**$ (352,696)**	**$ (367,857)**	**$ 90,692**	**$ (4,400)**	**$ (634,261)**
Beginning Fund Balance	**1,496,418**	**5,438,990**	**781,405**	**80,045**	**7,796,858**
Ending Fund Balance	**$ 1,143,722**	**$ 5,071,133**	**$ 872,097**	**$ 75,645**	**$ 7,162,597**



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

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES BY TYPE					
Premium Revenues	$ 1,645,732	$ 1,660,104	$ 1,660,356	$ 1,679,754	1.2%
Interest Income from Investments	(3,661)	1,000	150	500	-50.0%
Total Revenues	**$ 1,642,071**	**$ 1,661,104**	**$ 1,660,506**	**$ 1,680,254**	**1.2%**
EXPENDITURES BY TYPE					
Excess Insurance	170,960	179,609	179,609	195,000	8.6%
Claims Expense	1,138,886	1,325,370	1,660,104	1,679,753	26.7%
Administrative Expenses	35,445	60,000	60,000	60,000	0.0%
Audit Fees	308	318	314	321	0.9%
Legal Fees	32,958	40,503	61,938	50,200	23.9%
Other Professional Services Fees	46,977	47,676	47,676	47,676	0.0%
Total Expenditures & Transfers	**$ 1,425,534**	**$ 1,653,476**	**$ 2,009,641**	**$ 2,032,950**	**23.0%**
Expenditures, net of Revenues	**$ (216,537)**	**$ (7,628)**	**$ 349,135**	**$ 352,696**	**-4723.7%**
Beginning Fund Balance	1,629,016	1,845,553	1,845,553	1,496,418	-18.9%
Ending Fund Balance	**$ 1,845,553**	**$ 1,853,181**	**$ 1,496,418**	**$ 1,143,722**	**-38.3%**

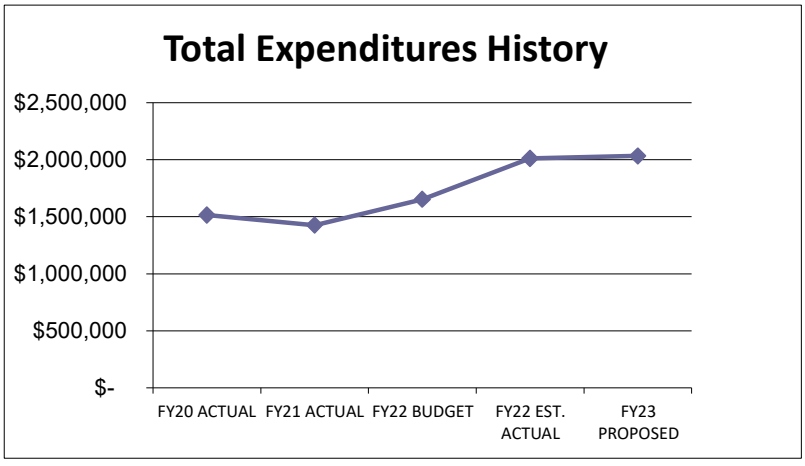
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total expenditures for FY22 estimated actual are anticipated to be significantly above the FY22 budget by 21.5% or $356.2K as a result of higher claims expense and associated legal costs. In addition, the revenue is anticipated to be lower for estimated actual FY22 compared to the adopted budget for FY22 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 FY22 to Proposed FY23

Total expenditures for FY23 are projected to be 23.0%, or $379.5K higher than the FY22 budget, due to an anticipated increase in claims expense, excess insurance and legal fees. Total funding/revenue will increase slightly by 1.2% or $19.1K primarily resulting from an increase in premium revenues.



EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES BY TYPE					
Premium Revenues-City	$ 6,367,079	$ 6,568,369	$ 6,246,781	$ 6,340,943	-3.5%
Premium Revenues-Employees	1,020,677	1,058,781	1,016,806	1,016,806	-4.0%
Premium Revenues-Retirees	216,117	224,930	199,436	199,436	-11.3%
Prescription Rebates	427,797	439,988	188,115	476,714	8.3%
Interest from Investments	2,183	6,140	2,000	2,000	-67.4%
Total Revenues	**$ 8,033,853**	**$ 8,298,208**	**$ 7,653,138**	**$ 8,035,899**	**-3.2%**
EXPENDITURES BY TYPE					
Medical Claims Expense	5,445,098	6,388,381	5,483,174	5,875,611	-8.0%
Claims Reserve Expense	(114,585)	50,000	50,000	50,000	0.0%
Health Savings Acct Contributions	50,125	49,400	49,500	50,000	1.2%
Administrative Expenses	383,571	384,448	338,101	388,264	1.0%
Audit Fees	308	318	314	321	0.9%
Stop Loss Reinsurance Expense	290,640	349,127	287,796	389,560	11.6%
Wellness Program	45,814	50,000	50,000	50,000	0.0%
OPEB Trust Contributions	650,000	650,000	1,134,000	700,000	7.7%
Total Expenditures	**$ 6,750,971**	**$ 7,921,674**	**$ 7,392,885**	**$ 7,503,756**	**-5.3%**
Transfers to General Fund	-	541,968	541,968	654,375	20.7%
Transfers to Electric Fund	-	53,356	53,356	65,354	22.5%
Transfers to Water Fund	-	83,255	83,255	94,601	13.6%
Transfers to Wastewater Fund	-	71,421	71,421	85,670	20.0%
Total Transfers	**$ -**	**$ 750,000**	**$ 750,000**	**$ 900,000**	**20.0%**
Total Expenditures & Transfers	**$ 6,750,971**	**$ 8,671,674**	**$ 8,142,885**	**$ 8,403,756**	**-3.1%**
Expenditures, net of Revenues	**$ (1,282,882)**	**$ 373,466**	**$ 489,747**	**$ 367,857**	**-1.5%**
Beginning Fund Balance	4,645,855	5,928,737	5,928,737	5,438,990	-8.3%
Ending Fund Balance	**$ 5,928,737**	**$ 5,555,271**	**$ 5,438,990**	**$ 5,071,133**	**-8.7%**

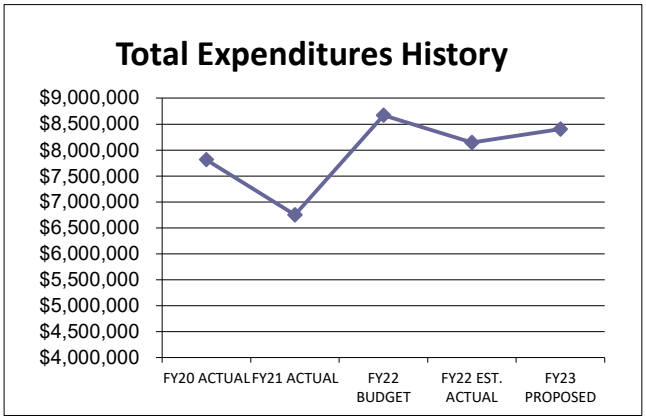
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

As a result of a decrease in medical claims expense and stop loss reinsurance expense, total expenditures are projected to be approximately 6.7% or $528.8K 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 FY22 budget as a result of continued decreased utilization. The associated premium revenues charged and paid by the City also show a corresponding decrease when compared with the FY22 budget.

Adopted FY22 to Proposed FY23

As a result of current trends for medical claims expense, the expenditures for proposed FY23 are projected to be 5.3% or $417.9K lower than FY22 budget, excluding transfers to other funds. With the projected decrease in expenses, revenues charged across all City funds in FY23 are projected to be lower when compared to the FY22 budget. In FY23, the budget includes a transfer from the health insurance fund to other city funds. This transfer represents the FY21 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

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES BY TYPE					
Premium Revenues-City	$ 189,670	$ 193,682	$ 189,158	$ 189,158	-2.3%
Premium Revenues-Employees	150,790	188,319	226,223	226,223	20.1%
Premium Revenues-Retirees	71,388	71,745	70,653	70,653	-1.5%
Interest from Investments	363	1,770	1,000	1,000	-43.5%
Total Revenues	**$ 412,211**	**$ 455,516**	**$ 487,034**	**$ 487,034**	**6.9%**
EXPENDITURES BY TYPE					
Dental Claims Expense	321,264	345,089	345,089	347,659	0.7%
Claims Reserve Expense	5,654	5,000	5,000	5,000	0.0%
Administrative Expenses	43,192	43,362	43,362	43,362	0.0%
Audit Fees	308	317	314	321	1.3%
Total Expenditures & Transfers	**$ 370,418**	**$ 393,768**	**$ 393,765**	**$ 396,342**	**0.7%**
Expenditures, net of Revenues	**$ (41,793)**	**$ (61,748)**	**$ (93,269)**	**$ (90,692)**	**46.9%**
Beginning Fund Balance	646,343	688,136	688,136	781,405	13.6%
Ending Fund Balance	**$ 688,136**	**$ 749,884**	**$ 781,405**	**$ 872,097**	**16.3%**

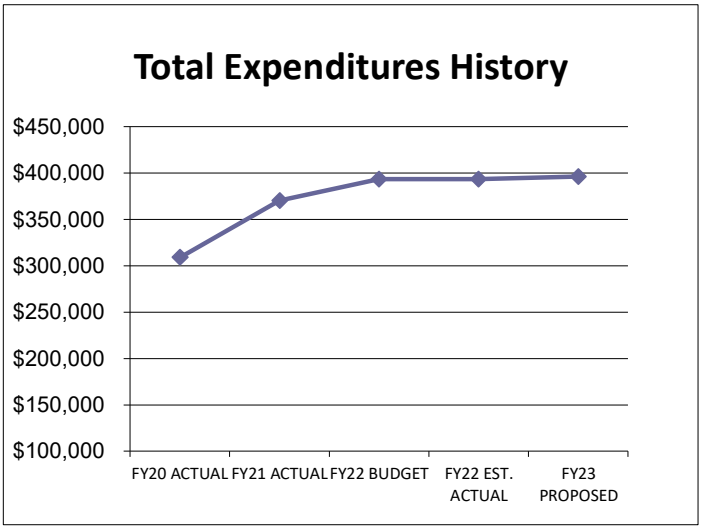
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

Total expenditures for FY22 estimated actual compared to FY22 budget are anticipated to be flat. Revenues increased over FY22 budget by 6.9% or $31.5K primarily due to higher premium contributions by employees due to an increase in participants than budgeted.

Adopted FY22 to Proposed FY23

The dental claims expenditures for proposed FY23 budget are expected to increase slightly by 0.7% or $2.6K from FY22 budget which increases overall expenses by $2.6K. Additionally, the revenues and premiums charged are expected to increase by 6.9% or $31.5K as a result of the funding trends for participants currently enrolled in the dental insurance program.



EXPENDITURE AND REVENUE SUMMARY

	2020/21 ACTUAL	2021/22 BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED	2022/23 % CHANGE
REVENUES BY TYPE					
Interest Earned	$ 23	$ 200	$ 200	$ 200	0.0%
Total Revenues	**$ 23**	**$ 200**	**$ 200**	**$ 200**	**0.0%**
EXPENDITURES BY TYPE					
Utilities	5,054	4,600	4,600	4,600	0.0%
Total Expenditures & Transfers	**$ 5,054**	**$ 4,600**	**$ 4,600**	**$ 4,600**	**0.0%**
Expenditures, net of Revenues	**$ 5,031**	**$ 4,400**	**$ 4,400**	**$ 4,400**	**0.0%**
Beginning Fund Balance	89,476	84,445	84,445	80,045	-5.2%
Ending Fund Balance	**$ 84,445**	**$ 80,045**	**$ 80,045**	**$ 75,645**	**-5.5%**

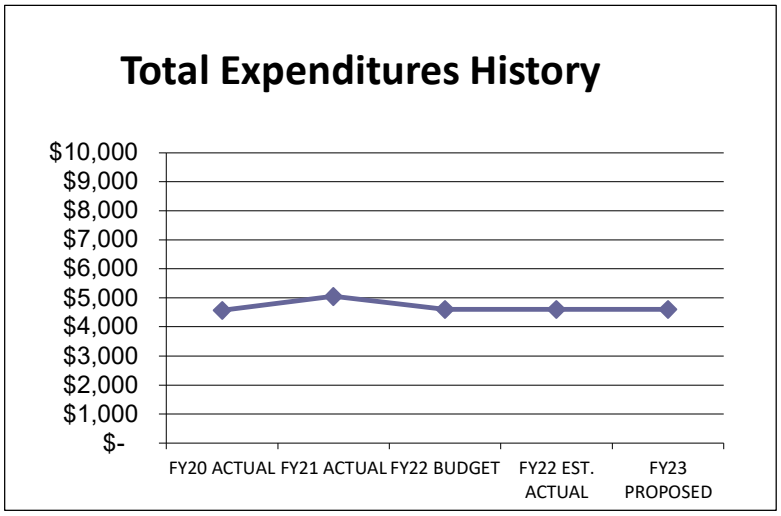
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY22 to Estimated Actual FY22

It is anticipated that we will need to appropriate about $4.4K from accumulated prior years earnings to cover the shortfall between FY22 interest earnings and FY22 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 FY22 to Proposed FY23

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 FY23 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 2023/2027
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 Protection, 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 FY2022/23 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, 2022. 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 FY2022/23 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 FY2022/23 and future years as a result of rising 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 FY2022/23 for all full-time employee groups as well as minimum wage adjustments for part-time and Seasonal staff. (See Section 1 for specific wage history trends by employee group). The projections include a combination of salary enhancements annually from FY2022/23 through FY2026/27. 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 FY2026/27. 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.
- The overall average projected increase in employee benefits range from 4.1% to 5.0% 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 FY2022/23 includes a one-time potential distribution of the Health Insurance's surplus from FY2020/21.
- 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 FY2022/23 is $700K and anticipated to increase $50K annually through FY2026/27.

- In general, total revenue growth (excluding the "NEEDED REVENUE SOURCE" amount) is projected to increase from $51.4 million in FY2023/24 to $52.3 million in FY2024/25. Due to several contributing factors, new and / or increased revenue sources are needed beginning in FY2023/24 to help offset estimates for future periods. The primary factors that impact the projections for FY2023/24 include:
    - Funding equipment and Capital Improvement Program with annual operating revenue
    - Minimal growth anticipated in existing City revenue sources
    - Preliminary projection of 3.0% 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

- 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 2022 reflects minimal market value growth of 0.6% during the third year of the City's triennial assessment period. The total estimated property tax revenue represents 68.6% of current revenue sources in FY2022/23 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 FY2023/24 through FY2026/27 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 has remained the same since implementation and is currently $0.125 cents per $100 assessed value less than the outside City rate and is estimated to stay the same for 2022/23. All municipalities within the County receive the same amount of tax differential despite the differences in services provided by each municipality.

- From FY2021/22 to FY2022/23 budget, the overall City portion of Income & Other Taxes is expected to increase by 15.4% to reflect growth or a return to pre-COVID revenue levels for some categories of revenue.
    - The County implemented a decrease in local income tax rate from 3.2% to 3.0% effective January 1, 2022 which will decrease 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 timing of tax reporting, 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 2.5% annually beginning in FY2023/24 through FY2026/27 as minimum wages increases continue and new warehouse developments open within the corporate boundary of the City.
    - 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 insufficient to cover necessary improvements. The annual debt service requirements for HUR eligible projects is greater than the $134K that will be utilized but all remaining HUR funding is needed within planned capital projects for FY2022/23.
    - 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 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, including a new multiuse stadium in downtown, which will contribute to slow growth in this area over the next few fiscal years.
    - Hotel/motel room tax reflects a slow growth of 2.0% beginning in FY2023/24 through the future, returning to pre-pandemic revenue levels.

- Most operating grant revenues and related expenditures are separately reflected in the Grants Fund. The large increase included in FY2021/22 reflect $52.0K in American Rescue Plan Act of 2021 (ARPA) dollars that covers a Grant Coordinator position. Beginning in FY2022/23, 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 currently expire on June 30, 2022. Based on negotiations and competitive market trends, the projections include a continuation of combined salary enhancements annually through FY2026/27. 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 FY2022/23 budget for unfunded positions and savings. The overall projected increases from FY2023/24 through FY2026/27 range from 2.1% to 4.3% increases as a result of continued salary enhancements.

- The overall average projected changes in employee benefits range from 4.1% to 5.0% 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 2.9% of all general fund expenditures in FY2022/23 budget, or $1.6 million. As reflected on the debt service schedule on page 12, annual debt service requirements are expected to fluctuate annually from FY2022/23 through FY2026/27 as the city continues to pay-off prior bonds and issue new bonds for infrastructure investments. The changes beginning in FY2023/24 through FY2026/27 are respectively 20.3%, 73.3%, 3.0%, and 4.2%.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 FY2026/27 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 2023/2027
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
REVENUES										
Property Taxes	$ 29,597	$ 30,650	$ 30,263	$ 30,816	$ 32,350	S	$ 33,271	$ 33,965	$ 34,435	$ 35,671
Payments in Lieu of Taxes	2,802	2,767	2,783	2,797	2,785	S	2,787	2,790	2,792	2,795
Total property taxes	**32,399**	**33,417**	**33,046**	**33,613**	**35,135**		**36,059**	**36,755**	**37,227**	**38,466**
	1.1%	*3.1%*	*-1.1%*	*1.7%*	*6.3%*		*2.6%*	*1.9%*	*1.3%*	*3.3%*
Income Tax	2,838	3,481	2,800	3,100	3,100	2.5%	3,178	3,257	3,338	3,422
Highway User Revenues	275	80	100	100	134		138	138	138	140
Police / Fire Protection	772	762	770	758	770	0.5%	774	778	782	786
Admission Tax	183	173	125	250	250		250	300	320	330
Financial Corporations	34	34	34	34	34		34	34	34	34
Room Tax - Tourism Promotion	157	180	165	195	200	2.0%	204	208	212	216
Enterprise Zone Tax Credits	10	46	361	371	538		525	520	500	500
Total Income & Other Taxes	**4,269**	**4,756**	**4,355**	**4,808**	**5,026**		**5,103**	**5,235**	**5,324**	**5,428**
	2.0%	*11.4%*	*4.0%*	*10.4%*	*15.4%*		*1.5%*	*2.6%*	*1.7%*	*1.9%*
Total Tax & Shared Revenues	**36,668**	**38,173**	**37,401**	**38,421**	**40,161**		**41,161**	**41,990**	**42,551**	**43,894**
	1.2%	*4.1%*	*3.2%*	*2.7%*	*7.4%*		*2.5%*	*2.0%*	*1.3%*	*3.2%*
Refuse Service Fees	2,801	2,812	2,947	2,855	3,164	2.5%	3,118	3,196	3,276	3,358
Other Service Charges	371	694	581	695	754	2.0%	838	855	872	890
Residential Rental Licenses & Vacant Structures	635	798	790	775	795	2.0%	811	827	844	861
Cable TV Franchise	332	320	312	319	320	2.0%	326	333	340	346
Other Licenses & Permits	1,177	2,154	1,084	1,389	1,154	1.0%	1,014	1,024	1,034	1,045
Safe Speed for Students Program	743	802	975	950	975		950	900	850	850
Red Light Camera Program	132	159	150	178	165		165	165	215	215
Other Fines & Forfeitures	91	63	148	106	111	3.0%	114	118	121	125
Admin Allocation	1,998	1,998	1,998	1,998	1,998	0.0%	1,998	1,998	1,998	1,998
Interest	271	20	40	6	22		65	100	175	260
Rental Income	161	179	173	181	162		180	185	190	195
Intergovernmental Revenues	419	3,267	393	379	632	S	452	452	452	452
Other Revenues	788	160	677	670	780	S	167	167	167	167
NEEDED REVENUE SOURCE*	-	-	-	-	-		***3,801***	***6,025***	***4,962***	***5,326***
Total Other Revenues	**9,919**	**13,426**	**10,268**	**10,501**	**11,032**		**14,000**	**16,345**	**15,496**	**16,087**
Total Revenues	**46,587**	**51,599**	**47,669**	**48,922**	**51,193**		**55,161**	**58,335**	**58,048**	**59,981**
% Revenue Growth	*-0.2%*	*10.8%*	*2.2%*	*2.6%*	*7.4%*		*7.8%*	*5.8%*	*-0.5%*	*3.3%*
Appropriated Fund Balance to CIP Fund:Capital Expenditures	-	-	1,300	-	3,555		1,450	-	-	-
Total Other Funding Sources	**-**	**-**	**1,300**	**-**	**3,555**		**1,450**	**-**	**-**	**-**
Total Funding Sources	**$ 46,587**	**$ 51,599**	**$ 48,969**	**$ 48,922**	**$ 54,748**		**$ 56,611**	**$ 58,335**	**$ 58,048**	**$ 59,981**

FY24 projections currently estimate additional $3.8M in changes needed. This $3.8M reflects funding equipment and CIP transfers with annual operations, combined 0.3% minimal growth in current revenue sources, an overall preliminary estimate of 3.0% 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 2023/2027
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
EXPENDITURES										
Salaries and Wages	$ 20,144	$ 21,453	$ 21,274	$ 21,356	$ 23,539	S	$ 24,035	$ 25,070	$ 26,129	$ 27,115
Fringe Benefits -										
Active Employees	8,233	8,538	8,866	8,660	9,257	S	9,722	10,129	10,553	10,973
Retirees	1,468	1,498	1,502	1,500	1,500	S	1,573	1,650	1,730	1,815
Total Wages & Benefits	**29,845**	**31,489**	**31,642**	**31,516**	**34,296**		**35,330**	**36,849**	**38,412**	**39,902**
	2.7%	*5.5%*	*6.0%*	*-0.4%*	*8.4%*		*3.0%*	*4.3%*	*4.2%*	*3.9%*
Contracted Services	5,030	5,032	5,484	5,669	5,748	S	5,878	6,010	6,145	6,283
Advertising & Printing	147	124	224	223	223	2.0%	227	232	237	241
Rentals	108	108	116	117	111		115	115	115	115
Maintenance & Repairs	1,106	1,041	1,362	1,489	1,601		1,300	1,400	1,500	1,600
Vehicle Expenses	693	613	694	701	759	2.0%	774	790	805	822
Materials, Supplies & Utilities	1,789	1,905	2,119	2,153	2,185	3.0%	2,251	2,318	2,388	2,459
Professional Development	135	48	180	156	183		170	175	180	185
Communication	350	344	379	360	398		365	367	369	371
Wage & Overhead Allocation	(927)	(1,209)	(1,463)	(1,610)	(1,643)		(1,693)	(1,765)	(1,840)	(1,912)
Other General Expenditures	602	599	953	857	1,103		1,108	1,113	1,118	1,123
Insurance	254	211	307	326	329	5.0%	345	363	381	400
Unallocated Gen'l Expenditures	670	539	744	824	799		802	802	804	806
Capital Outlay - Non-CIP	156	140	187	181	198		200	220	225	235
Debt Service	2,950	2,163	2,273	2,218	1,589	S	1,913	3,313	3,414	3,557
Operating Transfers to Other Funds	1,260	2,075	1,247	1,247	1,185	S	1,318	1,364	1,380	1,379
Capital Transfers to CIP Fund	998	1,144	1,218	1,518	2,127		4,757	4,670	2,415	2,414
Fund Balance Transfers to CIP Fund	1,311	731	1,300	1,355	3,555		1,450	-	-	-
Total Expenditures	**46,477**	**47,097**	**48,966**	**49,300**	**54,746**		**56,611**	**58,335**	**58,048**	**59,981**
% Expenditures Growth	*3.5%*	*1.3%*	*4.0%*	*0.7%*	*11.8%*		*3.4%*	*3.0%*	*-0.5%*	*3.3%*
Surplus / (Deficit)	**$ 110**	**$ 4,502**	**$ 3**	**$ (378)**	**$ 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	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**		**$ -**	**$ -**	**$ -**	**$ -**
Each penny on the real estate tax rate generates additional revenue of	**$ 266**	**$ 269**	**$ 273**	**$ 271**	**$ 285**		**$ 293**	**$ 300**	**$ 305**	**$ 317**
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	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**		**$ -**	**$ -**	**$ -**	**$ -**
Each penny on the personal property tax rate generates additional revenue of	**$ 13**	**$ 16**	**$ 13**	**$ 16**	**$ 16**		**$ 17**	**$ 17**	**$ 17**	**$ 17**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2023/2027
PROPERTY TAXES
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG% *	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Real Estate - Full Year Levy	**$ 26,710**	**$ 27,374**	**$ 28,449**	**$ 28,750**	**$ 29,998**		**$ 30,471**	**$ 31,134**	**$ 31,547**	**$ 32,753**
% Increase	***1.6%***	***2.5%***	***3.9%***	***1.1%***	***5.4%***		***1.6%***	***2.2%***	***1.3%***	***3.8%***
Personal Property - UnInc	52	41	45	48	48	0.5%	48	48	49	49
Personal Property - Corp	3,160	3,908	3,160	3,920	4,046	0.5%	4,116	4,137	4,157	4,178
Homestead Tax Credit	(82)	(111)	(130)	(60)	(100)		(100)	(125)	(110)	(105)
Enterprise Zone Tax Credit Progra	(23)	(92)	(721)	(824)	(1,076)		(720)	(720)	(720)	(720)
Tax Exemption - Real Estate	(292)	(553)	(550)	(578)	(578)		(558)	(526)	(506)	(506)
Total Current Year's Levy	**29,525**	**30,567**	**30,253**	**31,256**	**32,338**		**33,257**	**33,949**	**34,417**	**35,649**
Reserve for Uncollect Taxes	(42)	(23)	(130)	(100)	(100)		(100)	(100)	(100)	(100)
Total Adj - Prior Yrs Levies	**(42)**	**(23)**	**(130)**	**(100)**	**(100)**		**(100)**	**(100)**	**(100)**	**(100)**
Current Years Levy	148	213	175	(300)	150		152	156	158	164
Total Interest on Delinq Tax	**148**	**213**	**175**	**(300)**	**150**		**152**	**156**	**158**	**164**
Tax Discounts/Allows - C/Yr	(34)	(107)	(35)	(40)	(38)		(39)	(39)	(40)	(41)
Total Tax Discounts/Allows	**(34)**	**(107)**	**(35)**	**(40)**	**(38)**		**(39)**	**(39)**	**(40)**	**(41)**
Total Property Taxes	**29,597**	**30,650**	**30,263**	**30,816**	**32,350**		**33,271**	**33,965**	**34,435**	**35,671**
% Increase	*1.1%*	*3.6%*	*-1.3%*	*1.8%*	*6.9%*		*2.8%*	*2.1%*	*1.4%*	*3.6%*
Hag Housing Authority	108	103	105	105	105	0.8%	106	107	108	108
Bethel Gardens	29	-	14	23	14	0.8%	14	14	14	14
Liberty Property	166	166	165	170	167	0.8%	168	170	171	172
CW Brooks Mid-Rise	9	8	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	**2,802**	**2,767**	**2,783**	**2,797**	**2,785**		**2,787**	**2,790**	**2,792**	**2,795**
% Increase	*0.9%*	*-1.2%*	*0.6%*	*0.5%*	*0.1%*		*0.1%*	*0.1%*	*0.1%*	*0.1%*
Total Property Taxes	**$ 32,399**	**$ 33,417**	**$ 33,046**	**$ 33,613**	**$ 35,135**		**$ 36,059**	**$ 36,755**	**$ 37,227**	**$ 38,466**
% Increase	*1.1%*	*3.1%*	*-1.1%*	*1.7%*	*6.3%*		*2.6%*	*1.9%*	*1.3%*	*3.3%*

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2023/2027
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 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%
Actual 2020/2021: All	*2,814*	2.2%	1.002	0.0%	30,567	3.5%
Actual 2020/2021: Apts	*242*	31.5%	*1.032*	0.0%	*2,494*	31.5%
Estimated 2021/2022: All	**2,882**	**2.4%**	**1.002**	**0.0%**	**31,256**	**5.9%**
Estimated 2021/2022: Apts	*255*	5.6% ***	*1.032*	*0.0%*	*2,460*	*-1.4%*
Proposed 2022/2023: All	**2,982**	**3.5%** **	**1.002**	**0.0%**	**32,338** **	**3.5%**
Proposed 2022/2023: Apts	*261*	*2.2%* ***	*1.032*	*0.0%*	*2,515*	*2.2%*
Projected 2023/2024: All	3,070	2.9%	1.002	0.0%	33,257	2.8%
Projected 2024/2025: All	3,137	2.2%	1.002	0.0%	33,949	2.1%
Projected 2025/2026: All	3,183	1.4%	1.002	0.0%	34,417	1.4%
Projected 2026/2027: All	3,305	3.8%	1.002	0.0%	35,650	3.6%

*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 2022 Constant Yield Notice memos reflect a combined expected real property assessed value of 2,846 which is an increase of 0.6% compared to current levels. The City chart above assumes a slightly higher average assessable base value which includes personal property values. In addition, the chart above reflects the average value for all of FY22 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 2023/2027
ASSESSABLE BASE TABLE
(IN THOUSANDS)

	ACTUAL 2019/20	ACTUAL 2020/21	EST. ACTUAL 2021/22	PROPOSED BUDGET 2022/23	PROJECTED 2023/24
For Full Year Levy	$ 26,710	$ 27,374	$ 28,750	$ 29,998	$ 30,471
Enterprise Zone Tax Credit Program	(23)	(92)	(824)	(1,076)	(720)
Tax Exemption - Real Estate	(292)	(553)	(578)	(578)	(558)
Homestead Tax Credit Cap	(82)	(111)	(60)	(100)	(100)
Net Real Estate Taxes	**26,313**	**26,618**	**27,288**	**28,244**	**29,093**
	1.8%	1.2%	2.5%	3.5%	3.0%
Unincorporated Personal Property	52	41	48	48	48
Corporate Personal Property	3,160	3,908	3,920	4,046	4,116
Total Personal Property	**3,212**	**3,949**	**3,968**	**4,094**	**4,164**
	-3.9%	22.9%	0.5%	3.2%	1.7%
Current Year's Levy	**$ 29,525**	**$ 30,567**	**$ 31,256**	**$ 32,338**	**$ 33,257**
	1.1%	3.5%	2.3%	3.5%	2.8%
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	$ 2,626,048	$ 2,656,487	$ 2,723,353	$ 2,818,762	$ 2,903,494
	1.8%	1.2%	2.5%	3.5%	3.0%
[(Net Real Estate Taxes / Tax Rate)/10)]					
Business Personal Property	128,224	157,645	158,403	163,433	166,228
	-3.9%	22.9%	0.5%	3.2%	1.7%
[Total Personal Property / Tax Rate]					
Total Assessable Base	**$ 2,754,271**	**$ 2,814,132**	**$ 2,881,756**	**$ 2,982,196**	**$ 3,069,722**
	1.5%	2.2%	2.4%	3.5%	2.9%

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2023/2027
GRANT AND OTHER REVENUES
(IN THOUSANDS)

INTERGOVERNMENTAL REVENUES

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Various Departments: Grants										
Event Grants	5	26	6	9	6		-	-	-	-
Arts & Entertainment Grants	4	2	17	18	16		-	-	-	-
CARES Grant Pass-thru from County	-	1,437	-	-	-		-	-	-	-
American Rescue Plan Act of 2021 (ARPA)	-	1,518	-	52	155		-	-	-	-
All Other Departmental Grants	-	-	-	-	-		-	-	-	-
Police Department: Grants										
DEA Reimbursed Overtime	35	25	18	18	20		20	20	20	20
HIDTA NTF Reimbursed Overtime	16	6	13	2	13		10	10	10	10
COPS Hiring Grants - 2012, 2014, and 2016	20	-	-	-	-		-	-	-	-
School Resource Officers Grant	339	254	339	280	422		422	422	422	422
Total Intergovernmental Revenues	**$ 419**	**$ 3,267**	**$ 393**	**$ 379**	**$ 632**		**$ 452**	**$ 452**	**$ 452**	**$ 452**

OTHER REVENUES

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Sale of Land & Other Property										
Fire & Police Dept Equipment	7	20	8	4	10		10	10	10	10
Other	25	13	-	9	-		7	7	7	7
Total Land Sale/Other	**32**	**33**	**8**	**13**	**10**		**17**	**17**	**17**	**17**
Contributions & Donations	29	22	37	25	36		40	40	40	40
Miscellaneous Revenues	87	69	61	61	50		80	80	80	80
Other Revenues	**116**	**91**	**98**	**86**	**86**		**120**	**120**	**120**	**120**
Transfers from CDBG Fund	28	32	29	29	30		30	30	30	30
Transfers from Health Ins Fund	580	-	542	542	654		-	-	-	-
Transfers from Capital Improvements Fund	32	4	-	-	-		-	-	-	-
Total Transfers from Other Funds	**640**	**36**	**571**	**571**	**684**		**30**	**30**	**30**	**30**
Total Other Revenues	**$ 788**	**$ 160**	**$ 677**	**$ 670**	**$ 780**		**$ 167**	**$ 167**	**$ 167**	**$ 167**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2023/2027
SALARIES AND FRINGE BENEFITS
(IN THOUSANDS)

SALARIES AND WAGES

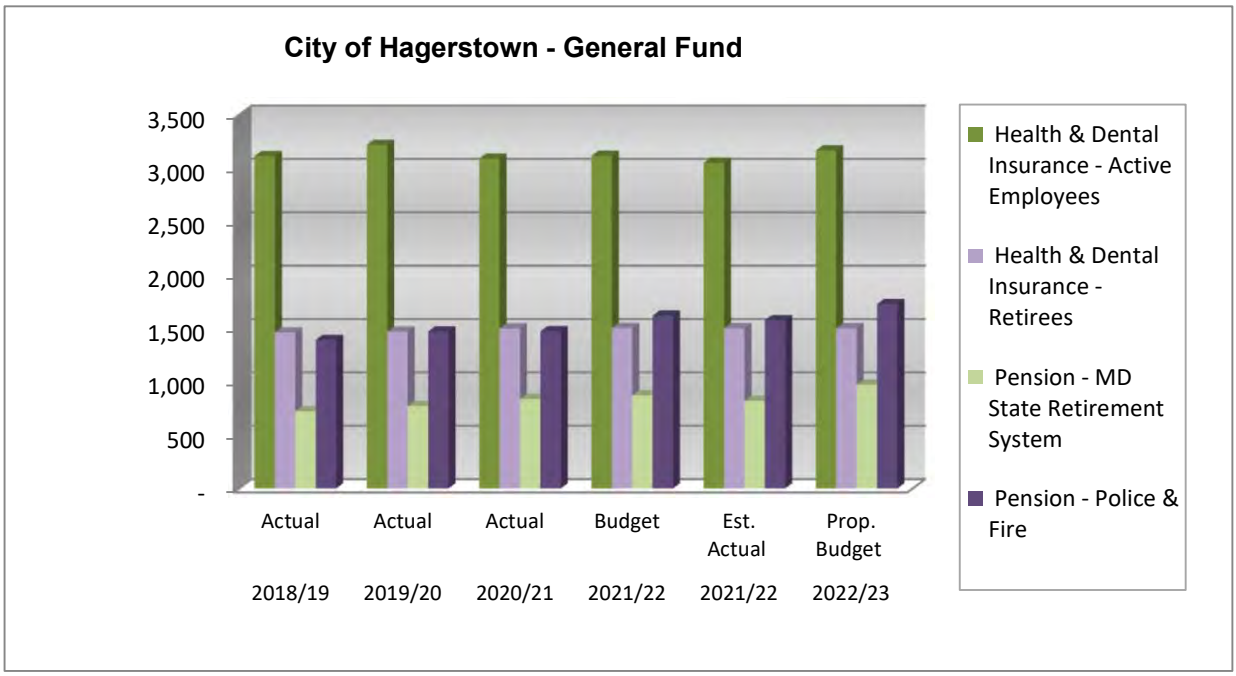
	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ. *5.000%*	2024/25 PROJ. *4.600%*	2025/26 PROJ. *4.500%*	2026/27 PROJ. *4.000%*
BASE WAGES										
Regular Wages-Salaried	$ 4,822	$ 5,311	$ 5,911	$ 6,039	$ 6,313		$ 6,629	$ 6,934	$ 7,246	$ 7,535
Regular Wages-Hourly	10,430	10,977	13,487	12,982	14,356		15,074	15,767	16,477	17,136
Regular Wages-Stipend	-	-	-	-	-		-	-	-	-
Sick Leave Pay	555	504	-	-	-		-	-	-	-
Holiday Pay	846	833	-	-	-		-	-	-	-
Vacation Pay	1,226	1,280	-	-	-		-	-	-	-
Compensatory Time Used	113	128	-	2	3		-	-	-	-
Personal Leave	210	230	-	-	-		-	-	-	-
Temporary & Seasonal	611	624	807	696	871	0.50%	875	880	884	889
Sick Pay - PT and Seasonal	16	16	9	15	15		16	16	17	17
Sick Pay - Federal COVID	4	42	-	-	-					
Vacation Pay on Terminatior	99	92	178	108	201		125	125	125	125
Unfunded Positions Savings	-	-	-	-	-		-	-	-	-
Additional Vacancy Savings	-	-	(106)	-	220		(275)	(275)	(275)	(275)
Total Base Wages	**18,932**	**20,037**	**20,286**	**19,842**	**21,979**		**22,444**	**23,446**	**24,473**	**25,427**
% Increase	*3.6%*	*5.8%*	*1.2%*	*-2.2%*	*8.3%*		*2.1%*	*4.5%*	*4.4%*	*3.9%*
ADDITIONAL WAGES										
Overtime Pay	1,256	1,403	988	1,514	1,560	2.00%	1,591	1,623	1,655	1,689
Comp Time Earned	(44)	13	-	-	-		-	-	-	-
Total Additional Wages	**1,212**	**1,416**	**988**	**1,514**	**1,560**		**1,591**	**1,623**	**1,655**	**1,689**
% Increase	*-8.3%*	*16.8%*	*-30.2%*	*53.2%*	*57.9%*		*2.0%*	*2.0%*	*2.0%*	*2.0%*
Total Wages	**$ 20,144**	**$ 21,453**	**$ 21,274**	**$ 21,356**	**$ 23,539**		**$ 24,035**	**$ 25,070**	**$ 26,129**	**$ 27,115**
% Increase	*2.8%*	*6.5%*	*-0.8%*	*0.4%*	*10.6%*		*2.1%*	*4.3%*	*4.2%*	*3.8%*

FRINGE BENEFITS

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Active Employees										
Holiday/Vacation Buy Back	$ 8	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -
Sick Pay on Termination	82	51	196	92	198		145	145	145	145
Pension - Police & Fire	1,469	1,471	1,619	1,575	1,726		1,763	1,841	1,922	1,997
Pension - MD State	772	836	871	819	973		1,013	1,059	1,105	1,148
MD State Deficit Payment	204	214	225	225	236		248	260	273	287
Pension - 401(a) Plan	2	2	2	2	2		2	2	2	2
F.I.C.A. Taxes (7.65%)	1,482	1,588	1,462	1,527	1,565		1,839	1,918	1,999	2,074
Health Insurance	3,133	3,008	3,030	2,970	3,078	5.0%	3,232	3,393	3,563	3,741
Dental Insurance	85	82	86	80	88	1.0%	89	90	91	92
Life Insurance	30	30	33	33	35		36	37	39	40
Long-Term Disability	5	5	5	5	5		6	6	6	6
Workmans Compensation	812	1,139	1,149	1,148	1,162		1,164	1,188	1,211	1,235
Emply Discounted Parking	45	69	77	82	88		82	84	89	94
Unemployment Taxes	72	21	72	67	69		70	70	70	70
Employee Assistance Prog	10	10	10	9	8		10	11	12	13
HPD Housing Allowance	16	11	23	20	18		18	20	21	22
Employee Longevity	6	1	6	6	6		6	6	6	6
Total	**8,233**	**8,538**	**8,866**	**8,660**	**9,257**		**9,722**	**10,129**	**10,553**	**10,973**
% Increase	*2.8%*	*3.7%*	*3.8%*	*-2.3%*	*4.4%*		*5.0%*	*4.2%*	*4.2%*	*4.0%*
Retirees										
Health Insurance	1,419	1,448	1,452	1,450	1,450	5.0%	1,523	1,599	1,679	1,762
Dental Insurance	49	50	50	50	50	1.0%	51	51	52	52
Total	**1,468**	**1,498**	**1,502**	**1,500**	**1,500**		**1,573**	**1,650**	**1,730**	**1,815**
% Increase	*0.5%*	*2.0%*	*0.3%*	*-0.1%*	*-0.1%*		*4.9%*	*4.9%*	*4.9%*	*4.9%*
Total Fringe Benefits	**$ 9,701**	**$ 10,036**	**$ 10,368**	**$ 10,160**	**$ 10,757**		**$ 11,295**	**$ 11,779**	**$ 12,283**	**$ 12,787**
% Increase	*2.4%*	*3.5%*	*3.3%*	*-2.0%*	*3.8%*		*5.0%*	*4.3%*	*4.3%*	*4.1%*

GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2023/2027
EMPLOYER SHARE OF INSURANCE AND PENSION COSTS
(IN THOUSANDS)

	2018/19 Actual	2019/20 Actual	2020/21 Actual	2021/22 Budget	2021/22 Est. Actual	2022/23 Prop. Budget
Health & Dental Insurance - Active Employees	3,113	3,218	3,090	3,116	3,050	3,166
Health & Dental Insurance - Retirees	1,461	1,468	1,498	1,502	1,500	1,500
Pension - MD State Retirement System	722	772	836	871	819	973
Pension - Police & Fire	1,391	1,469	1,471	1,619	1,575	1,726
	6,687	6,927	6,895	7,108	6,944	7,365
	-0.3%	3.6%	-0.5%	3.1%	-2.3%	3.6%



GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2019 THROUGH FISCAL YEAR 2023
PENSIONS COSTS AS PERCENT OF SALARY

	2018/19 Actual	2019/20 Actual	2020/21 Actual	2021/22 Budget	2021/22 Est. Actual	2022/23 Prop. Budget
Retirement - State of MD Fund Employer	9.00%	9.38%	10.24%	10.57%	10.57%	10.93%
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	8.00%	8.00%	8.00%	N/A	9.00%	N/A

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2023/2027
CONTRACTED SERVICES AND OPERATING TRANSFERS
(IN THOUSANDS)

CONTRACTED SERVICES

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Medical Services	$ 74	$ 81	$ 62	$ 61	$ 81	2.0%	$ 83	$ 85	$ 87	$ 89
Grounds Services	293	143	256	267	279	2.0%	285	291	297	303
Miss Utility	4	3	5	5	5	0.0%	5	5	5	5
Contracted Staffing	10	8	32	45	24	2.0%	24	24	24	24
Other Contracted Services	1,700	1,833	1,887	2,006	2,028	2.0%	2,069	2,110	2,152	2,195
Trash Collection	2,585	2,666	2,722	2,780	2,886	2.5%	2,958	3,032	3,108	3,186
Legal Fees	163	164	278	267	276	2.0%	282	288	294	300
Auditing	24	24	25	25	25	3.0%	26	27	28	29
Consulting	34	-	57	47	12	2.0%	12	12	12	12
Engineering	9	38	29	35	35	2.0%	36	37	38	39
Building Services	18	21	24	21	21	2.0%	21	21	21	21
Safety Program	4	4	6	6	6	0.0%	6	6	6	6
Other Professional Services	112	47	101	104	70	2.0%	71	72	73	74
Total Contracted Services	**$ 5,030**	**$ 5,032**	**$ 5,484**	**$ 5,669**	**$ 5,748**		**$ 5,878**	**$ 6,010**	**$ 6,145**	**$ 6,283**
% Increase	*-1.0%*	*0.0%*	*9.0%*	*3.4%*	*4.8%*		*2.3%*	*2.2%*	*2.2%*	*2.2%*

OPERATING TRANSFERS TO OTHER CITY FUNDS

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Economic Redevelopment Fund	$ 976	$ 1,746	$ 1,030	$ 1,030	$ 1,055		$ 1,075	$ 1,075	$ 1,075	$ 1,125
Golf Course Fund	273	272	200	200	123		218	264	280	229
Grant Fund	11	57	17	17	7		25	25	25	25
Total Operating Transfers	**$ 1,260**	**$ 2,075**	**$ 1,247**	**$ 1,247**	**$ 1,185**		**$ 1,318**	**$ 1,364**	**$ 1,380**	**$ 1,379**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2023/2027
ANNUAL DEBT SERVICE REQUIREMENTS
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
2003/04 Pub Imprv Bonds									
Interest	$ 3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Principal ($1,395,000)	120	-	-	-	-	-	-	-	-
Issuance Costs	-	-	-	-	-	-	-	-	-
2004/2005 Public Fac Bonds									
Interest	10	-	-	-	-	-	-	-	-
Principal ($3,800,000)	318	-	-	-	-	-	-	-	-
2005/06 Pub Facilities Bonds									
Interest	56	35	12	12	-	-	-	-	-
Principal ($7,490,666)	594	613	639	639	-	-	-	-	-
2008/09 Pub Imprv Bonds									
Interest	6	-	-	-	-	-	-	-	-
Principal ($3,407,810)	413	-	-	-	-	-	-	-	-
2008/09 Pub Imprv BAB									
Interest	233	137	169	169	173	198	172	144	115
Principal ($5,074,007)	-	427	443	443	460	476	493	511	533
2012 Tote Loan									
Interest	3	-	-	-	-	-	-	-	-
Principal ($600,000)	190	-	-	-	-	-	-	-	-
2014 Pub Imprv Bonds									
Interest (2.50% over 15 years)	8	7	6	6	6	5	4	3	3
Principal ($428,427)	28	29	30	30	30	31	32	33	34
2015A Pub Imprv Bonds									
Interest (3.06% over 20 years)	84	80	76	76	71	66	61	58	54
Principal ($3,599,066 after reprogram)	135	141	150	150	157	164	173	182	188
Issuance Costs	-	-	-	-	-	-	-	-	-
2015B Pub Imprv Bonds									
Interest (3.89% over 20 years)	19	19	18	18	18	17	16	15	14
Principal ($650,000)	26	26	28	28	28	30	30	32	32
Issuance Costs	-	-	-	-	-	-	-	-	-
2017A Pub Imprv Bonds									
Interest (2.58% over 20 years)	122	116	110	110	103	94	87	81	75
Principal ($4,293,526)	151	162	169	169	177	185	196	203	214
Issuance Costs	1	1	1	1	1	1	1	1	1
2017B Pub Imprv Bonds									
Interest (3.45% over 20 years)	16	15	15	15	14	13	13	12	11
Principal ($500,000)	19	20	20	20	22	22	22	23	23
Issuance Costs	-	-	-	-	-	-	-	-	-
2018B Pub Imprv Bonds**									
Interest (4.30% over 15 years)	*52*	*25*	*23*	*23*	*22*	*20*	*19*	*17*	*15*
Principal ($1,265,000 to $645,000)	*64*	*34*	*36*	*36*	*37*	*39*	*40*	*42*	*44*
Issuance Costs	-	-	-	-	-	-	-	-	-
2019A Pub Imprv Bonds									
Interest (2.98% over 15 years)	*93*	*87*	*81*	*81*	*75*	*70*	*64*	*58*	*52*
Principal ($3,105,000)	*186*	*189*	*192*	*192*	*195*	*197*	*200*	*204*	*207*
Issuance Costs	-	-	-	-	-	-	-	-	-
Interest & Issuance Costs	**706**	**522**	**511**	**511**	**483**	**484**	**437**	**389**	**340**
Principal	**2,244**	**1,641**	**1,707**	**1,707**	**1,106**	**1,144**	**1,186**	**1,230**	**1,275**
Subtotal Current Debt Service Issues	**$ 2,950**	**$ 2,163**	**$ 2,218**	**$ 2,218**	**$ 1,589**	**$ 1,628**	**$ 1,623**	**$ 1,619**	**$ 1,615**
2024 Future Pub Imprv Bonds									
Interest (4.0% over 20 years)	-	-	*55*	-	-	*62*	*121*	*121*	*121*
Principal ($5,666,999)	-	-	-	-	-	-	*292*	*292*	*292*
2024 Future Pub Imprv Bonds									
Interest (4.25% over 20 years)	-	-	-	-	-	*223*	*447*	*447*	*447*
Principal ($19,800,000)	-	-	-	-	-	-	*816*	*816*	*816*
2025 Future Pub Imprv Bonds									
Interest (4.50% over 25 years)	-	-	-	-	-	-	*14*	*30*	*30*
Principal ($1,235,000)	-	-	-	-	-	-	-	*64*	*64*
2026 Future Pub Imprv Bonds									
Interest (4.50% over 20 years)	-	-	-	-	-	-	-	*25*	*51*
Principal ($2,100,000)	-	-	-	-	-	-	-	-	*108*
2027 Future Pub Imprv Bonds									
Interest (4.75% over 20 years)	-	-	-	-	-	-	-	-	*13*
Principal ($1,125,000)	-	-	-	-	-	-	-	-	-
Total All Debt Service Issues									
Interest & Issuance Costs	**706**	**522**	**566**	**511**	**483**	**769**	**1,019**	**1,012**	**1,002**
Principal	**2,244**	**1,641**	**1,707**	**1,707**	**1,106**	**1,144**	**2,294**	**2,402**	**2,555**
Total All Debt Service Issues	**$ 2,950**	**$ 2,163**	**$ 2,273**	**$ 2,218**	**$ 1,589**	**$ 1,913**	**$ 3,313**	**$ 3,414**	**$ 3,557**
	23.2%	*-26.7%*	*5.1%*	*-2.4%*	*-30.1%*	*20.4%*	*73.2%*	*3.0%*	*4.2%*

Note: It is anticipated that there will be no new FY2021/22 bond issues for the General Fund; however, there may be a refunding of of old bond issues.

****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 2023/2027
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
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%
2021	2,814,132	44	16,617	0.59%	382	4.19%
Estimated 2021/22	2,881,756	44	14,886	0.52%	342	4.53%
Proposed 2022/23	2,982,196	44	13,756	0.46%	316	3.10%
Projected 2023/24	3,069,722	44	38,055	1.24%	874	3.47%
Projected 2024/25	3,137,493	44	36,972	1.18%	849	5.68%
Projected 2025/26	3,182,947	44	36,646	1.15%	842	5.88%
Projected 2026/27	3,304,638	44	35,192	1.06%	*809*	5.93%
City Debt Policy Guidelines				**10.00%**	**1,000**	**10.00%**

General Fund Financial Projections
Fiscal Year 2023/2027
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							
	2020/21	2,814,132	16,617	44	382	-	-
	Estimated 2021/22	2,881,756	14,886	44	342	-	1,731
	Proposed Bud 2022/23	2,982,196	13,756	44	316	-	1,130
	Projected 2023/24	3,069,722	38,055	44	874	25,467	1,168
	Projected 2024/25	3,137,493	36,972	44	849	1,235	2,318
	Projected 2025/26	3,182,947	36,646	44	842	2,100	2,426
	Projected 2026/27	3,304,638	35,192	44	*809*	1,125	2,579
Subtotal Future Issuances						**29,927**	**11,352**
City Debt Policy Limit			**43,527**	**44**	**1,000**		

Additional General Fund Debt Issue Capacity

Over FY 2020/21 level	26,910
Beyond 5 year proposed projections	***8,335***

- Percentages of projected changes are indicated in the column following the FY2022/23 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 Stormwater 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, Wastewater, Parking, and Golf, funds based on actual year to date trends occurring from the FY2021/22 budget to the proposed budget in FY2022/23. The overall operating expense increases range from a low of 2.0% in the Golf Fund to a high of 30.0% in the Water Fund which is specifically notated within each individual fund's assumption section that follows. The Property Management and Stormwater Protection funds operating expenses are projected to decrease from the FY2021/22 budget to the proposed budget in FY2022/23 by 9.4% and 39.5%. The increases in all funds for future periods through FY2026/27 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 FY2026/27 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 increase in FY2022/23 and slowly climb in future periods based on current market interest rate estimates. 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/Bond Issuance Expense and Prinicipal Payments on Long-Term Debt 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 4.0% through 4.25% 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 unrestricted and restricted cash 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 current wholesale power contract with Energy Harbor LLC. is in effect through May 31, 2022 at a rate of $49.90/MWh. The HLD approved wholesale power contract extension with Energy Harbor will be in effect beginning June 1, 2022 at a rate of $42.42/MWh through May 31, 2024. The wholesale power rates will be firm through the end of each contract period.

- The increase in service charge revenue from FY2021/22 budget compared to FY2022/23 proposed budget is 1.6% or $387K. 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 $489K or 7.1% in the FY2022/23 proposed budget as a result in new and redevelopment of several parcels. Going forward, the projections for revenue from FY2023/27 through FY2026/27 will remain unchanged.

- The purchased power expense for FY2022/23 budget represents approximately 76.2% of total service revenue charges. The projections for the purchase power expense include an increase from FY2021/22 estimated actuals to proposed FY2022/23 budget. Just like the revenue projections for future years, the purchase power expense category remains flat beginning in FY2022/23 through FY2026/27.

- Operating expenses, excluding depreciation, are estimated to increase by 2.4% or $592K from the FY2021/22 budget compared to the proposed budget for FY2022/23. This increase is driven by purchased power costs paid to Energy Harbor LLC. for overall usage. Also, distribution costs are projected to increase primarily by an $195K increase in other contracted services. Based on historical data trends, the future projections reflect annual increases of 1.0% from FY2023/24 through FY2026/27 in distribution and administrative costs.

- Depreciation expense for proposed FY2022/23 budget is 1.7% lower than current FY2021/22 budget. This decrease is a result of lower than anticipated investment in new capital projects and assets in FY2021/23. Beginning in FY2023/24 through FY2026/27, it is anticipated that more capital equipment and infrastructure investments will be made which causes the following annual increases in the depreciation expenses: 4.0%, 2.4%, 2.9% and 1.9%.

- Interest rates set in place by the Federal Reserve are expected to increase. However, the investment interest rate is assumed to remain low in FY2022/23. It is anticipated that total interest earned will decrease in FY2022/23 compared to FY2021/22 budget. Interest earned is anticipated to increase in FY2023/24 as interest rates are projected to rise. Due to declining cash balances interest earned is projected to decrease from FY2024/25 thru FY2026/27.

- There are no future debt issues in projections through FY2026/27. As reflected in our projections, all capital improvement projects and capital outlay expenditures will be covered by Electric fund operations or fund balance with the exception of the Burhans Village, Brookmeadow and Kilpatrick Woods projects, which will be partially funded by contributions from developers.

- Based on the assumptions outlined above for flat revenue projections and increasing expenses, the net increase (decrease) in retained earnings is estimated to decrease from an anticipated loss of <$186K> in FY2022/23 to a loss of <$784K> in FY2026/27.

- 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 FY2021/22 is closed and audited to determine if any transfer is possible.

- The ending total cash balance projections reflect a decrease from $4.2M in FY2022/23 to <$2.5M> in FY2026/27 as a result of higher annual operating expense compared to projected revenue growth and capital improvement costs being funded with cash on hand.

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2023/27
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 ESTIMATED ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG %	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Operating Revenues										
Service Charges:										
Residential	$ 12,307	$ 13,025	$ 12,292	$ 12,931	$ 12,350	0.0%	$ 12,350	$ 12,350	$ 12,350	$ 12,350
Commercial	4,839	4,788	4,791	4,863	4,659	0.0%	4,659	4,659	4,659	4,659
Industrial	5,842	5,738	6,840	5,753	7,329	0.0%	7,329	7,329	7,329	7,329
Other Rates	868	768	750	720	722	0.0%	722	722	722	722
Total Service Charges	**23,856**	**24,319**	**24,673**	**24,267**	**25,060**		**25,060**	**25,060**	**25,060**	**25,060**
Other Operating Revenues	595	643	430	480	542	2.0%	553	564	575	587
Total Operating Revenue	**24,450**	**24,962**	**25,103**	**24,747**	**25,602**		**25,613**	**25,624**	**25,635**	**25,647**
Operating Expenses										
Purchased Power	18,321	18,540	18,659	18,397	19,102	0.0%	19,102	19,102	19,102	19,102
Distribution	2,527	2,466	2,529	2,486	2,637	1.0%	2,663	2,690	2,717	2,744
General & Administration	3,145	3,057	3,263	3,168	3,304	1.0%	3,337	3,370	3,404	3,438
Total Operating Expenses	**23,993**	**24,064**	**24,451**	**24,052**	**25,043**		**25,102**	**25,162**	**25,223**	**25,284**
Cash Operating Income (Loss)	**457**	**898**	**652**	**695**	**559**		**511**	**462**	**413**	**363**
Depreciation	947	962	1,003	948	986		1,025	1,050	1,080	1,100
Operating Income (Loss)	**(490)**	**(64)**	**(351)**	**(253)**	**(427)**		**(514)**	**(588)**	**(667)**	**(737)**
Non-Operating Revenues (Expenses)										
Intergovernmental Revenue-ARPA	-	135	-	-	-		-	-	-	-
Intergovernmental Revenue-Cares Act	-	7	-	-	-		-	-	-	-
Interest Earned	137	21	5	3	4		12	9	3	-
Interest/Bond Issuance Expense	(12)	(10)	(9)	(9)	(8)		(7)	(7)	(6)	(6)
Gain (loss) on Sale of Capital Assets	(32)	(150)	175	169	(33)		(10)	(10)	(10)	(10)
Total Non-Operating Revenue (Expense)	**94**	**2**	**171**	**163**	**(36)**		**(5)**	**(8)**	**(13)**	**(16)**
Net Income (Loss) Before Operating Transfers	**(396)**	**(63)**	**(180)**	**(90)**	**(463)**		**(520)**	**(596)**	**(681)**	**(753)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(58)	(17)	(12)	(12)	(30)		(29)	(31)	(29)	(31)
Transfers from Health Insurance Fund	64	-	53	53	65		-	-	-	-
Total Transfers From (To) Funds	5	(17)	42	42	35		(29)	(31)	(29)	(31)
Capital Contributions										
Non-Cash Developer Contributions	15	8	150	75	243		450	450	-	-
Capital Contributions	**15**	**8**	**150**	**75**	**243**		**450**	**450**	**-**	**-**
Increase (Decrease) in Retained Earnings	**(375)**	**(72)**	**12**	**27**	**(186)**		**(99)**	**(177)**	**(710)**	**(784)**
Adjust to a Cash Flow Basis										
Depreciation	947	962	1,003	948	986		1,025	1,050	1,080	1,100
Principal Payments on Long-Term Debt	(43)	(45)	(47)	(47)	(18)		(19)	(20)	(21)	(21)
Non-Cash Developer Contributions	(15)	(8)	(150)	(75)	(243)		(450)	(450)	-	-
Changes in Working Capital	(203)	355	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**686**	**1,265**	**806**	**826**	**726**		**556**	**580**	**1,059**	**1,079**
Funds Available for Capital Outlay	311	1,193	817	852	540		458	403	350	294
Capital Outlay	1,129	696	1,292	1,147	2,055		2,006	1,991	2,251	1,971
Cash After Capital Outlay	**(818)**	**497**	**(475)**	**(294)**	**(1,515)**		**(1,548)**	**(1,588)**	**(1,901)**	**(1,677)**
Net Surplus (Deficit)	**$ (818)**	**$ 497**	**$ (475)**	**$ (294)**	**$ (1,515)**		**$ (1,548)**	**$ (1,588)**	**$ (1,901)**	**$ (1,677)**
Beginning Cash Balance	$ 9,890	$ 9,072	$ 9,569	$ 9,569	$ 5,688		$ 4,173	$ 2,625	$ 1,037	$ (864)
Ending Cash Balance	$ 9,072	$ 9,569	$ 9,095	$ 5,688	$ 4,173		$ 2,625	$ 1,037	$ (864)	$ (2,541)
Unrestricted Cash Balance, Beginning	$ 6,323	$ 5,481	$ 5,982	$ 5,982	$ 5,688		$ 4,173	$ 2,625	$ 1,037	$ (864)
Unrestricted Cash Balance, Ending	$ 5,481	$ 5,982	$ 5,508	$ 5,688	$ 4,173		$ 2,625	$ 1,037	$ (864)	$ (2,541)
Restricted Cash Balance, Beginning	$ 3,567	$ 3,590	$ 3,587	$ 3,587	$ -		$ -	$ -	$ -	$ -
*Restricted Cash Balance, Ending	$ 3,590	$ 3,587	$ 3,587	$ -	$ -		$ -	$ -	$ -	$ -
Dividend Affordability Formula										
Operating & Maintenance Expenses	$ 23,993	$ 24,064	$ 24,451	$ 24,052	$ 25,043		$ 25,102	$ 25,162	$ 25,223	$ 25,284
Reserved Retained Earnings (2 Months)	$ 3,999	$ 4,011	$ 4,075	$ 4,009	$ 4,174		$ 4,184	$ 4,194	$ 4,204	$ 4,214
Cash in Excess of Reserve after Dividend	$ 1,482	$ 1,972	$ 1,433	$ 1,679	$ (1)		$ (1,559)	$ (3,156)	$ (5,068)	$ (6,755)

***In FY22 the Power Supply Deposit was returned to Energy Harbor**

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2023/27
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 ESTIMATED ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG %	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Vehicles-C0090	$ 124	$ 2	$ 30	$ 30	$ 405		$ 215	$ -	$ 285	$ 255
Telemetry Equipment-C0111	-	-	5	5	10		15	5	5	5
Central Substation-C0118	-	-	-	-	-		-	200	500	200
Building Security Improvements - C0178	78	-	25	-	25		50	50	50	-
Wesel Boulevard-C0220	-	68	114	273	35		25	-	-	-
System Reconductoring-C0259	15	15	108	-	188		50	50	50	50
Pedestrian Lights-C0388	-	-	-	-	-		-	100	100	-
SCADA System-C0441	9	6	5	4	5		5	5	5	5
Underground Replacement-C0540	30	-	13	-	13		13	13	13	13
Building & Site Improvements-C0542	17	7	25	5	25		25	25	25	25
Bulldog Substation- C0544	-	-	-	-	-		-	-	-	50
Street Light Replacement-C0546	10	3	10	-	10		10	10	10	10
Kilpatrick Woods - C0550	-	-	140	-	226		475	450	-	-
273 E. Memorial Blvd -C0552		-	5	50	-		-	-	-	-
A&E District Upgrades-C0591	18	-	-	-	-		-	-	-	-
Test Equipment-C0609	9	1	40	40	15		15	15	15	15
Substation Controls - C0616	-	-	25	25	25		25	25	25	25
Computer Software - C0618	-	19	-	-	-		-	-	-	-
Meter Replacement - C0679	-	-	-	-	300		300	300	300	300
Brookmeadow - C0703	-	-	-	-	120		40	-	-	-
Burhans Village - C0707	-	-	59	59	18		-	-	-	-
Substation Breaker Replacement-C0776	65	-	25	-	60		60	60	60	60
Substation Upgrades - C0778	121	-	25	25	25		-	-	125	275
Spare Regulators-C0797	47	36	45	65	50		50	50	50	50
Wildlife Protection-C0802	-	-	10	-	10		10	10	10	10
Feeder Coordination-C0833	14	-	20	-	15		15	15	15	15
Circuit Upgrades-C0842	-	-	-	-	-		150	150	150	150
Other - Non-Specific	574	538	564	566	478		459	459	459	459
Total Capital Outlay	**$ 1,129**	**$ 696**	**$ 1,292**	**$ 1,147**	**$ 2,055**		**$ 2,006**	**$ 1,991**	**$ 2,251**	**$ 1,971**

- 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 FY2022/23 proposed budget. Additionally, the projections from FY2023/24 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 FY2026/27.

- Total operating expenses (excluding depreciation) increased by 30.0% from the FY2021/22 budget compared to the proposed budget for FY2022/23. Primarily this reflects an increase in engineering fees in the “Source of Supply” line that were shifted out of capital improvement (primarily Project #52-C0168 Edgemont Reservoir Improvements) to operating costs and electricity and chemicals within “Pumping & Water Treatment”. In future periods, the engineering fees will no longer appear in the “Source of Supply” line and will become a capital expense as the project is constructed. Based on historical trends, the projections include increases in future periods with the overall estimated increase for each period from FY2023/24 through FY2026/27 at 2.0% annually in the “Pumping & Water Treatment” and “Transmission & Distribution” categories and 1.5% annually in the Selling, General & Administration category.

- 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 increase from FY2021/22 budget to FY2022/23 budget by 5.2%. Based on the amount of investments in capital projects, the trend reflects increases in future periods. In the four years from FY2023/24 through FY2026/27 the increase in expense is projected to be 6.1%, 8.6%, 10.9%, and 10.8%.

- Given the recent announcement by the Federal Reserve to raise interest rates, combined with the offset of a decline in the Water cash balance, it is anticipated investment earnings will remain flat in FY2022/23 from FY2021/22 budget. Growth in investment earnings in FY2023/24 over proposed FY2022/23 are anticipated to be higher as interest rates rise. Interest is projected to decline in future periods beyond FY2024/25 as a result of utilizing 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 FY2021/22 budget to proposed FY2022/23 budget, benefit charges are estimated to remain at $502K due to timing of housing and commercial development projects. The projections are anticipated to increase in FY2023/24 and FY2024/25 to $700K and $750K and then increase to $800K in each FY2025/26 and FY2026/27 related to anticipated rate structure changes.

- The projections for Maryland Department of the Environment (MDE) Loan Program Bond financing reflected in years FY2023/24 through FY2026/27 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 loss of $611K in FY2022/23 to a loss of $884K in FY2023/24.

- 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 $11.8M in FY2022/23 to <$3.0M> in FY2026/27 primarily as a result of significant capital projects and annual debt service requirements scheduled in future periods if future rates remain at 3% annual increases.

WATER FUND PROJECTIONS
FISCAL YEAR 2023/27
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Operating Revenues										
Service Charges										
Metered City Water	$ 2,410	$ 2,594	$ 2,539	$ 2,630	$ 2,699	3.0%	$ 2,780	$ 2,863	$ 2,949	$ 3,038
Metered County Water	9,018	9,331	9,378	9,378	9,855	3.0%	10,151	10,455	10,769	11,092
Total Service Charges	**11,428**	**11,925**	**11,917**	**12,008**	**12,554**		**12,931**	**13,319**	**13,718**	**14,130**
Other Operating Revenues	1,198	977	877	1,107	967	0.5%	972	977	982	987
Total Operating Revenue	**12,626**	**12,902**	**12,794**	**13,115**	**13,521**		**13,903**	**14,296**	**14,700**	**15,116**
Operating Expenses										
Source of Supply	77	1,340	61	554	1,557		580	125	150	175
Pumping & Water Treatment	3,341	3,516	3,867	4,029	4,839	2.0%	4,935	5,034	5,135	5,237
Transmission & Distribution	2,146	2,306	2,419	2,359	2,472	2.0%	2,522	2,572	2,624	2,676
Selling, General & Administration	2,517	2,691	2,931	3,128	3,188	1.5%	3,236	3,284	3,334	3,384
Total Operating Expenses	**8,081**	**9,854**	**9,276**	**10,070**	**12,056**		**11,273**	**11,016**	**11,242**	**11,472**
Cash Operating Income (Loss)	**4,545**	**3,048**	**3,518**	**3,045**	**1,465**		**2,630**	**3,280**	**3,458**	**3,644**
Depreciation	3,609	3,825	3,892	3,914	4,096		4,345	4,720	5,235	5,800
Operating Income (Loss)	**936**	**(777)**	**(374)**	**(869)**	**(2,631)**		**(1,715)**	**(1,440)**	**(1,777)**	**(2,156)**
Non-Operating Revenues (Expenses)										
Intergovernmental Revenue-ARPA	-	253	-	-	-		-	-	-	-
Intergovernmental Revenue-Cares Act	-	7	-	-	-		-	-	-	-
Interest Earned	80	4	8	8	8		10	12	5	0
Premium on Bonds	4	4	4	4	4		4	4	4	4
Interest/Bond Issuance Expense	(472)	(384)	(427)	(427)	(409)		(439)	(517)	(654)	(792)
Gain (Loss) on Sale of Capital Assets	11	-	-	0	-		10	10	10	10
Total Non-Operating Revenue (Expense)	**(376)**	**(115)**	**(415)**	**(415)**	**(397)**		**(415)**	**(491)**	**(634)**	**(778)**
Net Income (Loss) Before Operating Transfers	**560**	**(892)**	**(789)**	**(1,284)**	**(3,027)**		**(2,131)**	**(1,931)**	**(2,411)**	**(2,934)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(58)	(17)	(12)	(12)	(30)		(29)	(31)	(29)	(31)
Transfers from Health Insurance Fund	95	-	83	83	95		-	-	-	-
Total Transfers From (To) Other Funds	**36**	**(17)**	**72**	**72**	**64**		**(29)**	**(31)**	**(29)**	**(31)**
Capital Contributions										
Benefits Charges	1,015	1,246	502	752	502		700	750	800	800
Grants in Aid of Construction	1,338	-	-	-	-		-	-	-	-
MDE Loan Forgiveness	-	-	-	-	1,500		-	-	-	-
Non Cash Developer Contributions	1,222	1,194	350	350	350		575	1,275	1,175	1,875
Capital Contributions	**3,576**	**2,440**	**852**	**1,102**	**2,352**		**1,275**	**2,025**	**1,975**	**2,675**
Increase (Decrease) in Retained Earnings	**4,172**	**1,532**	**134**	**(110)**	**(611)**		**(884)**	**63**	**(465)**	**(290)**
Adjust to a Cash Flow Basis										
Add Back Depreciation	3,609	3,825	3,892	3,914	4,096		4,345	4,720	5,235	5,800
Principal Payments on Long-term Debt	(1,756)	(1,788)	(1,692)	(1,692)	(1,691)		(1,850)	(2,353)	(2,744)	(3,545)
Non-Cash Developer Contributions	(1,222)	(1,194)	(350)	(350)	(350)		(575)	(1,275)	(1,175)	(1,875)
MDE Loan Forgiveness	-	-	-	-	(1,500)		-	-	-	-
Changes in Working Capital	(1,014)	3,585	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**(383)**	**4,427**	**1,850**	**1,872**	**555**		**1,920**	**1,092**	**1,316**	**380**
Cash Available for Capital Outlay	**3,789**	**5,959**	**1,984**	**1,762**	**(56)**		**1,036**	**1,155**	**851**	**90**
Capital Outlay										
Non-Growth Related	2,621	916	2,280	2,047	5,880		12,857	15,092	22,037	15,929
Growth Related	1,381	1,220	496	474	140		664	1,438	2,784	3,441
Total Capital Outlay	**4,002**	**2,136**	**2,776**	**2,520**	**6,020**		**13,520**	**16,530**	**24,820**	**19,370**
Cash After Capital Outlay	**(213)**	**3,823**	**(791)**	**(758)**	**(6,076)**		**(12,484)**	**(15,375)**	**(23,969)**	**(19,280)**
Additional Funding										
MDE Bond Financing	73	-	-	-	2,500		9,500	11,400	20,400	15,000
City Bond Financing	-	-	-	-	-		-	-	-	-
Total Additional Funding	**73**	-	-	-	**2,500**		**9,500**	**11,400**	**20,400**	**15,000**
Net Surplus (Deficit)	**$ (140)**	**$ 3,823**	**$ (791)**	**$ (758)**	**$ (3,576)**		**$ (2,984)**	**$ (3,975)**	**$ (3,569)**	**$ (4,280)**
Beginning Cash Balance	$ 12,475	$ 12,335	$ 16,158	$ 16,158	$ 15,400		$ 11,824	$ 8,840	$ 4,865	$ 1,296
Ending Cash Balance	$ 12,335	$ 16,158	$ 15,367	$ 15,400	$ 11,824		$ 8,840	$ 4,865	$ 1,296	$ (2,984)
Unrestricted Cash Balance - Beginning	$ 7,639	$ 7,147	$ 10,452	$ 10,452	$ 9,483		$ 6,242	$ 3,211	$ 224	$ 81
Unrestricted Cash Balance - Ending	$ 7,147	$ 10,452	$ 9,745	$ 9,483	$ 6,242		$ 3,211	$ 224	$ 81	$ (3,862)
Restricted Cash Balance - Beginning	$ 4,836	$ 5,188	$ 5,706	$ 5,706	$ 5,917		$ 5,582	$ 5,629	$ 4,641	$ 1,215
Restricted Cash Balance - Ending	$ 5,188	$ 5,706	$ 5,622	$ 5,917	$ 5,582		$ 5,629	$ 4,641	$ 1,215	$ 878
Dividend Affordability Formula:										
Operating & Maintenance Expenses	$ 8,081	$ 9,854	$ 9,276	$ 10,070	$ 12,056		$ 11,273	$ 11,016	$ 11,242	$ 11,472
Reserved Retained Earnings (2 Months)	$ 1,347	$ 1,642	$ 1,546	$ 1,678	$ 2,009		$ 1,879	$ 1,836	$ 1,874	$ 1,912
Cash in Excess of Reserve after Dividend	$ 5,800	$ 8,810	$ 8,199	$ 7,805	$ 4,233		$ 1,332	$ (1,612)	$ (1,792)	$ (5,774)

WATER FUND PROJECTIONS
FISCAL YEAR 2023/27
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Water Vehicles-C0117	$ 188	$ -	$ 215	$ 335	$ 675		$ 320	$ 330	$ 300	$ 310
R.C. Willson Plant Improvements-C0166	1,100	18	1,120	1,000	950		700	550	550	550
Willson Transmission Main-C0167	447	28	-	-	220		400	1,200	15,700	15,400
Edgemont Reservoir Improvements-C0168	192	-	50	50	650		7,650	8,150	2,300	150
Risk and Resiliency/Security-C0322	-	47	325	300	150		100	50	50	25
Zone 3 Standpipe-C0323	-	-	-	-	-		-	-	-	100
Breichner WTP Improvements-C0405	-	-	1	-	20		520	3,500	3,300	20
Administrative/Engineering Equip.-C0648	-	-	10	10	10		10	10	10	10
Pump Station Improvements-C0651	16	-	145	75	145		700	1,400	1,300	1,900
DIstribution Services-C0653	745	415	325	200	325		325	325	325	325
Distribution System Rehabilitation-C0709	1,291	1,414	400	400	400		420	440	460	480
Water System SCADA Improvements-C0820	10	214	185	150	75		175	575	525	100
R.C.Willson Traveling Screen Replacement-C0863	13	-	-	-	-		-	-	-	-
Mack Water Tank - C0274	-	-	-	-	2,400		2,200	-	-	-
Total Capital Outlay	**$ 4,002**	**$ 2,136**	**$ 2,776**	**$ 2,520**	**$ 6,020**		**$ 13,520**	**$ 16,530**	**$ 24,820**	**$ 19,370**
Schedule B - Capital Outlay Detail										
Capital Outlay										
Non-Growth Related										
Cash Funded										
Water Vehicles-C0117	$ 188	$ -	$ 215	$ 335	$ 675		$ 320	$ 330	$ 300	$ 310
R.C. Willson Plant Improvements-C0166	90	16	1,008	900	855		630	495	495	495
Willson Transmission Main-C0167	402	25	-	-	198		400	700	700	400
Edgemont Reservoir Improvements-C0168	192	-	50	50	150		150	650	300	150
Risk and Resiliency/Security-C0322	-	47	325	300	150		100	50	50	25
Breichner WTP Improvements-C0405	-	-	1	-	20		520	500	300	20
Administrative/Engineering Equip.-C0648	-	-	9	9	9		9	9	9	9
Pump Station Improvements-C0651	14	-	131	68	131		125	125	125	125
DIstribution Services-C0653	499	315	225	100	325		325	325	325	325
Distribution System Rehabilitation-C0709	315	320	150	150	400		420	440	460	480
Water System SCADA Improvements-C0820	9	193	167	135	68		158	158	113	90
R.C.Willson Traveling Screen Rep -C0863	12	-	-	-	-		-	-	-	-
Mack Water Tank - C0274	-	-	-	-	400		200	-	-	-
Total Cash Funding	**1,721**	**916**	**2,280**	**2,047**	**3,380**		**3,357**	**3,782**	**3,177**	**2,429**
Grants - State MDE										
R.C. Willson Plant Improvements-C0166	900	-	-	-	-		-	-	-	-
Total Grants in Aid of Construction	**900**	-	-	-	-		-	-	-	-
			-							
MDE Bond Funded										
Willson Transmission Main-C0167	-	-	-	-	-		-	450	13,500	13,500
Edgemont Reservoir Improvements-C0168	-	-	-	-	500		7,500	7,500	2,000	
Breichner WTP Improvements-C0405	-	-	-	-	-		-	3,000	3,000	
Mack Water Tank - C0274	-	-			2,000		2,000			
Water System SCADA Improvements-C0820	-	-	-	-	-		-	360	360	
Total MDE Bond Funding	-	-	-	-	**2,500**		**9,500**	**11,310**	**18,860**	**13,500**
Total Non-Growth Related Capital Outlay	**2,621**	**916**	**2,280**	**2,047**	**5,880**		**12,857**	**15,092**	**22,037**	**15,929**
Growth Related										
Grants - State MDE										
R.C. Willson Plant Improvements-C0166	100	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -
Total Grants in Aid of Construction	**100**	-	-	-	-		-	-	-	-
Contributions by Developers										
DIstribution Services-C0653	246	257	100	100	-		-	-	-	-
Zone 3 Standpipe-C0323	-	-	-	-	-		-	-	-	100
New Pump Stations -C0651	-	-	-	-	-		575	1,275	1,175	1,775
Distribution System Rehabilitation-C0709	976	937	250	250	-		-	-	-	-
Total Contributions by Developers	**1,222**	**1,194**	**350**	**350**	**-**		**575**	**1,275**	**1,175**	**1,875**
Benefit Charges/Restricted Cash Funded										
R.C. Willson Plant Improvements-C0166	10	2	112	100	95		70	55	55	55
Willson Transmission Main-C0167	45	3	-	-	22		-	-	-	-
Administrative/Engineering Equip.-C0648	-	-	1	1	1		1	1	1	1
Pump Station Improvements-C0651	2	-	15	8	15		-	-	-	-
Water System SCADA Improvements-C0820	1	21	19	15	8		18	17	13	10
R.C.Willson Traveling Screen Rep-C0863	1	-	-	-	-		-	-	-	-
Total Benefit Charge Funded	**59**	**26**	**146**	**124**	**140**		**89**	**73**	**69**	**66**
MDE Bond Funded										
Willson Transmission Main-C0167	-	-	-	-	-		-	50	1,500	1,500
Water System SCADA Improvements-C0820	-	-	-	-	-		-	40	40	-
Total MDE Bond Funding	**-**	**-**	**-**	**-**	**-**		**-**	**90**	**1,540**	**1,500**
Total Growth Related Capital Outlay	**1,381**	**1,220**	**496**	**474**	**140**		**664**	**1,438**	**2,784**	**3,441**
Total Capital Outlay	**$ 4,002**	**$ 2,136**	**$ 2,776**	**$ 2,520**	**$ 6,020**		**$ 13,520**	**$ 16,530**	**$ 24,820**	**$ 19,370**

- 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 FY2022/23 proposed budget. Additionally, the projections from FY2023/24 for all future periods include a 2.0% annual rate increase as approved and estimated through FY2026/27. In FY2023/24, but possibly FY2024/25, 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) increased by 8.2% from the FY2021/22 budget compared to the proposed budget for FY2022/23. The majority of this increase is reflected in the “Plant Expenses” category as a result of increases to pelletizing charges, costs to repair equipment, electric and gas charges to run plant operations and in chemical costs. Overall estimated expenses are projected to increase from FY2023/24 to FY2026/27 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 FY2022/23 budget will increase by 3.6% from the current FY2021/22 budget as a result of increased 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 FY2023/24 through FY2026/27 the estimated increases in expense reflect growth of 5.5%, 2.5%, 1.0%, and 1.1%.

- Given the recent announcement by the Federal Reserve to raise interest rates, combined with the offset of a decline in cash balances, it is anticipated that there will be a slight increase in investment interest earnings in FY2023/24 over proposed FY2022/23. Investment earnings are expected to increase through FY2026/27 based on future rate increases and 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 are projected to increase over the FY2021/22 budget due to the growth in the economy and timing of new development. From our current FY2021/22 budget to the proposed FY2022/23 budget, benefit charges are estimated to remain at $500K. From FY2023/24 to FY2024/25 benefit charges are projected to be at $550K annually before increasing to $600K in FY2025/26 and FY2026/27 related to anticipated rate structure changes.

- The projections for Maryland Department of the Environment (MDE) Loan Program Bond financing reflected in years FY2023/24 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.

- 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 $6.6M in FY2022/23 to a loss of $395K in FY2026/27.

- 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 a decrease from $7.1M in FY2022/23 to $5.6M in FY2026/27 as a result of higher annual operating expense compared to projected revenue growth and capital improvement costs being funded with cash on hand.

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2023/27
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Operating Revenues										
Service Charges										
Metered City Sewer	$ 7,386	$ 7,580	$ 7,616	$ 7,901	$ 7,845	2.0%	$ 8,001	$ 8,161	$ 8,325	$ 8,491
Metered County Sewer	3,470	3,526	3,571	3,666	3,678	2.0%	3,752	3,827	3,903	3,981
Metered Joint Sewer	2,521	2,661	2,609	2,834	2,687	2.0%	1,370	1,398	1,426	1,454
Low -Pressure System Charge	106	105	106	105	109	0.0%	109	109	109	109
Total Service Charges	**13,483**	**13,873**	**13,902**	**14,506**	**14,319**		**13,232**	**13,495**	**13,763**	**14,036**
Other Operating Revenues	309	241	230	260	238	0.5%	239	240	242	243
Total Operating Revenue	**13,792**	**14,114**	**14,132**	**14,766**	**14,557**		**13,472**	**13,735**	**14,004**	**14,279**
Operating Expenses										
Plant Expenses	5,348	4,995	4,853	4,947	5,448	1.5%	5,530	5,613	5,697	5,782
Laboratory Expenses	289	275	302	256	315	2.0%	321	328	334	341
Collection Systems	1,554	1,504	1,565	1,522	1,652	2.0%	1,685	1,719	1,753	1,788
Selling, General & Administration	4,142	3,059	3,583	3,381	3,730	1.5%	3,786	3,843	3,900	3,959
Total Operating Expenses	**11,333**	**9,833**	**10,303**	**10,106**	**11,145**		**11,322**	**11,502**	**11,685**	**11,870**
Cash Operating Income (Loss)	**2,459**	**4,281**	**3,829**	**4,660**	**3,412**		**2,150**	**2,233**	**2,320**	**2,408**
Depreciation	2,762	2,631	3,156	2,868	3,271		3,450	3,535	3,570	3,610
Operating Income (Loss)	**(303)**	**1,650**	**673**	**1,792**	**141**		**(1,300)**	**(1,302)**	**(1,250)**	**(1,202)**
Non-Operating Revenues (Expenses)										
Intergovernmental Revenue - ARPA	-	215	-	-	-		-	-	-	-
Intergovernmental Revenue - CARES Act	-	5	-	-	-		-	-	-	-
Intergovernmental Revenue	240	240	181	181	-		-	-	-	-
Interest Earned	46	2	3	4	4		6	7	8	10
Premium on Bonds	4	4	4	4	4		4	4	4	4
Interest/Bond Issuance Expense	(340)	(250)	(287)	(287)	(263)		(250)	(235)	(192)	(166)
Gain (Loss) on Sale of Capital Assets	19	6	8	2	2		-	-	-	-
Total Non-Operating Revenues (Expenses)	**(30)**	**223**	**(91)**	**(96)**	**(254)**		**(240)**	**(224)**	**(180)**	**(152)**
Net Income (Loss) Before Operating Transfers	**(333)**	**1,873**	**583**	**1,696**	**(112)**		**(1,540)**	**(1,526)**	**(1,430)**	**(1,354)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(58)	(17)	(12)	(12)	(30)		(29)	(31)	(29)	(31)
Transfer from Health Insurance Fund	80	-	71	71	86		-	-	-	-
Total Transfers From (To) Funds	**22**	**(17)**	**60**	**60**	**55**		**(29)**	**(31)**	**(29)**	**(31)**
Capital Contributions										
Benefits Charges	1,228	1,216	500	612	500		550	550	600	600
Intergovernmental Revenue- ARPA	-	-	-	-	5,661		-	-	-	-
Intergovernmental Revenue- Capital	-	-	425	425	240		240	240	240	240
Non-Cash Developers Contributions	219	772	250	250	250		150	150	150	150
Total Capital Contributions	**1,447**	**1,988**	**1,175**	**1,287**	**6,651**		**940**	**940**	**990**	**990**
Increase (Decrease) in Retained Earnings	**1,135**	**3,844**	**1,817**	**3,043**	**6,594**		**(629)**	**(617)**	**(469)**	**(395)**
Adjust Retained Earnings to a Cash Flow Basis										
Add Back Depreciation	2,762	2,631	3,156	2,868	3,271		3,450	3,535	3,570	3,610
Principal Payments on Current Long-Term Debt	(1,845)	(1,457)	(1,483)	(1,483)	(1,391)		(1,412)	(1,513)	(1,169)	(1,187)
Non-Cash Developers Contributions	(219)	(772)	(250)	(250)	(250)		(150)	(150)	(150)	(150)
Changes in Working Capital	(1,500)	407	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**(802)**	**809**	**1,423**	**1,135**	**1,630**		**1,888**	**1,872**	**2,251**	**2,273**
Cash Available for Capital Outlay	**334**	**4,653**	**3,240**	**4,178**	**8,224**		**1,259**	**1,255**	**1,782**	**1,878**
Capital Outlay										
Non-Growth Related	3,263	681	2,101	2,416	2,845		2,732	1,317	1,242	1,232
Growth Related	1,471	938	716	517	6,226		2,335	280	280	280
Total Capital Outlay	**4,735**	**1,619**	**2,817**	**2,933**	**9,071**		**5,067**	**1,597**	**1,522**	**1,512**
Cash After Capital Outlay	**(4,400)**	**3,034**	**424**	**1,245**	**(847)**		**(3,808)**	**(342)**	**260**	**366**
MDE Bond Financing	-	-	-	-	-		1,965	-	-	-
Total Additional Funding	**-**	**-**	**-**	**-**	**-**		**1,965**	**-**	**-**	**-**
Net Surplus (Deficit)	**$ (4,400)**	**$ 3,034**	**$ 424**	**$ 1,245**	**$ (847)**		**$ (1,843)**	**$ (342)**	**$ 260**	**$ 366**
Total Cash Balance - Beginning	$ 8,086	$ 3,686	$ 6,720	$ 6,720	$ 7,965		$ 7,118	$ 5,275	$ 4,933	$ 5,193
Total Cash Balance - Ending	$ 3,686	$ 6,720	$ 7,145	$ 7,965	$ 7,118		$ 5,275	$ 4,933	$ 5,193	$ 5,559
Unrestricted Cash Balance - Beginning	$ 6,868	$ 2,462	$ 4,949	$ 4,949	$ 6,385		$ 5,879	$ 4,120	$ 3,640	$ 3,666
Unrestricted Cash Balance - Ending	$ 2,462	$ 4,949	$ 5,594	$ 6,385	$ 5,879		$ 4,120	$ 3,640	$ 3,666	$ 3,795
Restricted Cash Balance &R's - Beginning	$ 1,217	$ 1,223	$ 1,771	$ 1,771	$ 1,580		$ 1,240	$ 1,155	$ 1,293	$ 1,527
Restricted Cash Balance & 3R's - Ending	$ 1,223	$ 1,771	$ 1,550	$ 1,580	$ 1,240		$ 1,155	$ 1,293	$ 1,527	$ 1,763
Dividend Affordability Formula:										
Operating & Maintenance Expenses	$ 11,333	$ 9,833	$ 10,303	$ 10,106	$ 11,145		$ 11,322	$ 11,502	$ 11,685	$ 11,870
Reserved Retained Earnings (2 Months)	$ 1,889	$ 1,639	$ 1,717	$ 1,684	$ 1,858		$ 1,887	$ 1,917	$ 1,947	$ 1,978
Cash in Excess of Reserve after Dividend	$ 573	$ 3,310	$ 3,877	$ 4,701	$ 4,021		$ 2,233	$ 1,723	$ 1,718	$ 1,817

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2023/27
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Sewer Vehicles-C0004	$ 165	$ 40	$ 228	$ 68	$ 1,369		$ 100	$ 120	$ 45	$ 35
Manhole Raising-C0267	-	12	25	25	25		25	25	25	25
Pump Station Improvements-C0299	37	24	50	75	15		75	75	75	75
Collection System Rehabilitation-C0327	79	64	400	400	275		100	100	100	100
East End Pump Station-C0565	-	-	-	535	3,000		500	-	-	-
PS 13 Reconstruction Project-C0574	-	-	-	185	2,235		1,465	-	-	-
WWTP Equipment-C0584	14	212	570	570	500		700	500	500	500
Buildings & Structures-C0585	227	-	-	-	30		25	25	25	25
WWTP - Phase III - Disinfection-C0657	-	33	60	60	45		20	20	20	20
WWTP/Phase V/Solids Processing-C0711	97	10	60	60	100		100	100	100	100
Synagro Facility Upgrade Improvements-C0712	3,667	370	390	350	350		300	-	-	-
Collection System Equipment-C0713	17	-	46	78	80		80	80	80	80
Laboratory Equipment-C0745	-	11	100	100	420		1,000	25	25	25
Grinder Pump Replacement-C0767	63	62	112	112	112		112	112	112	112
SSES City Wide-C0800	149	9	460	315	250		250	250	250	250
Eliminate Pump Station #12-C0832	-	-	50	-	100		50	-	-	-
New Laterals-C0834	219	772	265		165		165	165	165	165
Total Capital Outlay	**$ 4,735**	**$ 1,619**	**$ 2,817**	**$ 2,933**	**$ 9,071**		**$ 5,067**	**$ 1,597**	**$ 1,522**	**$ 1,512**
Schedule B - Capital Outlay Detail										
Capital Outlay Non-Growth Related										
Cash Funded										
Sewer Vehicles-C0004	165	40	228	68	943		100	120	45	35
Manhole Raising-C0267	-	12	25	25	25		25	25	25	25
Pump Station Improvements-C0299	28	18	38	56	11		56	56	56	56
Collection System Rehabilitation-C0327	40	32	200	200	138		50	50	50	50
East End Pump Station-C0565	-	-	-	535	-		-	-	-	-
PS 13 Reconstruction Project-C0574	-	-	-	185	-		-	-	-	-
WWTP Equipment-C0584	14	212	345	345	260		460	260	260	260
Buildings & Structures-C0585	227	-	-	-	30		25	25	25	25
WWTP Phase III Disinfection-C0657	-	23	42	42	32		14	14	14	14
WWTP/Phase V/Solids Processing-C0711	68	7	42	42	70		70	70	70	70
Synagro Facility Upgrade Improvements-C0712	2,567	259	273	245	245		210	-	-	-
Collection System Equipment-C0713	17	-	46	78	80		80	80	80	80
Laboratory Equipment-C0745	-	11	100	100	420		1,000	25	25	25
Grinder Pump Replacement-C0767	63	62	112	112	112		112	112	112	112
SSES City Wide-C0800	75	5	260	58	125		225	225	225	225
Eliminate Pump Station #12-C0832	-	-	50	-	100		50	-	-	-
New Laterals-C0834	-	-	15	-	15		15	15	15	15
Total Cash Funding	**3,263**	**681**	**1,776**	**2,091**	**2,605**		**2,492**	**1,077**	**1,002**	**992**
Grants in Aid of Construction										
WWTP Equipment-C0584	-	-	225	225	240		240	240	240	240
SSES City Wide-C0800	-	-	100	100	-		-	-	-	-
Total Grant in Aid of Construction	**-**	**-**	**325**	**325**	**240**		**240**	**240**	**240**	**240**
Total Non-Growth Related Capital Outlay	**3,263**	**681**	**2,101**	**2,416**	**2,845**		**2,732**	**1,317**	**1,242**	**1,232**
Growth Related										
Grants in Aid of Construction										
SSES City Wide-C0800	-	-	100	100			-	-	-	-
East End Pump Station-C0565	-	-	-	-	3,000		-	-	-	-
PS 13 Reconstruction Project-C0574	-	-	-	-	2,235		-	-	-	-
Wastewater Vehicle Replacement-C004	-	-	-	-	426		-	-	-	-
Total Grants in Aid of Construction	**-**	**-**	**100**	**100**	**5,661**		**-**	**-**	**-**	**-**
Contributions by Developers										
Trunk Lines and Laterals -C0834	219	772	250	-	150		150	150	150	150
Total Developer Contributions	**219**	**772**	**250**	**-**	**150**		**150**	**150**	**150**	**150**
Benefit Charges/Restricted Cash Funded										
Pump Station Improvements-C0299	9	6	13	19	4		19	19	19	19
Collection System Rehabilitation-C0327	40	32	200	200	138		50	50	50	50
WWTP - Phase III - Disinfection-C0657	-	10	18	18	14		6	6	6	6
WWTP/Phase V/Solids Processing-C0711	29	3	18	18	30		30	30	30	30
Synagro Facility Upgrade Improvements-C0712	1,100	111	117	105	105		90	-	-	-
SSES City Wide-C0800	75	5	-	58	125		25	25	25	25
Total Benefit Charge Funding	**1,253**	**166**	**366**	**417**	**415**		**220**	**130**	**130**	**130**
MDE Bond Funded										
East End Pump Station-C0565	-	-	-	-	-		500	-	-	-
PS 13 Reconstruction Project-C0574	-	-	-	-	-		1,465	-	-	-
Total MDE Bond Funding	**-**	**-**	**-**	**-**	**-**		**1,965**	**-**	**-**	**-**
Total Growth Related Capital Outlay	**1,471**	**938**	**716**	**517**	**6,226**		**2,335**	**280**	**280**	**280**
Total Capital Outlay	**$ 4,735**	**$ 1,619**	**$ 2,817**	**$ 2,933**	**$ 9,071**		**$ 5,067**	**$ 1,597**	**$ 1,522**	**$ 1,512**

- Parking rates were last increased for the parking decks and parking lots by Mayor & Council on July 1, 2021. No new rate increases have been proposed for FY23. Current parking deck rates are $70/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 $56/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 FY2023/24 through FY2026/27.

- 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 which to link a new parking deck. The City's third parking deck will be constructed in conjunction with the Hagerstown Multi-Use Sports and Events Facility to be located on the corner of Baltimore St. and Summit Ave by private and public organizations external to the City. The new parking deck will support the operations of the sports and events facility while providing additional parking for the projected development that will follow this project. The projections include the assumption that this third parking deck would be completed at the end of FY2023/24 with one full year of operation in FY2024/25. The revenue calculation is based on utilization of 280 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 FY2023/24 which will deplete the Parking Fund cash balances significantly with projected cash deficits of $4.8M, $527K, $503K and $510K in FY2023/24, FY2024/25, FY2025/26 and FY2026/27.

- Total operating expenses (excluding depreciation) increased by 7.0% from the FY2021/22 budget compared to the budget proposed for FY2022/23. Primarily, this increase is reflected in wages and benefits and contract services as a result of minimum wage changes and annual parking deck software maintenance costs. Based on historical trends, the projections will include increases in future periods. The overall increase for all future periods through FY2023/24 is estimated to average 3.0% to 3.1% annually, excluding third parking deck costs. With the inclusion of a third parking deck, the increase in FY2024/25 is estimated to be 31.4%.

- Depreciation expense is expected to decrease from FY2021/22 to FY2022/23 budget by 3.4% or $10K as a result of lower than anticipated infrastructure spending in FY2021/22. FY2023/24 is projected to increase by 37.5% over FY2022/23 as a result of improvements to the University District deck and parking lots and from a partial year of depreciation for the third parking deck. Further, we anticipate that depreciation will increase significantly again in FY2024/25 by 27.7% 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 and FY2026/27 with estimated increases of 0.20%.

- Given the recent movement by the Federal Reserve that suggest an increase in interest rates, it is projected that interest earnings will increase in FY2022/23. 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 FY2023/24 before declining in FY2024/25 with estimated reductions to the cash balance.

- The future bond interest rates for the new parking deck are estimated at a rate of 4.25% 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 <$75.2K> in FY2021/22 to a loss of <$494.2K> in FY2026/27 due to significant increases in depreciation and debt service expenses for a third parking deck.

- The ending total cash balance projection will decrease from $5.6M in FY2022/23 to <$654K> in FY2026/27 primarily as a result of the third parking deck capital project and annual debt service requirements scheduled in future periods.

PARKING FUND PROJECTIONS
FISCAL YEAR 2023/2027
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Operating Revenues										
Parking Deck Revenues										
University District Parking Deck										
Parking Deck Permits	$ 163	$ 188	$ 160	$ 200	$ 200	2.5%	$ 205	$ 210	$ 215	$ 221
Parking Deck Fees	45	22	35	44	45	2.5%	61	63	64	66
Downtown Promotions	2	-	1	-	-	0.0%	-	-	-	-
General Free Parking	(11)	(2)	(3)	(3)	(2)	1.5%	(2)	(2)	(2)	(2)
Validations	20	10	15	24	24	1.5%	24	25	25	25
Arts & Entertainment Parking Deck										
Parking Deck Permits	75	89	100	110	110	2.5%	113	116	118	121
Parking Deck Fees	49	53	45	60	65	2.5%	82	84	86	88
PEP Parking Discount	(1)	(0)	-	-	-	1.5%	-	-	-	-
Parking Deck III										
Parking Deck Fees	-	-	-	-	-	2.5%	-	228	250	256
Total Parking Deck Revenue	**341**	**360**	**354**	**436**	**442**		**483**	**722**	**757**	**775**
Parking Meter & Lot Revenues										
Street Meters	79	58	78	78	78	1.5%	94	96	97	98
Free Parking	(2)	(3)	(3)	(3)	(3)	0.0%	(3)	(3)	(3)	(3)
Market House Lot	43	42	42	37	-	0.0%	-	-	-	-
Church Street Lot	35	51	52	52	52	1.5%	52	53	54	55
Rochester Lot	4	5	5	8	8	1.5%	8	8	8	8
Central Lot	73	85	71	90	92	1.5%	93	95	96	98
Antietam St. Lot	16	12	15	14	14	1.5%	14	14	15	15
Hospital Streets	-	1	-	-	-	1.5%	-	-	-	-
Bryan Centre Lot	0	0	0	1	1	0.0%	1	1	1	1
Departmental Charges	24	27	32	28	30	1.5%	30	31	31	32
Total Parking Meter & Lot Revenue	**272**	**279**	**292**	**304**	**270**		**289**	**294**	**298**	**303**
Parking Enforcement	**85**	**156**	**87**	**140**	**140**	1.5%	**162**	**164**	**166**	**169**
Other Operating Revenues										
Other Revenues	8	1	-	1	1		-	-	-	-
Total Other Operating Revenue	**8**	**1**	**0**	**1**	**1**		**0**	**0**	**0**	**0**
Total Operating Revenue	**706**	**797**	**732**	**880**	**854**		**934**	**1,180**	**1,222**	**1,247**
Operating Expenses										
University District Parking Deck	145	123	153	165	159	3.5%	164	170	176	182
Arts & Entertainment Parking Deck	208	197	209	212	226	3.5%	234	242	250	259
Parking Deck III	-	-	-	-	-	3.5%	-	206	213	221
Parking Lots	175	189	209	208	232	2.5%	238	244	250	256
Parking Enforcement Expenses	74	69	88	86	87	2.5%	90	92	94	97
Total Operating Expense	**601**	**579**	**658**	**672**	**704**		**725**	**953**	**983**	**1,014**
Cash Operating Income (Loss)	**105**	**218**	**74**	**209**	**150**		**209**	**227**	**239**	**233**
Depreciation	256	267	287	267	277		381	486	487	489
Operating Income (Loss)	**(152)**	**(49)**	**(213)**	**(58)**	**(127)**		**(172)**	**(259)**	**(249)**	**(256)**
Non-Operating Revenue (Expense)										
Intergovernmental Revenue-ARPA	-	11	-	-	-		-	-	-	-
Intergovernmental Revenue-Cares Act	-	1	-	-	-		-	-	-	-
Interest Earned	16	1	2	1	2		2	1	1	0
Interest/Bond Issuance Expense	(22)	(16)	(16)	(16)	(77)		(188)	(238)	(236)	(235)
Total Non-Operating Revenue (Expense)	**(6)**	**(4)**	**(14)**	**(15)**	**(75)**		**(186)**	**(236)**	**(235)**	**(234)**
Net Income (Loss) Before Operating Transfers	**(157)**	**(54)**	**(227)**	**(73)**	**(202)**		**(358)**	**(496)**	**(484)**	**(490)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(10)	(3)	(2)	(2)	(5)		(4)	(4)	(4)	(4)
Total Transfers From (To) Other Funds	**(10)**	**(3)**	**(2)**	**(2)**	**(5)**		**(4)**	**(4)**	**(4)**	**(4)**
Increase (Decrease) in Retained Earnings	**(168)**	**(57)**	**(229)**	**(75)**	**(207)**		**(362)**	**(500)**	**(488)**	**(494)**

PARKING FUND PROJECTIONS
FISCAL YEAR 2023/2027
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Adjust to a Cash Flow Basis										
Add Back Depreciation	$ 256	$ 267	$ 287	$ 267	$ 277		$ 381	$ 486	$ 487	$ 489
Changes in Working Capital	58	(78)	-	-	-		-	-	-	-
Principal Payments on Long-Term Debt.	(216)	(66)	(69)	(69)	(31)		(259)	(446)	(448)	(449)
Total Adjustments to Retained Earnings	**98**	**123**	**218**	**198**	**246**		**122**	**40**	**40**	**40**
Cash Available for Capital Outlay	**(70)**	**66**	**(11)**	**122**	**39**		**(240)**	**(460)**	**(448)**	**(455)**
Capital Outlay										
Parking Facilities 3rd Parking Deck - C0173	-	-	287	150	5,717		4,500	-	-	-
Parking Lot Former M&T Building -ARP06	-	-	-	24	-		-	-	-	-
Upgrades to Parking Decks - C0749	-	122	10	-	15		15	10	10	10
Vehicles/Equipment - C0829	-	-	-	-	35		-	30	-	-
Parking Lot Improvements - C0857	22	-	10	-	80		10	10	10	10
Total Capital Outlay	**22**	**122**	**307**	**174**	**5,847**		**4,525**	**50**	**20**	**20**
Cash After Capital Outlay	**(92)**	**(56)**	**(318)**	**(52)**	**(5,808)**		**(4,765)**	**(510)**	**(468)**	**(475)**
Additional Funding										
Bond Financing	-	-	-	-	10,000		-	-	-	-
Total Additional Funding	**-**	**-**	**-**	**-**	**10,000**		**-**	**-**	**-**	**-**
Net Surplus (Deficit)	**$ (92)**	**$ (56)**	**$ (318)**	**$ (52)**	**$ 4,192**		**$ (4,765)**	**$ (510)**	**$ (468)**	**$ (475)**
Beginning Cash Balance	$ 1,572	$ 1,480	$ 1,424	$ 1,424	$ 1,372		$ 5,563	$ 798	$ 289	$ (179)
Ending Cash Balance	$ 1,480	$ 1,424	$ 1,106	$ 1,372	$ 5,563		$ 798	$ 289	$ (179)	$ (654)

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2023/2027
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 FY2026/27. In FY2021/22, a one-time allocation of Highway User Income was used to fund golf course improvements. This funding will not be available in future budget years. As a result, the operating revenue proposed in the FY2022/23 budget anticipates a net <2.5%> decrease compared to estimated actuals for FY2021/22. Flat to small revenue growth is anticipated annually in FY2023/24 through FY2026/27. The changes to operating revenue for each of the respective periods beginning in FY2023/24 are as follows: 1.3%, 3.1%, 0.3%, and 3.3%.

- Total operating expense (excluding depreciation) increased by 2.2% from current FY2021/22 budget to proposed FY2022/23 budget. The increase is a net result of slightly lower salaries and benefits offset with larger increases in vehicle operating expenses and contract services. Beginning in FY2023/24 through FY2026/27, the change in total expenses range annually from 2.3%, 3.0%, 3.0%, and 3.1% respectively. The increase reflects annual salary enhancements and associated benefits of 3.2% for FY2024/25 through FY2026/27. In addition, several expense categories (Material, Supplies, & Utilities; Vehicle Operating Expenses; and, Contracted Services) are anticipated to increase based on historical trends and largely fluctuating inflation factors.

- Depreciation expense is a reflection of investment in capital infrastructure and renovation. Therefore, the projections for depreciation reflect an increase of 7.5% or $5.9K from FY2021/22 to FY2022/23 budget. This increase is due to further purchases of vehicles for the golf course and for course improvements. The four remaining periods from FY2023/24 through FY2026/27 are anticipated to increase by 13.4%, 15.3%, 13.7% and 9.2% respectively. These trends reflect growing and constant infrastructure purchases than done in more recent years.

- Even with the anticipated action of the Federal Reserve increasing interest rates, it is anticipated that annual interest earned will be no more than $1K despite the positive cash balance within the Golf Course fund through FY2026/27.

- The Golf Course currently has no debt service and is not estimated to incur any through FY2026/27.

- Currently, the Golf Course receives a subsidy from the General Fund. It will be necessary to continue this subsidy through FY2026/27 based on the projections and trends. The proposed budget for FY2022/23 includes a subsidy of $123K down from $200K in the FY2021/22. FY2023/24 reflects an increase to the subsidy of $95K as a result of planned improvements and increased operating expenses. In the remaining future projections from FY2024/25 through FY2026/27, annual stipend requirements from the General Fund are estimated at $264K, $280K, and $229K respectively.

- Based on the assumptions outlined above for revenues, increasing expenses, and the subsidy received by the General Fund, the net surplus (deficit) is estimated to remain at zero for future periods to not deplete the projected FY23 cash balance.

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2023/2027
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Operating Revenues										
Green Fees	$ 131	$ 194	$ 137	$ 147	$ 165		$ 170	$ 175	$ 180	$ 186
Cart Rentals	81	112	90	110	110		113	113	113	113
Tournaments & Specials	9	12	10	10	10		10	10	10	10
State Shared:Highway User Income	-	-	30	30	-		-	-	-	-
Other Revenues	23	39	30	27	31		27	32	28	33
Total Operating Revenues	**243**	**357**	**297**	**324**	**316**		**320**	**330**	**331**	**342**
Operating Expenses										
Salaries & Wages	185	204	189	190	183		183	188	194	199
Wage & O/H Allocation	-	-	-	-	-		-	-	-	-
Fringe Benefits	110	97	108	105	96		99	102	106	110
Materials, Supplies, & Utilities	57	51	75	77	77	3.0%	79	82	84	87
Maintenance & Repairs	4	2	3	3	3	2.0%	3	3	3	3
Vehicle Operating Expenses	15	24	17	26	27	1.5%	27	28	29	30
Advertising & Printing	9	8	11	11	10		12	13	13	14
Machinery & Equipment Rentals	16	16	17	18	18		18	18	18	18
Contracted Services	36	43	23	38	38	2.5%	39	41	42	43
Other General Expenses	18	14	13	13	13		13	14	14	15
Insurance	2	2	3	3	3		3	3	3	3
Communication Expenses	1	1	1	1	1		1	1	1	1
Operating Capital Expenditures	1	1	-	-	-		1	1	1	1
Total Operating Expenses	**453**	**464**	**458**	**484**	**468**		**479**	**493**	**508**	**523**
Cash Operating Income (Loss)	**(210)**	**(107)**	**(161)**	**(160)**	**(152)**		**(159)**	**(163)**	**(177)**	**(181)**
Depreciation	40	41	66	54	71		81	93	106	116
Operating Income (Loss)	**(249)**	**(148)**	**(228)**	**(214)**	**(223)**		**(240)**	**(256)**	**(283)**	**(297)**
Non-Operating Revenues (Expense)										
Intergovernmental Revenue - ARPA	-	11	-	-	-		-	-	-	-
Intergovernmental Revenue - CARES Act	-	-	-	-	-		-	-	-	-
Interest Earned	1	-	-	-	-		1	1	1	1
Total Non-Operating Revenue (Expense	**1**	**11**	**-**	**-**	**-**		**1**	**1**	**1**	**1**
Transfers From (To) Other Funds										
Transfers from General Fund	273	272	200	200	123		218	264	280	229
Total Transfers From (To) Other Funds	**273**	**272**	**200**	**200**	**123**		**218**	**264**	**280**	**229**
Increase (Decrease) in Retained Earnings	**24**	**134**	**(27)**	**(14)**	**(100)**		**(21)**	**9**	**(2)**	**(67)**
Adjust to Cash Flow Basis										
Add Back Depreciation	40	41	66	54	71		81	93	106	116
Changes in Working Capital	-	(14)	-	-	-		-	-	-	-
Total Adjustment to Retained Earnings	**40**	**28**	**66**	**54**	**71**		**81**	**93**	**106**	**116**
Cash Available for Capital Outlay	**64**	**162**	**39**	**40**	**(29)**		**60**	**102**	**104**	**49**
Capital Outlay										
Vehicle/Equipment Replace - C0395	35	-	38	32	38		45	52	54	49
Golf Course Improvements - C0825	-	-	60	60	25		15	50	50	-
Total Capital Outlay	**35**	**-**	**98**	**92**	**63**		**60**	**102**	**104**	**49**
Net Surplus (Deficit)	**$ 29**	**$ 162**	**$ (59)**	**$ (52)**	**$ (91)**		**$ 0**	**$ 0**	**$ 0**	**$ 0**
Beginning Cash	$ 69	$ 99	$ 260	$ 260	$ 208		$ 117	$ 117	$ 117	$ 118
Ending Cash	$ 99	$ 260	$ 201	$ 208	$ 117		$ 117	$ 117	$ 118	$ 118
Self Supporting Level	49.3%	70.7%	56.7%	60.2%	58.6%		57.2%	56.3%	53.9%	53.5%

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2023/2027
ASSUMPTIONS

- Overall, rental revenue projections are estimated to decrease by 11.0% or $36.2K from FY2021/22 budget to FY2022/23 budget. The FY2022/23 budget includes all current leases with an anticipated renewal by DLLR at 2-6 N Potomac Street, 1st Floor in July 2022. The FY2022/23 budget also reflects the decrease in rental income by $46K from the FY2021/22 budget from the sale early in FY2021/22 of 36-40 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 FY2026/27 as follows: Maryland Watch Works (14 N Potomac St., Suite B-3) expires in 2025; and, NIST (14 N. Potomac St.) expires in 2026.

- Total operating expenses (excluding depreciation) are expected to decrease by 9.4% from FY2021/22 budget compared to the FY2022/23 budget. Primarily, this decrease is a result of reductions in contracted services, maintenance and repairs and material, supplies and utilities associated with the sale of 36-40 North Potomac. The overall estimated increase for each consecutive year from FY2023/24 to FY2026/27 is 2.0%.

- Depreciation expense is expected to decrease by 21.3% from the FY2021/22 budget to the proposed FY2022/23 budget due to the sale of property at 36-40 N. Potomac and the donation of property to Antietam Fire Company. Further, it is estimated that depreciation will increase significantly by 8.1% in FY2023/24 due to improvement projects at the Alms House and Elizabeth Hager Center. After that, it is expected that depreciation will increase annually by 0.6% from FY2024/25 through FY2025/26 with an increase to 1.6% in FY2026/27.

- The investment interest amount is assumed to remain flat with no overall growth calculated as a result of anticipated cash balances within this fund. With the sale of Antietam Fire Company, this eliminated the long-term lease in place which was the primary source of interest income.

- At this time, there are no additional future bond issues. As a result, interest expense remains flat through FY2026/27. Interest expense for FY2022/23 will stay flat to the FY2021/22 budget at $4K

- Based on the assumptions outlined above for both revenues and expenses, our net increase (decrease) in retained earnings is estimated to increase from an anticipated loss of <$210K> in FY2021/22 estimated actual to a gain of $299K in FY2022/23.

- The ending total cash balance is projected to be $377K beginning with the FY2022/23 budget and declining to $22K in FY2026/27. This decline in the cash balance is a result of multiple factors: higher annual operating expenditures over rental income and the capital improvement projects at the Elizabeth Hager Center and 60W. Washington Street.

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2023/2027
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Operating Revenues										
Rent - 2-6 N Potomac Street, 1st Floor	$ 148	$ 175	$ 167	$ 167	$ 167		$ 167	$ 167	$ 167	$ 167
Rent - 14 N Potomac Street, Suite 200A/B	34	32	36	36	36		16	16	4	-
Rent - 6 N Potomac Street	18	11	-	15	23		21	21	22	23
Rent - 14 N Potomac Street, Suite B-3	1	19	21	21	24		25	19	-	-
Rent - 14 N Potomac Street, Suite 200B Room 59	1	-	-	-	-		-	-	-	-
Rent - 60 W Washington Street, Suite 102	7	8	8	8	8		-	-	-	-
Rent - 790-800 Potomac Avenue	16	16	16	8	-		-	-	-	-
Rent - 40 N Potomac Street	15	16	17	-	-		-	-	-	-
Rent - 36 N Potomac Street	-	5	8	-	-		-	-	-	-
Rent - 60 W Washington Street, Rear	29	34	33	32	33		33	33	33	33
Rent - 38 N Potomac Street	19	18	21	-	-		-	-	-	-
Membership Dues - 60 W Washington Street	6	2	3	3	3		3	3	3	3
Miscellaneous Revenues	24	0	-	-	-		-	-	-	-
Total Operating Revenues	**318**	**337**	**330**	**290**	**294**		**265**	**260**	**229**	**226**
Operating Expenses										
Rental Properties Operational Expense	321	617	310	319	281	2.0%	287	292	298	304
Depreciation	137	132	141	109	111		120	121	121	123
Total Operating Expenses	**459**	**749**	**451**	**428**	**392**		**407**	**413**	**419**	**427**
Operating Income (Loss)	**(140)**	**(412)**	**(121)**	**(138)**	**(98)**		**(142)**	**(153)**	**(190)**	**(202)**
Non-Operating Revenues (Expenses)										
*Intergovernmental Revenue-CARES Act	-	-	-	-	-		-	-	-	-
Interest Earned	15	14	13	7	1		1	1	1	1
Interest/Bond Issuance Expense	(4)	(4)	(4)	(4)	(4)		(4)	(3)	(3)	(3)
Loss on Disposal of Capital Assets	(37)	(456)	-	(521)	-		-	-	-	-
Total Non-Operating Revenues (Expenses)	**(26)**	**(446)**	**9**	**(518)**	**(3)**		**(3)**	**(2)**	**(2)**	**(2)**
Net Income (Loss) Before Operating Transfers	**(167)**	**(858)**	**(112)**	**(656)**	**(101)**		**(144)**	**(155)**	**(192)**	**(204)**
Transfers From (To) Other Funds										
Transfers from General Fund	-	-	-	446	-		-	-	-	-
Transfers from CDBG Fund	-	-	-	-	400		250	-	-	-
Total Transfers From (To) Other Funds	**-**	**-**	**-**	**446**	**400**		**250**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**$ (167)**	**$ (858)**	**$ (112)**	**$ (210)**	**$ 299**		**$ 106**	**$ (155)**	**$ (192)**	**$ (204)**
Adjust to a Cash Flow Basis										
Add Back Depreciation	137	132	141	109	111		120	121	121	123
Changes in Working Capital	31	861	-	521	-		-	-	-	-
Principal Payments on Long-term Debt	(5)	(6)	(6)	(6)	(6)		(6)	(6)	(6)	(6)
Total Adjustments to Retained Earnings	**163**	**987**	**135**	**624**	**105**		**114**	**115**	**115**	**117**
Cash Available for Capital Outlay	**(3)**	**129**	**24**	**414**	**404**		**220**	**(41)**	**(78)**	**(87)**
Capital Outlay										
Alms House Repairs - C0755			-	-	400		250	-	-	-
Elizabeth Hager Center - C0803	-	-	30	30	20		20	20	20	20
60 W Washington St - C0828	-	-	120	200	-		-	-	-	40
36-40 N Potomac Street - C0836	-	-	10	-	-		-	-	-	-
Total Capital Outlay	**-**	**-**	**160**	**230**	**420**		**270**	**20**	**20**	**60**
Net Surplus (Deficit)	**$ (3)**	**$ 129**	**$ (136)**	**$ 184**	**$ (16)**		**$ (50)**	**$ (61)**	**$ (98)**	**$ (147)**
Beginning Cash Balance	$ 85	$ 81	$ 210	$ 210	$ 394		$ 377	$ 327	$ 266	$ 169
Ending Cash Balance	$ 81	$ 210	$ 73	$ 394	$ 377		$ 327	$ 266	$ 169	$ 22

*FY2020/21 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 the COVID pandemic, the implementation and billing of the fees were delayed until March 2021. Rates were adjusted to $34.00 per 1000 square feet of impervious area on January 1, 2022. For future years, rates are approved to be $36.00 starting in January 2023 with the rate model to be reassessed for future years.

- Total operating expenses (excluding depreciation) decreased by 39.5% from the FY2021/22 budget compared to the budget proposed for FY2022/23. This decrease is reflected in the “Capital Construction” line and in the “Selling, General and Administrative” line with an adjustment to the projected amount of uncollectible customer accounts anticipated from $780K to $4K. The anticipated expenses will include increases in future periods as the program and projects take time to complete. The overall increase for all future periods through FY2026/27 is estimated to average 3.5% annually to include increases for salaries, benefits and other inflationary increases.

- It is anticipated that more capital equipment and infrastructure investments will be made during the first several years of this program which will result in increases to depreciation expense. Depreciation expense is expected to increase significantly by 37% from the FY2021/22 budget to the proposed FY2022/23 budget. The depreciation expense increase for FY2022/23 is primarily the result of $1.2M to be spent in stream restoration projects (#59-C0866). FY2023/24 is projected to increase by 48.1% over FY2022/23 primarily as a result of $1.4M in spending for stream restorations (#59-C0866) and $700K for stormwater related projects at the Hagerstown Field House (#59-C0634). Further, it is anticipated that depreciation will increase in FY2024/25 and FY2025/26 by 22.9% and 7.2% respectively. Lastly, depreciation expense is estimated to increase again in FY2026/27 by 33.3 %, primarily as the result of $700K in expenditures to purchase new stormwater sweepers.

- Interest rates set in place by the Federal Reserve are expected to increase and result in interest income growth from FY2022/23 to FY2026/27. Growth is projected at 1.5% per year plus an additional $2K per year in FY2024/25 and FY2025/26 due to increases in the cash balance. As a newly created fund and initiative in FY2020/21 historical trends will provide a better basis of projecting.

- At this time, there are no additional future bond issues. The debt service impact is reflected in interest expense and principal repayment figures. Currently, the projections include payments made from the 2018 Bond issuance to purchase street sweepers and transferred from the General Fund in FY2020/21. The total amount transferred in debt was $558K. The Bond interest rate is at 4.3% to be paid over 15 years.

- Based on the assumptions outlined above for both revenues and increasing expenses, our net increase (decrease) in retained earnings is estimated to remain flat from an anticipated gain of $1.8M in FY2022/23 to a gain of $1.8M in FY2026/27.

STORMWATER FUND PROJECTIONS
FISCAL YEAR 2023/2027
INCOME STATEMENT
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
Operating Revenues										
Stormwater Fixed Fee	$ -	$ 590	$ 3,121	$ 3,241	$ 3,320	2.5%	$ 3,403	$ 3,488	$ 3,575	$ 3,665
Credit SWM Program	-	(2)	(177)	(120)	(135)	2.5%	(138)	(142)	(145)	(149)
Late Fees	-	2	-	11	11		12	12	12	12
Total Operating Revenues	**-**	**590**	**2,944**	**3,132**	**3,196**		**3,276**	**3,358**	**3,442**	**3,528**
Operating Expenses										
Infrastructure Maintenance	-	396	539	557	627	3.5%	649	672	695	719
Capital Construction	-	15	136	10	-	3.5%	-	-	-	-
Selling, General & Administrative	-	183	1,394	243	626	3.5%	648	670	694	718
Total Operating Expense	**-**	**594**	**2,069**	**809**	**1,253**		**1,296**	**1,342**	**1,389**	**1,437**
Cash Operating Income (Loss)	**-**	**(4)**	**876**	**2,322**	**1,943**		**1,980**	**2,016**	**2,053**	**2,091**
Depreciation	-	71	91	86	125		185	228	244	325
Operating Income (Loss)	**-**	**(75)**	**784**	**2,236**	**1,818**		**1,794**	**1,789**	**1,809**	**1,765**
Non-Operating Revenue (Expense)										
Intergovernmental Revenue-ARPA	-	11	-	-	-		-	-	-	-
Interest Earned	-	0	3	1	3		3	5	7	7
Interest/Bond Issuance Expense	-	(27)	(23)	(22)	(21)		(19)	(18)	(16)	(14)
Total Non-Operating Revenue (Expense)	**-**	**(16)**	**(20)**	**(21)**	**(18)**		**(17)**	**(13)**	**(9)**	**(8)**
Net Income (Loss) Before Operating Transfers	**-**	**(91)**	**764**	**2,215**	**1,800**		**1,778**	**1,775**	**1,800**	**1,758**
Transfers From (To) Other Funds										
Transfers from General Fund	-	78	-	-	-		-	-	-	-
*Transfer of Long Term Debt	-	(558)	-	-	-		-	-	-	-
Total Transfers From (To) Other Funds	**-**	**(481)**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
Capital Contributions										
Intergovernmental Grant-ARPA	-	-	-	-	-		700	-	-	-
Grants in Aid of Construction	-	-	-	-	-		450	-	-	-
**Capital Contributions	-	529	-	-	-		-	-	-	-
Capital Contributions	**-**	**529**	**-**	**-**	**-**		**1,150**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**-**	**(43)**	**764**	**2,215**	**1,800**		**2,928**	**1,775**	**1,800**	**1,758**
Adjust to a Cash Flow Basis										
Add Back Depreciation	-	71	91	86	125		185	228	244	325
Changes in Working Capital	-	683	-	-	-		-	-	-	-
Principal Payments on Long-Term Debt	-	(33)	(34)	(34)	(36)		(37)	(39)	(41)	(42)
Non-Cash Developer Contributions	-	-	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**-**	**722**	**57**	**52**	**89**		**148**	**189**	**203**	**283**
Cash Available for Capital Outlay	**-**	**679**	**821**	**2,267**	**1,889**		**3,076**	**1,964**	**2,003**	**2,041**
Capital Outlay										
Stormwater Vehicles - C0064	-	529	-	-	-		-	125	-	700
Stormwater Facilities - C0255	-	-	50	50	-		-	-	-	-
Stormdrain System Upgrades - C0444	-	36	-	-	150		150	150	150	150
Curb Replacement Program - C0459	-	100	100	100	100		100	100	100	100
Reforestation Using SPP Funds - C0594	-	-	-	-	25		25	50	50	50
Hagerstown Field House - C0634	-	-	-	-	-		700	-	-	-
Stormwater Protection Program - C0637	-	14	500	500	-		446	760	350	200
Green Streets - C0639	-	-	100	100	-		300	-	-	-
Stream Restorations - C0866	-	-	263	-	1,160		1,350	-	-	-
Total Capital Outlay	**-**	**679**	**1,013**	**750**	**1,435**		**3,071**	**1,185**	**650**	**1,200**
Cash After Capital Outlay	**-**	**0**	**(191)**	**1,517**	**454**		**5**	**779**	**1,353**	**841**
Additional Funding										
Bond Financing	-	-	-	-	-		-	-	-	-
Total Additional Funding	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
Net Surplus (Deficit)	**$ -**	**$ 0**	**$ (191)**	**$ 1,517**	**$ 454**		**$ 5**	**$ 779**	**$ 1,353**	**$ 841**
Beginning Cash Balance	$ -	$ -	$ 0	$ 0	$ 1,517		$ 1,971	$ 1,976	$ 2,755	$ 4,109
***Ending Cash Balance	$ -	$ 0	$ (191)	$ 1,517	$ 1,971		$ 1,976	$ 2,755	$ 4,109	$ 4,949

* Transfer of Long Term Debt reflects a transfer of bond financing debt from the general fund.
** Capital Contribution reflects a transfer of capital fixed assets at book value from the general fund.
*** FY21 Net Surplus (Deficit) has a balance of $233

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 FY2021/22, the estimated cash balances of $5.4 million will provide future funding for any required Claims Reserve. Additionally, our fund balance reserve is estimated to decrease over FY2021/22 budget amount and total $5.4 million.

Health Insurance Fund: Proposed FY 2022/23 Budget

The proposed FY2022/23 reflects a projected deficit. There is a proposed $900K transfer from the Health Insurance Fund to distribute a portion of the FY2020/21 surplus allocated as follows: General Fund (72.7%), Electric Fund (7.2%), Water Fund (10.6%), 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 $5.1 million and more than 3.5 months of operating cash on hand. At the end of FY2022/23, it is estimated that the ending cash balance on hand will be approximately $5.0 million.

Health Insurance Fund: Four Year Forecast Beyond Proposed Fiscal Year 2022/23 Budget

As a result of 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 $4.6M at the end of FY2026/27.

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 $1,134,000 in Fiscal Year 2021/22 estimated actual for this contribution which includes an additional payment of $484K from FY2019/20 surplus. Based on the current structure and trends of the Health Insurance Fund's plan, the contribution will return to $700,000 in FY2022/23 and increase annually by $50K thru FY2026/27.

HEALTH CARE FUND PROJECTIONS
FISCAL YEAR 2023/2027
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
							1.0%	*1.5%*	*1.5%*	*2.0%*
Premium Revenues										
Premium Revenues - City	$ 6,524	$ 6,367	$ 6,568	$ 6,247	$ 6,341		$ 6,404	$ 6,500	$ 6,598	$ 6,730
Premium Revenues - Employees	1,076	1,021	1,059	1,017	1,017		1,037	1,053	1,069	1,090
Premium Revenues - Retirees	220	216	225	199	199		201	204	207	211
Total Premium Revenue	**7,820**	**7,604**	**7,852**	**7,463**	**7,557**		**7,643**	**7,757**	**7,874**	**8,031**
Interest From Investments	51	2	6	2	2	1.5%	2	2	2	2
Prescription Rebates	322	428	440	188	477	2.0%	487	496	506	516
Stop Loss Reimbursement	12	-	-	-	-		5	10	15	20
Miscellaneous Revenue	-	-	-	-	-		-	-	-	-
Total Revenue	**8,206**	**8,034**	**8,298**	**7,653**	**8,036**		**8,136**	**8,266**	**8,397**	**8,570**
Medical Claims Expense	5,553	5,445	6,388	5,483	5,876	5.0%	6,170	6,478	6,802	7,142
Claims Reserve Expense	24	(115)	50	50	50	2.0%	51	52	53	54
Health Savings Account Contributions	51	49	49	50	50		53	55	58	60
Administrative & Audit Expenses	448	384	385	338	389	3.0%	401	413	425	438
Stop Loss Reinsurance Expenses	225	291	349	288	390	5.0%	410	430	451	474
Wellness Program	45	46	50	50	50		53	53	53	53
OPEB Trust Contributions	650	650	650	1,134	700		750	800	850	900
Total Expenditures	**6,997**	**6,751**	**7,922**	**7,393**	**7,504**		**7,886**	**8,281**	**8,692**	**9,121**
Transfers From (To) Dental Fund	-	-	-	-	-		50	50	50	50
Transfers From (To) General Fund	(580)	-	(542)	(542)	(654)		-	-	-	-
Transfers From (To) Electric Fund	(64)	-	(53)	(53)	(65)		-	-	-	-
Transfers From (To) Water Fund	(95)	-	(83)	(83)	(95)		-	-	-	-
Transfers From (To) Wastewater Fund	(80)	-	(71)	(71)	(86)		-	-	-	-
Total Transfers From (To) Other Funds	**(818)**	**-**	**(750)**	**(750)**	**(900)**		**50**	**50**	**50**	**50**
Operating Income (Loss)	**391**	**1,283**	**(373)**	**(490)**	**(368)**		**300**	**35**	**(245)**	**(502)**
Increase (Decrease) in Retained Earnings	**$ 391**	**$ 1,283**	**$ (373)**	**$ (490)**	**$ (368)**		**$ 300**	**$ 35**	**$ (245)**	**$ (502)**
Beginning Fund Balance	4,255	4,646	5,929	5,929	5,439		5,071	5,371	5,406	5,160
Ending Fund Balance	**$ 4,646**	**$ 5,929**	**$ 5,556**	**$ 5,439**	**$ 5,071**		**$ 5,371**	**$ 5,406**	**$ 5,160**	**$ 4,659**
Total Cash Balance -Beginning	$ 4,766	$ 5,180	$ 6,281	$ 6,281	$ 5,417		$ 5,049	$ 5,349	$ 5,384	$ 5,138
Total Cash Balance-Ending	$ 5,180	$ 6,281	$ 5,908	$ 5,417	$ 5,049		$ 5,349	$ 5,384	$ 5,138	$ 4,637
Unrestricted Cash Balance-Beginning	$ 4,002	$ 4,351	$ 5,369	$ 5,369	$ 4,505		$ 4,137	$ 4,437	$ 4,472	$ 4,227
Unrestricted Cash Balance-Ending	$ 4,351	$ 5,369	$ 4,996	$ 4,505	$ 4,137		$ 4,437	$ 4,472	$ 4,227	$ 3,725
Restricted Cash Balance-Beginning	$ 764	$ 829	$ 912	$ 912	$ 912		$ 912	$ 912	$ 912	$ 912
Restricted Cash Balance-Ending*	$ 829	$ 912	$ 912	$ 912	$ 912		$ 912	$ 912	$ 912	$ 912

*Ending Cash balance at June 30, 2021 includes $159,000 currently on deposit with United Healthcare and $752,679 in Health Reimbursement Accounts.

DENTAL INSURANCE FUND
FISCAL YEAR 2023/2027
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2019/20 ACTUAL	2020/21 ACTUAL	2021/22 REVISED BUDGET	2021/22 EST. ACTUAL	2022/23 PROPOSED BUDGET	PROJ. CHG%	2023/24 PROJ.	2024/25 PROJ.	2025/26 PROJ.	2026/27 PROJ.
						0.0%	*0.0%*	*0.0%*	*0.0%*	
Premium Revenues										
Premium Revenues - City	$ 193	$ 190	$ 194	$ 189	$ 189		$ 189	$ 189	$ 189	$ 189
Premium Revenues - Employees	160	151	188	226	226		226	226	226	226
Premium Revenues - Retirees	70	71	72	71	71		71	71	71	71
Total Premium Revenue	**422**	**412**	**455**	**486**	**486**		**486**	**486**	**486**	**486**
Interest From Investments	7	-	2	1	1		5	6	7	7
Total Revenue	**429**	**412**	**456**	**487**	**487**		**491**	**492**	**493**	**493**
Dental Claims Expense	271	321	345	345	348	1.0%	351	354	358	362
Claims Reserve Expense	(3)	6	5	5	5		5	5	5	5
Administrative & Audit Expenses	41	43	44	44	44	3.0%	45	46	48	49
Total Expenses	**309**	**370**	**394**	**394**	**396**		**401**	**406**	**411**	**416**
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	**$ 120**	**$ 42**	**$ 62**	**$ 93**	**$ 91**		**$ 40**	**$ 36**	**$ 32**	**$ 27**
Beginning Fund Balance	526	646	688	688	781		872	912	949	981
Ending Fund Balance	**$ 646**	**$ 688**	**$ 750**	**$ 781**	**$ 872**		**$ 912**	**$ 949**	**$ 981**	**$ 1,009**
Total Cash Balance -Beginning	$ 538	$ 649	$ 696	$ 696	$ 742		$ 833	$ 873	$ 910	$ 942
Total Cash Balance-Ending	$ 649	$ 696	$ 712	$ 742	$ 833		$ 873	$ 910	$ 942	$ 969
Unrestricted Cash Balance-Beginning	$ 507	$ 618	$ 665	$ 665	$ 711		$ 802	$ 842	$ 879	$ 911
Unrestricted Cash Balance-Ending	$ 618	$ 665	$ 681	$ 711	$ 802		$ 842	$ 879	$ 911	$ 938
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, 2021 includes $31,300 currently on deposit with United Concordia.

Parks

City of Hagerstown









CAPITAL IMPROVEMENT PROGRAM
SECTION 7

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Kathleen Maher, Director of Planning & Code Administration
Jim Snyder, Information Technology Manager
Jill Thompson, Director of Community and Economic Development
Ashley Newcomer, Utilities Finance Manager
Rodney Tissue, City Engineer

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 FY22 and FY23 is summarized below:

	FY22		FY23
Fund	**Revised Budget**	**Estimated Actual**	**Proposed Budget**
General / CIP Fund	$ 14,624,460	$ 12,210,882	$ 15,777,925
Electric Fund *	728,500	580,775	1,577,500
Water Fund	2,775,575	2,520,000	6,020,000
Wastewater Fund	2,817,000	2,933,000	9,070,800
Parking Fund	306,800	174,478	5,847,000
Golf Course Fund	98,000	92,490	63,000
Property Management Fund	160,000	230,000	420,000
Stormwater Protection Fund	1,012,500	750,000	1,435,000
TOTALS	**$ 22,522,835**	**$ 19,491,625**	**$ 40,211,225**

* Excludes capital expenditures not included in specific projects of $563,500, $566,000 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 Strategic Plan 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 2021, the Mayor and City Council approved their Strategic Plan for calendar years 2021 through 2024 which build upon the City's Vision and Mission Statements. (The Mayor & Council Strategic Plan – 2021 through 2024 is located in Section 1 Overview). In addition, there are eleven areas of focus defined in the plan as reflected below. 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 vision to inspire an inclusive, business friendly and sustainable community with clean, safe and vibrant neighborhoods.

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 $625K for public art, construction of a police substation and community room space in the lower levels of the Alms House, 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, $4.2M has been designated to replace existing Fire Training Tower building, relocate and/or renovate the fire stations, upgrade fire radios and in-station alerting, purchase fire and EMS equipment, replace police vehicles, construct a police storage and impound facility, and upgrade police software and 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 $30.0M for new technologies that provide and promote a more customer-oriented and safe parking experience including a third parking deck, sidewalk replacements, bridge repair, storm water protection 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. While no funding has been included in the FY23 CIP budget for this focus area, funding has been included in the operating budget to implement the Community's City Center Plan to promote economic development and strong neighborhoods in the core of the city. Most notably is the inclusion of $1.4M for incentives in the Economic Redevelopment operating budget reflected in Section 4 of this budget document.

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, $325K has been earmarked in the CIP budget for technology improvements to achieve these goals.

Fiscal Accountability
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 $32K 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 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, Potterfield Pool and Wheaton Park, 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 $1.6M 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 $1.4M to continue to support information technology needs across the City, upgrade the GIS system, upgrade features of the electronic time and attendance system, and to relocate customer service to the former M and T Bank building to provide enhancements for customer service.

Community Promotion/Pride
The City will improve its community image by releasing factual, timely and transparent messaging. To help achieve this goal in FY23, funds of $266K 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, to provide sponsorships to others events, and to provide support and funding for Neighborhoods First initiatives.

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. The FY23 CIP budget reflects funding of $1.8M for upgrades to the Hager House Museum, Steam Engine Museum, the Hagerstown Ice Rink and for the planning and design for the construction of the new Hagerstown Field House.

Miscellaneous Projects, Goals and Legislative Priorities
While no funding has been included in the FY23 CIP budget for this focus area, funding has been included in the operating budget to carry out the objectives of this focus area. Objectives include enhancing community partnerships to help address homeless issues, work to address food deserts, expanding the Bridge to Change program by working with other organizations, solutions based meetings approach, expanding “Operation Take Back” approach, addressing long term MRGA water/wastewater plan, public restrooms.

OVERVIEW OF THE PROJECTS IN THE CIP

The CIP section presents comprehensive descriptions of major project needs for FY23 through FY27. 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 179 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 FY23 at $40.2M is 78.6% higher than the $22.5M in the FY22 revised budget. The FY23 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 FY23 budget includes $3.7M for vehicle replacements. Of this amount, $2.1M is funded by Enterprise Funds and includes the replacement for two Electric Division pick-up trucks and one fork lift, two Water Department service trucks and two mowers, one Wastewater Department F550 truck with crane, one Chevy HHR Van and one Jet-Vac Cleaner; for parking, a pickup truck for the supervisor, and, for Golf, a Cushman sprayer. In addition, Wastewater will be purchasing a Ford E350 Camera Rig Truck utilizing $426K in American Rescue Plan Act (ARPA) funds. The balance of $1.2M will come from other sources such as general funds and prior bond funds. General funds of $1.0M will be for the replacement of 8 police

cruisers ($440K), and a portion of funding for replacement of a backhoe, mower, van and two dump trucks for the Public Works Department ($287K) and other miscellaneous vehicles ($275K). Prior bond proceeds of $170K will also be used toward the replacement of the Public Works Departments dump trucks.

- Completely relying on State Highway user revenue (HUR), the City included $1.3M in the FY23 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.

- To address a Mayor and Council goal of innovative and progressive government, the City has included $1.3M in the FY23 budget toward the renovation of the former M&T Bank property. ARPA funding was utilized for the initial acquisition of this building in FY22. This renovated building will be used for City operations to include customer services, billing, and community and economic development (45-C0854). The relocation and renovations will focus on innovations to enhance and expand the customer service experience with a new drive through and payment kiosk options to be made available in addition to the lobby option.

- Consistent with the City's Comprehensive Plan goals, the City has included $3.0M in the FY23 proposed budget for the Professional Court Extension (45-C0685).This project 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. Federal Funding will be provided from the Appalachian Regional Commission grant (ARC) ($1.2M) and ARPA ($1.3M) to help pay for this new infrastructure.

- To address fire training needs, there is $1.0M in the FY23 proposed budget in the Fire Department Training Center (45-C0241). This project will encompass the construction of a new burn building module and other props. In addition, another $1.0M is included for the planning, design and acquisition of property for the relocation of HFD headquarters (45-C0687).

- In FY23, the City will fund $750K for the planning and design of the Hagerstown Field House in addition to the $70K estimated in FY22. In 2021, the City contracted with Eastern Sports Management to be a long-term partner and operator of the facility. When finished, the building will be a 114,000 square foot field house for recreational use by the community and sports tourism. The project will consist of two indoor turf fields and four basketball courts (convertible to other hard court sports including volleyball, pickleball, futsal, etc.). Construction of the project will be completed in FY24 at a cost of $21.3M.

- Several other large projects within the FY23 proposed GF CIP budget include: Wheaton Park improvements including house removal, misting pad, parking and a plaza $437K (45-C0293); Ice Rink facility improvements including condensation control and air quality improvements $622K (45-C0843) and, replacement of portable radios and accessories in the Fire department $750K (45-C0849).

- In the Parking fund, there is $5.7M proposed in FY23 for the City's third parking deck (56-C0173) to be built in conjunction with the Hagerstown Multi-Use Sports and Events Facility to be located on the corner of Baltimore Street and Summit Avenue. The project will span three fiscal years, with planning and design work completed in FY22 and construction in FY23-FY24.

- In the Wastewater fund, to increase capacity and to promote growth and development, a new East End Pump station #33 (54-C0565) is being funded through the ARPA Grant for $3.0M. Also, pump station #13 will be rebuilt and returned to service when the flow transfer agreement with the County expires in August 2022 for a total ARPA funded project cost of $2.2M (54-C0574).

- In the Water Fund $2.4M is included in the FY23 budget for the study, design and the beginning of construction for a new Mack water tank (52-C0274) which is 50 years old and has had two leaks in the past three years. The total FY23-FY24 projected cost is $4.6M. In addition, $950K is budgeted for improvements to the Willson Treatment Plant (52-C0166) including $500K towards the roof replacement of the operations building and $300K for a chlorine scrubber/engineering project as recommended in EPA Risk Management plan.

UTILIZATION OF ARPA FUNDING

The City is to receive total estimated funding of $20.4M by May 2022 from federal government ARPA monies. This funding has restricted uses and falls into seven IRS defined expenditure categories (Public Health, Negative Economic Impacts, Negative Economic Impacts: Public Sector Capacity, Premium Pay, Infrastructure, Revenue Replacement, and Administrative). The chart below summarized ARPA funding that the City plans to use in capital improvement projects during FY2022 and FY2023:

Funding Source: American Rescue Plan Act of 2021 (ARPA)	ARPA Expenditure Category	Capital Project Number	FY22 Estimated Act	FY23 Proposed Bud
Capital Improvement Program Projects:				
General Fund				
32 N Potomac Building Acquisition (approved in FY22)	Public Health	45-C0854	800,522	-
Customer Service Payment Kiosk: 32 N Potomac Building (approved in FY22)	Public Health	45-C0854	-	50,000
32 N Potomac Building:Partial Funding Customer Lobby Renovation (approved in FY22)	Public Health	45-C0854		125,000
Fire Ladder Truck: Partial Funding (approved in FY22)	Revenue Replacement	45-C0010	1,200,000	-
Hagerstown Ice Rink: Partial Funding Air Quality and Condensation Unit	Public Health	45-C0843	-	450,000
Public Works/Parks: Backhoe (approved in FY22)	Revenue Replacement	45-C0570	129,000	-
Information Technology: Citywide Software Office 365 Implementation (Telework)	Public Health	45-C0006	-	120,000
Information Technology: Citywide Phone System Upgrade (Telework)	Revenue Replacement	45-C0006	-	75,000
Police: Fire Range Target System	Revenue Replacement	45-C0226	-	40,000
Fuel Station Management and Tank Gauge System	Revenue Replacement	45-C0352	-	20,000
Professional Court Extension: Partial Funding	Revenue Replacement	45-C0685	-	1,150,000
Fire Facilities: Natural Gas Generator	Revenue Replacement	45-C0870	-	50,000
Subtotal General Fund:			**2,129,522**	**2,080,000**
Wastewater Fund				
Camera Truck: Mainline and Lateral Launcher (approved in FY22)	Revenue Replacement	54-C0004	-	425,937
East End Pump Station #33: Funding for Construction of new Pump Station at Hebb Road	Infrastructure	54-C0565	-	3,000,000
Pump Station #13 Reconstruction: Partial Funding of Pump Station at Western MD Parkway	Infrastructure	54-C0574	-	2,235,000
Subtotal Wastewater Fund:			**-**	**5,660,937**
Total ARPA Funding Used			**2,129,522**	**7,740,937**

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 2023/2027
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
60 West Washington Street	58-C0828	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
Breichner WTP Improvements	52-C0405	Planned Improvement
Bridge Repair Program	45-C0400	Cost Avoidance
Brookmeadow	50-C0703	Planned Improvement
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
Downtown Redevelopment	45-C0854	Planned Improvement
East End Pump Station #3	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 Equipment	45-C0132	Improve Service
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 and EMS Equipment	45-C0871	Planned Improvement
Fire Department Training Center	45-C0241	Planned Improvement
Fire Department Vehicle Replacement	45-C0010	Planned Improvement

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2023/2027
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
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
Grinder Pump Replacement Program	54-C0767	Planned Improvement
Hager House Visitor Center Improvements	45-C0061	Grant Commitment
Hagerstown Field House	45-C0041	Planned Improvement
Hagerstown Field House	59-C0634	Planned Improvement
Hagerstown Ice Rink	45-C0843	Planned Improvement
HLD Distribution and Administrative Office Building	50-C0542	Planned Improvement
Installation of Street Trees Using FCA Funds	45-C0594	Planned Improvement
Kilpatrick Woods	50-C0550	Planned Improvement
Laboratory Equipment	54-C0745	Planned Improvement
LED Signal Lights	45-C0245	Cost Avoidance
Mack Water Tank	52-C0274	Planned Improvement
Manhole Raising	54-C0267	Public Safety
Marsh Run Walls Rehabilitation	45-C0853	Cost Avoidance
Meter Replacement	50-C0679	Planned Improvement
Mobile License Plate Readers	45-C0860	Public Safety
Multi-Use Trails	45-C0717	Probable Grant
Municipal Broadband	45-C0008	Improve Service
Municipal Financial System	45-C0739	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 Crime Lab Equipment	45-C0182	Planned Improvement
Police Firing Range	45-C0226	Planned Improvement
Police Radios	45-C0128	Public Safety
Police Software	45-C0196	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

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2023/2027
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
Public Safety Radios and In-Station Alerting	45-C0849	Public Safety
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 #13 Reconstruction	54-C0574	Planned Improvement
Pump Station Improvements	52-C0651	Planned Improvement
Pump Station Improvements	54-C0299	Public Safety
Recreation Vehicles and Equipment	45-C0576	Planned Improvement
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
Sidewalk Replacement Program	45-C0458	Planned Improvement
Signal Controller Upgrades	45-C0433	Planned Improvement
Solids Processing Facility Improvements	54-C0712	Contract Obligation
Solids Processing-Pelletizer and WWTP Improvements	54-C0711	Contract Obligation
Steam Engine Museum	45-C0439	Planned Improvement
Storm Water Protection Program Implementation	59-C0637	Planned Improvement
Stormdrain System Upgrades	59-C0444	Planned Improvement
Stormwater Vehicles	59-C0064	Planned Improvement
Stream Restorations	59-C0866	Planned Improvement
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
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
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 2023/2027

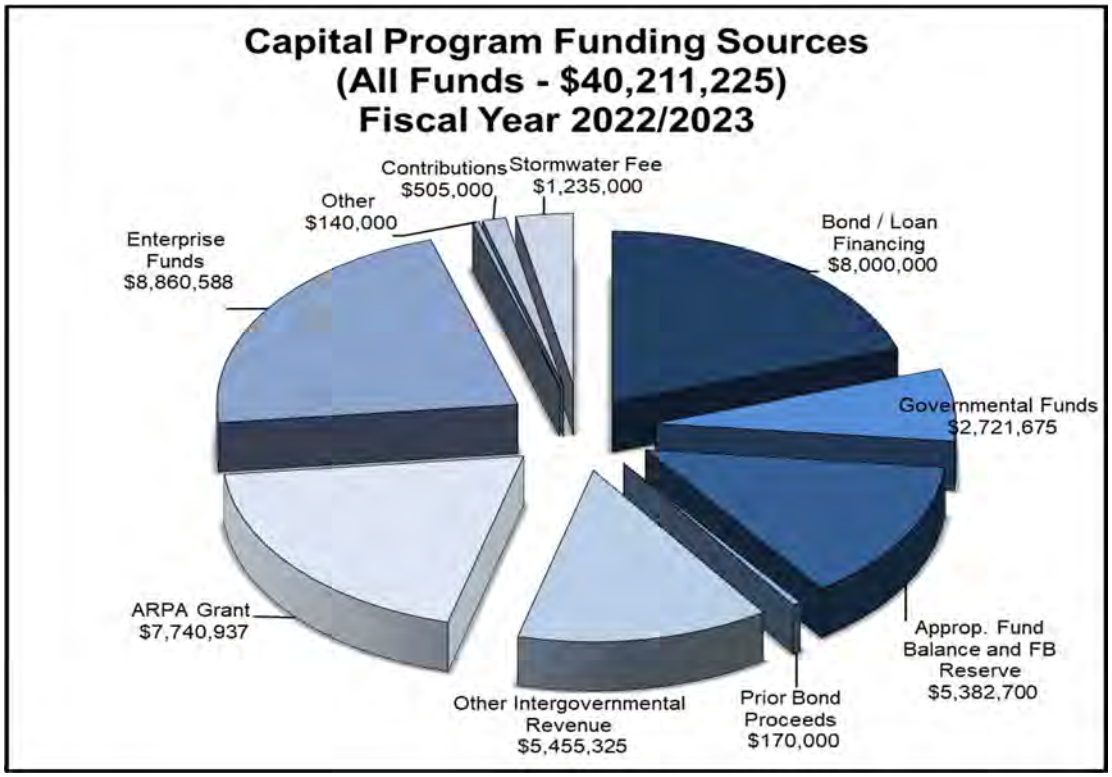
UNIT	VEHICLE	YEAR	DESCRIPTION	FY 23	FY 24	FY 25	FY 26	FY 27	TOTAL
COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT									
801	206077	2014	DODGE JOURNEY			25,000			**25,000**
COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT TOT				**-**	**-**	**25,000**	**-**	**-**	**25,000**
PLANNING & CODE ADMINISTRATION DEPARTMENT									
410	206064	2014	FORD F150				30,000		**30,000**
411	206070	2014	FORD F150					30,000	**30,000**
450	5822	2006	CHEVY COLORADO		30,000				**30,000**
452	5858	2007	FORD RANGER			30,000			**30,000**
455	5751	2004	CHEVY COLORADO	30,000					**30,000**
471	5816	2006	CHEVY COLORADO			30,000			**30,000**
474	5786	2005	CHEVY COLORADO		30,000				**30,000**
PLANNING & CODE ADMINISTRATION DEPARTMENT				**30,000**	**60,000**	**60,000**	**30,000**	**30,000**	**210,000**
ENGINEERING DEPARTMENT									
702	206168	2018	FORD ESCAPE				27,000		**27,000**
703	5893	2008	CHEVY IMPALA SEDAN		30,000				**30,000**
707	206050	2014	FORD FOCUS			27,000			**27,000**
709	5810	2006	JEEP LIBERTY	30,000					**30,000**
710	206001	2013	CHEVY CARGO VAN		27,000				**27,000**
ENGINEERING DEPARTMENT TOTAL				**30,000**	**57,000**	**27,000**	**27,000**	**-**	**141,000**
PARKS DEPARTMENT									
NEW			TREE CHIPPER		42,000				**42,000**
300	206073	2015	CHEVY SILVERADO				43,000		**43,000**
303	206074	2014	DODGE DUMP TRUCK					125,000	**125,000**
305	5925	2008	FORD F550 DUMP TRUCK	125,000					**125,000**
309	6042	2012	CHEVY SILVERADO					45,000	**45,000**
311	206044	2014	FORD F250				47,000		**47,000**
312	5756	2004	FORD F150 PICKUP		42,000				**42,000**
313	5933	2009	CHEVY 2500 4X4		42,000				**42,000**
315		2013	JOHN DEERE GATOR			10,000			**10,000**
316		2012	JOHN DEERE GATOR			10,000			**10,000**
317	5744	2004	JOHN DEERE 4X2 GATOR	10,000					**10,000**
318	5031	2012	FORD F550 DUMP TRUCK		125,000				**125,000**
374	5725	2004	JOHN DEERE TRACTOR				25,000		**25,000**
375	5767	2004	JOHN DEERE X595			25,000			**25,000**
378	5884	2007	JOHN DEERE TX GATOR			10,000			**10,000**
388	5608	1999	WACKER ROLLER			28,000			**28,000**
PARKS DEPARTMENT TOTAL				**135,000**	**251,000**	**83,000**	**115,000**	**170,000**	**754,000**
RECREATION DEPARTMENT									
301	5660	2002	FORD ESCAPE	30,000					**30,000**
304	5865	2007	FORD FOCUS			30,000			**30,000**
RECREATION DEPARTMENT TOTAL				**30,000**	**-**	**30,000**	**-**	**-**	**60,000**
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	135,000					**135,000**
010	5928	2008	FORD F550 DUMP TRUCK		125,000				**125,000**
012	5929	2008	FORD F550 DUMP TRUCK	125,000					**125,000**
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**
030	6036	2012	FORD F350 PICKUP TRUCK			37,000			**37,000**
031	5808	2006	CHEVY CARGO VAN		35,000				**35,000**
045	5537	2015	CHEVY SILVERADO 4X4				35,000		**35,000**
047	206112	2016	FORD F250 CREW CAB					45,000	**45,000**
062	206095	2015	JOHN DEERE Z930A MOWER					20,000	**20,000**
064	206197	2018	FERRIS MOWER	12,000				12,000	**24,000**
065	206204	2019	FERRIS MOWER				12,000		**12,000**
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			115,000			**115,000**
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				**457,000**	**480,000**	**327,000**	**292,000**	**167,000**	**1,723,000**

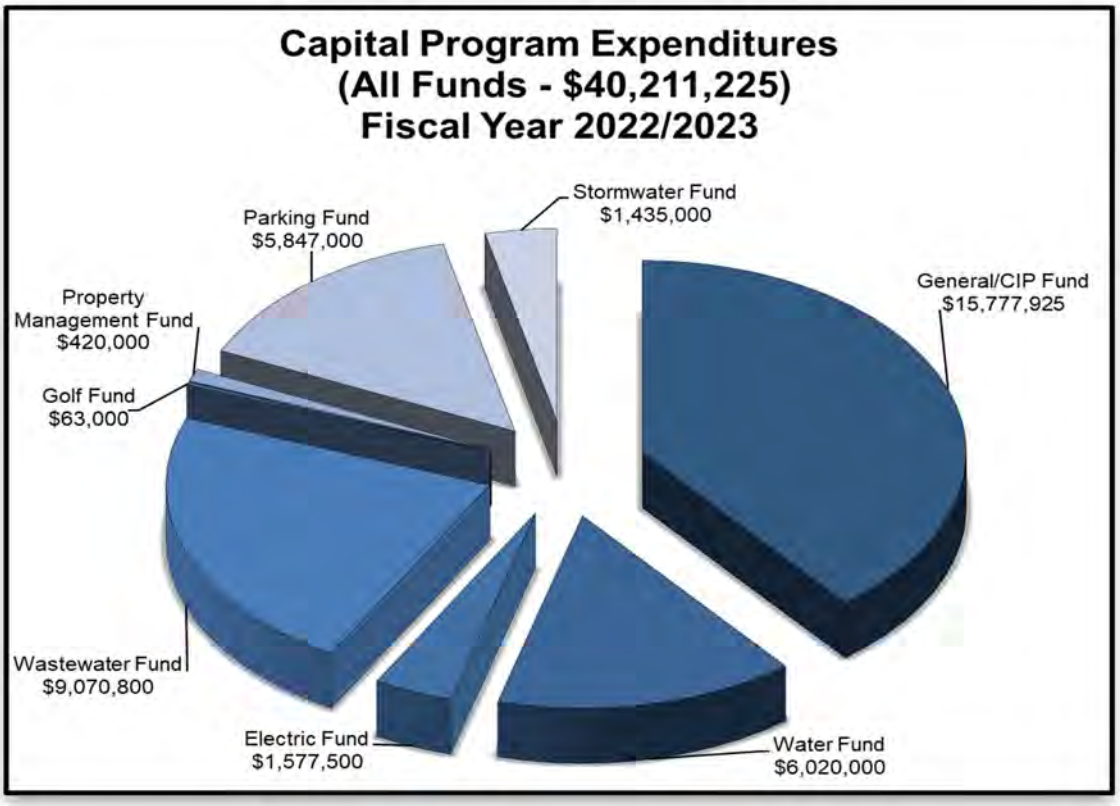
VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2023/2027

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 23	FY 24	FY 25	FY 26	FY 27	TOTAL
POLICE DEPARTMENT									
901	206115	2016	FORD TAURUS					60,000	**60,000**
902	206116	2014	FORD FUSION			57,000			**57,000**
903	206117	2014	FORD FUSION			57,000			**57,000**
905	206157	2014	FORD EDGE				57,000		**57,000**
907	206110	2014	FORD FUSION			57,000			**57,000**
908	206159	2014	FORD FUSION				57,000		**57,000**
909	206160	2014	FORD FUSION				57,000		**57,000**
910	206097	2007	CHEVY IMPALA	55,000					**55,000**
912	206023	2005	CHEVY TAHOE	55,000					**55,000**
914	206171	2015	FORD EXPLORER XLT				57,000		**57,000**
921	206056	2008	CHEVY IMPALA		55,000				**55,000**
923	206033	2009	CHEVY IMPALA		55,000				**55,000**
924	206137	2014	FORD FUSION			57,000			**57,000**
932	206130	2017	FORD EXPLORER					60,000	**60,000**
933	206111	2014	FORD FUSION				57,000		**57,000**
936	206172	2015	FORD EXPLORER XLT					60,000	**60,000**
937	206119	2013	FORD EDGE			57,000			**57,000**
945	206120	2013	FORD EDGE			57,000			**57,000**
948	206250	2013	NISSAN ACURA			57,000			**57,000**
960	206083	2015	FORD EXPLORER XLT					60,000	**60,000**
971	5938	2009	CHEVY IMPALA		55,000				**55,000**
972	5753	2004	FORD CROWN VICTORIA	55,000					**55,000**
975	206131	2017	FORD EXPLORER					60,000	**60,000**
986	206090	2005	FORD CROWN VICTORIA	55,000					**55,000**
987	6032	2012	CHEVY IMPALA		55,000				**55,000**
989	5773	2005	CHEVY CARGO VAN	55,000					**55,000**
990	5847	1998	DODGE RAM	55,000					**55,000**
994	206055	2007	CHEVY IMPALA	55,000					**55,000**
997	5939	2009	CHEVY IMPALA		55,000				**55,000**
9116	206051	2014	FORD EXPLORER				57,000		**57,000**
9117	206052	2014	FORD EXPLORER				57,000		**57,000**
9119	206054	2014	FORD EXPLORER				57,000		**57,000**
9120	206085	2015	FORD EXPLORER					60,000	**60,000**
9121	206084	2015	FORD EXPLORER					60,000	**60,000**
9220	206081	2015	FORD EXPLORER					60,000	**60,000**
9301	5041	2013	FORD INTERCEPTOR			57,000			**57,000**
9302	5030	2011	FORD CROWN VICTORIA		55,000				**55,000**
9303	6029	2011	FORD CROWN VICTORIA		55,000				**55,000**
9401	5838	2006	FORD CROWN VICTORIA	55,000					**55,000**
9501	206036	2013	FORD EXPLORER		55,000				**55,000**
POLICE DEPARTMENT TOTAL				**440,000**	**440,000**	**456,000**	**456,000**	**480,000**	**2,272,000**
FIRE DEPARTMENT									
ENG1	206043	2013	KME PUMPER			822,333			**822,333**
ENG2	5718	2004	KME PUMPER		822,333				**822,333**
ENG3	5719	2004	KME PUMPER		822,333				**822,333**
ENG5	5720	2004	KME PUMPER		822,333				**822,333**
F14-9818	206046	2014	CHEVY TAHOE	65,000					**65,000**
FIRE DEPARTMENT TOTAL				**65,000**	**2,466,999**	**822,333**	**-**	**-**	**3,354,332**
GENERAL FUND TOTAL				**$ 1,187,000**	**$ 3,754,999**	**$ 1,830,333**	**$ 920,000**	**$ 847,000**	**$ 8,539,332**

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2023/2027

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 23	FY 24	FY 25	FY 26	FY 27	TOTAL
ELECTRIC FUND									
101	5876	2007	FORD F150	35,000					**35,000**
102	5877	2007	FORD F150	35,000					**35,000**
107	5562	1998	CHEVY C8500 DUMP TRUCK					175,000	**175,000**
114	5557	1998	CLARK FORK LIFT	50,000					**50,000**
116	5454	1995	GMC STAKE BODY					80,000	**80,000**
122	5869	2007	CHEVY 3/4 TON 4WD		45,000				**45,000**
124	5696	2003	GMC TEREX BUCKET TRUCK	285,000					**285,000**
126	5871	2007	CHEVY 3/4 TON 4WD PICK-UP		45,000				**45,000**
128	5762	2004	GMC ALTEC BUCKET TRUCK				285,000		**285,000**
131	5870	2007	SILVERADO 4x4 PICKUP w/PLOW		45,000				**45,000**
134	5299	1990	INGERSOLL-RAND AIR COMP. TRAILER		30,000				**30,000**
137	5766	2005	CHEVROLET 3500 CARGO VAN		50,000				**50,000**
ELECTRIC FUND TOTAL				**405,000**	**215,000**	**-**	**285,000**	**255,000**	**1,160,000**
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**
204	206148	2017	FORD F350				45,000		**45,000**
206	206027	2012	FORD F450	110,000					**110,000**
207	206039	2014	INTERNATIONAL DUMP			175,000			**175,000**
208	5792	2005	FORD F550	100,000					**100,000**
209	206100	2015	FORD TRANSIT VAN			55,000			**55,000**
211	5927	2009	F750 DUMP TRUCK	100,000					**100,000**
214	5765	2005	CHEVY TRAVERSE				30,000		**30,000**
216	206123	2016	FORD F550					110,000	**110,000**
217	206138	2016	FORD F350					50,000	**50,000**
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	FORD F550 DUMP TRUCK	100,000					**100,000**
238	206185	2018	RR HILLSIDE MOWER	90,000					**90,000**
244	206080	2015	CHEVY TRAVERSE				30,000		**30,000**
246	5907	2004	GRAVELY MOWER	25,000					**25,000**
254	206128	2017	FORD F350				45,000		**45,000**
260	206028	2012	FORD F550 SERVICE TRUCK		110,000				**110,000**
261	206037	2014	CHEVY EQUINOX		30,000				**30,000**
262	5894	2007	WACHS VALVE TURNER	150,000					**150,000**
WATER FUND TOTAL				**675,000**	**320,000**	**330,000**	**300,000**	**310,000**	**1,935,000**
WASTEWATER FUND									
505	5908	2008	CHEVY TRAIL BLAZER					35,000	**35,000**
506	6011	2011	CHEVY HHR VAN	27,285					**27,285**
507	5690	2003	FORD F550 1-T W/CRANE	165,578					**165,578**
509	5580	1999	VOLVO TRAILER MOUNTED GENERATOR			75,000			**75,000**
513	5427	1993	KOHLER MGS 2226 GENERATOR		65,000				**65,000**
518	5646	2001	FORD E350 CAMERA RIG	425,937					**425,937**
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		35,000				**35,000**
591	5827	2006	CHEVY 2500 4X4				45,000		**45,000**
WASTEWATER FUND TOTAL				**1,368,800**	**100,000**	**120,000**	**45,000**	**35,000**	**1,668,800**
PARKING FUND									
033	5035	2012	FORD F150 4x4	35,000					**35,000**
039	206066	2014	FORD TRANSIT VAN			30,000			**30,000**
PARKING FUND TOTAL				**35,000**	**-**	**30,000**	**-**	**-**	**65,000**
GOLF COURSE FUND									
326	5859	2007	GREENS MOWER					40,000	**40,000**
332	5578	1999	GMC PICKUP		45,000				**45,000**
346	206220	2012	GOLF CART				9,000		**9,000**
347	206221	2012	GOLF CART					9,000	**9,000**
348	206120	2016	JOHN DEERE MOWER			12,000			**12,000**
351	5801	2005	FAIRWAY MOWER				45,000		**45,000**
368	5957	2010	JOHN DEERE MOWER			40,000			**40,000**
389	5774	2004	CUSHMAN SPRAYER	38,000					**38,000**
GOLF COURSE FUND TOTAL				**38,000**	**45,000**	**52,000**	**54,000**	**49,000**	**238,000**
STORMWATER PROTECTION FUND									
018	206048	2014	FORD F550 DUMP TRUCK			125,000			**125,000**
092	206183	2018	ELGIN SWEEPER					350,000	**350,000**
093	206182	2018	ELGIN SWEEPER					350,000	**350,000**
STORMWATER PROTECTION FUND TOTAL				**-**	**-**	**125,000**	**-**	**700,000**	**825,000**
ENTERPRISE FUNDS TOTAL				**$ 2,521,800**	**$ 680,000**	**$ 657,000**	**$ 684,000**	**$ 1,349,000**	**$ 5,891,800**
GRAND TOTAL - ALL FUNDS				**$ 3,708,800**	**$ 4,434,999**	**$ 2,487,333**	**$ 1,604,000**	**$ 2,196,000**	**$ 14,431,132**


Capital Program Funding Sources
(All Funds - $40,211,225)
Fiscal Year 2022/2023
Contributions $505,000
Stormwater Fee $1,235,000
Other $140,000
Enterprise Funds $8,860,588
Bond / Loan Financing $8,000,000
Governmental Funds $2,721,675
ARPA Grant $7,740,937
Approp. Fund Balance and FB Reserve $5,382,700
Other Intergovernmental Revenue $5,455,325
Prior Bond Proceeds $170,000


Capital Program Expenditures
(All Funds - $40,211,225)
Fiscal Year 2022/2023
Stormwater Fund $1,435,000
Parking Fund $5,847,000
General/CIP Fund $15,777,925
Property Management Fund $420,000
Golf Fund $63,000
Wastewater Fund $9,070,800
Electric Fund $1,577,500
Water Fund $6,020,000

CAPITAL IMPROVEMENT PROGRAM - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2023/2027
EXPENDITURES SUMMARY BY FUND

DEPARTMENT	FY23	FY24	FY25	FY26	FY27	Total
Community & Economic Development	-	-	25,000	-	-	25,000
Engineering	6,349,000	25,080,000	6,562,000	5,427,000	2,805,524	46,223,524
Finance	1,340,000	-	-	-	-	1,340,000
Fire	3,185,000	17,666,999	2,272,333	800,000	800,000	24,724,332
Information Technology	718,000	185,000	185,000	177,000	185,000	1,450,000
Parks	2,479,700	1,921,000	798,000	770,000	8,410,000	14,378,700
Planning & Code Administration	30,000	60,000	60,000	30,000	30,000	210,000
Police	986,225	610,000	591,000	641,000	615,000	3,443,225
Public Works	660,000	683,000	420,000	1,290,000	455,000	3,508,000
Recreation	30,000		30,000			60,000
General/CIP Fund Total	**$ 15,777,925**	**$ 46,205,999**	**$ 10,943,333**	**$ 9,135,000**	**$ 13,300,524**	**$ 95,362,781**
Electric Fund	1,577,500	1,547,500	1,532,500	1,792,500	1,512,500	7,962,500
Water Fund	6,020,000	13,520,000	16,530,000	24,820,000	19,370,000	80,260,000
Wastewater Fund	9,070,800	5,067,000	1,597,000	1,522,000	1,512,000	18,768,800
Parking Fund	5,847,000	4,525,000	50,000	20,000	20,000	10,462,000
Golf Fund	63,000	60,000	102,000	104,000	49,000	378,000
Property Management Fund	420,000	270,000	20,000	20,000	60,000	790,000
Stormwater Protection Fund	1,435,000	3,071,000	1,185,000	650,000	1,200,000	7,541,000
Grand Total - All Funds	**$ 40,211,225**	**$ 74,266,499**	**$ 31,959,833**	**$ 38,063,500**	**$ 37,024,024**	**$ 221,525,081**

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '23 thru FY '27

FUNDING SOURCE SUMMARY

Source	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	2,080,000					*2,080,000*
Bond Financing (General Fund)		25,466,999	1,235,000	2,100,000	1,125,000	*29,926,999*
CIP Fund - GF Fund Balance	3,555,000	1,450,000				*5,005,000*
CIP Fund Balance	1,827,700	45,000				*1,872,700*
Contribution by Others	172,500	2,500	502,500	2,475,000	6,335,524	*9,488,024*
Grant-MEA	31,000	40,000				*71,000*
Grants-Federal	2,487,825	11,976,000	2,135,000			*16,598,825*
Grants-State					1,500,000	*1,500,000*
Grants-State CP&P	200,000					*200,000*
Grants-State Governor Bond Bill	500,000					*500,000*
Grants-State MHAA	100,000	75,000				*175,000*
Grants-State Program Open Space	427,500	450,000	45,000	225,000		*1,147,500*
PEG Fee	50,000	50,000	50,000	50,000	50,000	*250,000*
Prior Bond Proceeds	170,000					*170,000*
Reforestation Funds	90,000	58,000				*148,000*
State Highway User Revenue	1,269,000	1,495,000	1,430,000	1,430,000	1,430,000	*7,054,000*
Transfers to CIP-CDBG Fund	595,000	250,000	780,000	350,000	350,000	*2,325,000*
Transfers to CIP-Electric Fund	30,275	28,850	30,750	28,850	30,750	*149,475*
Transfers to CIP-General Fund	2,126,675	4,757,350	4,669,583	2,414,850	2,413,750	*16,382,208*
Transfers to CIP-Parking Fund	4,900	3,600	4,000	3,600	4,000	*20,100*
Transfers to CIP-Wastewater Fund	30,275	28,850	30,750	28,850	30,750	*149,475*
Transfers to CIP-Water Fund	30,275	28,850	30,750	28,850	30,750	*149,475*
GRAND TOTAL	**15,777,925**	**46,205,999**	**10,943,333**	**9,135,000**	**13,300,524**	***95,362,781***

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Gr								
Computer Equipment and Software	*45-C0006*	5	195,000					*195,000*
Police Firing Range	*45-C0226*	5	40,000					*40,000*
Fuel Station Improvements	*45-C0352*	5	20,000					*20,000*
Professional Court Extension	*45-C0685*	5	1,150,000					*1,150,000*
Hagerstown Ice Rink	*45-C0843*	5	450,000					*450,000*
Downtown Redevelopment	*45-C0854*	5	175,000					*175,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	50,000					*50,000*
American Rescue Plan Act (ARPA) Grant Total			2,080,000					*2,080,000*
Bond Financing (General Fund)								
Fire Department Vehicle Replacement	*45-C0010*	5		2,466,999				*2,466,999*
Hagerstown Field House	*45-C0041*	5		19,800,000				*19,800,000*
Public Works Vehicles	*45-C0065*	5			235,000	200,000		*435,000*
Fire Department Training Center	*45-C0241*	5		1,500,000				*1,500,000*
Parks Vehicles and Equipment	*45-C0570*	5					125,000	*125,000*
Consolidation of Public Safety Assets	*45-C0687*	5		1,700,000				*1,700,000*
Public Works Storage Yard Expansion	*45-C0718*	5				900,000		*900,000*
Northwest Connector	*45-C0735*	5			1,000,000	1,000,000		*2,000,000*
Hagerstown Ice Rink	*45-C0843*	5					1,000,000	*1,000,000*
Bond Financing (General Fund) Total				25,466,999	1,235,000	2,100,000	1,125,000	*29,926,999*
CIP Fund - GF Fund Balance								
Hagerstown Field House	*45-C0041*	5	750,000	1,450,000				*2,200,000*
Fire Department Training Center	*45-C0241*	5	500,000					*500,000*
Professional Court Extension	*45-C0685*	5	140,000					*140,000*
Consolidation of Public Safety Assets	*45-C0687*	5	1,000,000					*1,000,000*
Downtown Redevelopment	*45-C0854*	5	1,165,000					*1,165,000*
CIP Fund - GF Fund Balance Total			3,555,000	1,450,000				*5,005,000*
CIP Fund Balance								
Computer Equipment and Software	*45-C0006*	5	6,000					*6,000*
Time & Attendance Software and Equip	*45-C0007*	5	14,000					*14,000*
Pavement Preservation Program	*45-C0025*	5	206,000					*206,000*
Engineering Vehicles	*45-C0133*	4	15,000					*15,000*
Traffic Signalization Upgrades	*45-C0243*	5	57,000					*57,000*
LED Signal Lights	*45-C0245*	4	5,000					*5,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	8,000					*8,000*
Police Building Renovation	*45-C0308*	5	325,000					*325,000*
City Hall Improvements	*45-C0326*	5	51,000					*51,000*
Bridge Repair Program	*45-C0400*	4	25,000					*25,000*

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Signal Controller Upgrades	*45-C0433*	5	40,000					*40,000*
Steam Engine Museum	*45-C0439*	5	95,000					*95,000*
Geographic Information System	*45-C0451*	5	35,000					*35,000*
City Park Improvements	*45-C0522*	5	55,000					*55,000*
Traffic Calming	*45-C0560*	5	6,000					*6,000*
Cable Inet	*45-C0568*	2	14,000					*14,000*
Cable PEG	*45-C0569*	2	230,000					*230,000*
Parks Citywide Upgrades	*45-C0665*	3	35,000					*35,000*
Professional Court Extension	*45-C0685*	5	428,000					*428,000*
Municipal Financial System	*45-C0739*	5	32,000					*32,000*
Neighborhood Park Development	*45-C0751*	5	5,000					*5,000*
Hagerstown Ice Rink	*45-C0843*	5	21,700					*21,700*
Public Safety Radios and In-Station Alerting	*45-C0849*	1	75,000	45,000				*120,000*
Public Art	*45-C0868*	5	5,000					*5,000*
Traffic Beacons	*45-C0872*	1	39,000					*39,000*
CIP Fund Balance Total			1,827,700	45,000				*1,872,700*
Contribution by Others								
Eastern Boulevard North Extension	*45-C0606*	5					335,524	*335,524*
Northwest Connector	*45-C0735*	5			500,000	2,400,000		*2,900,000*
Hagerstown Ice Rink	*45-C0843*	5	150,000	2,500	2,500	75,000	6,000,000	*6,230,000*
Traffic Beacons	*45-C0872*	1	22,500					*22,500*
Contribution by Others Total			172,500	2,500	502,500	2,475,000	6,335,524	*9,488,024*
Grant-MEA								
Parks Citywide Upgrades	*45-C0665*	3	31,000					*31,000*
Potterfield Pool Improvements	*45-C0822*	8		40,000				*40,000*
Grant-MEA Total			31,000	40,000				*71,000*
Grants-Federal								
Police Crime Lab Equipment	*45-C0182*	5	43,825	30,000				*73,825*
Traffic Signalization Upgrades	*45-C0243*	5	228,000	480,000				*708,000*
Steam Engine Museum	*45-C0439*	5		396,000				*396,000*
Professional Court Extension	*45-C0685*	5	1,250,000					*1,250,000*
Consolidation of Public Safety Assets	*45-C0687*	5		10,800,000				*10,800,000*
Multi-Use Trails	*45-C0717*	6			2,000,000			*2,000,000*
Public Safety Radios and In-Station Alerting	*45-C0849*	1	675,000					*675,000*
Fire and EMS Equipment	*45-C0871*	5	135,000	270,000	135,000			*540,000*
Traffic Beacons	*45-C0872*	1	156,000					*156,000*
Grants-Federal Total			2,487,825	11,976,000	2,135,000			*16,598,825*
Grants-State								
New Sidewalks	*45-C0595*	1					500,000	*500,000*
Hagerstown Ice Rink	*45-C0843*	5					1,000,000	*1,000,000*
Grants-State Total							1,500,000	*1,500,000*
Grants-State CP&P								
City Park Improvements	*45-C0522*	5	200,000					*200,000*

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-State CP&P Total			200,000					*200,000*
Grants-State Governor Bond Bill								
Fire Department Training Center	*45-C0241*	5	500,000					*500,000*
Grants-State Governor Bond Bill Total			500,000					*500,000*
Grants-State MHAA								
Hager House Visitor Center Improvements	*45-C0061*	7	100,000	75,000				*175,000*
Grants-State MHAA Total			100,000	75,000				*175,000*
Grants-State Program Open Space								
Park Equipment	*45-C0237*	5	157,500					*157,500*
Wheaton Park Improvements	*45-C0293*	5		180,000				*180,000*
Steam Engine Museum	*45-C0439*	5	135,000	45,000				*180,000*
City Park Improvements	*45-C0522*	5		225,000	45,000			*270,000*
Fairground Park Improvements	*45-C0626*	5	90,000			225,000		*315,000*
Neighborhood Park Development	*45-C0751*	5	45,000					*45,000*
Grants-State Program Open Space Total			427,500	450,000	45,000	225,000		*1,147,500*
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								
Public Works Vehicles	*45-C0065*	5	170,000					*170,000*
Prior Bond Proceeds Total			170,000					*170,000*
Reforestation Funds								
Installation of Trees Using FCA Funds	*45-C0594*	5	90,000	58,000				*148,000*
Reforestation Funds Total			90,000	58,000				*148,000*
State Highway User Revenue								
Pavement Preservation Program	*45-C0025*	5	1,094,000	1,300,000	1,300,000	1,300,000	1,300,000	*6,294,000*
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	145,000	145,000	80,000	80,000	80,000	*530,000*
State Highway User Revenue Total			1,269,000	1,495,000	1,430,000	1,430,000	1,430,000	*7,054,000*
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			280,000	250,000	250,000	*780,000*
Wheaton Park Improvements	*45-C0293*	5	430,000		400,000			*830,000*

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
City Park Improvements	*45-C0522*	5	45,000					*45,000*
New Sidewalks	*45-C0595*	1		150,000				*150,000*
Transfers to CIP-CDBG Fund Total			595,000	250,000	780,000	350,000	350,000	*2,325,000*
Transfers to CIP-Electric Fund								
Computer Equipment and Software	*45-C0006*	5	29,800	14,400	14,400	14,400	14,400	*87,400*
Time & Attendance Software and Equip	*45-C0007*	5	475	1,900	3,800	1,900	3,800	*11,875*
Geographic Information System	*45-C0451*	5		8,750	8,750	8,750	8,750	*35,000*
Municipal Financial System	*45-C0739*	5		3,800	3,800	3,800	3,800	*15,200*
Transfers to CIP-Electric Fund Total			30,275	28,850	30,750	28,850	30,750	*149,475*
Transfers to CIP-General Fund								
Computer Equipment and Software	*45-C0006*	5	29,800	14,400	14,400	14,400	14,400	*87,400*
Time & Attendance Software and Equip	*45-C0007*	5	475	1,900	3,800	1,900	3,800	*11,875*
Municipal Broadband	*45-C0008*	8	16,000	16,000	8,000	8,000	8,000	*56,000*
Fire Department Vehicle Replacement	*45-C0010*	5	65,000		822,333			*887,333*
City Park Lake Improvements	*45-C0047*	5		700,000				*700,000*
Hager House Visitor Center Improvements	*45-C0061*	7	100,000	95,000				*195,000*
Public Works Vehicles	*45-C0065*	5	287,000	480,000	92,000	92,000	167,000	*1,118,000*
Police Radios	*45-C0128*	1			85,000	85,000	85,000	*255,000*
Police Vehicles	*45-C0129*	1	440,000	440,000	456,000	456,000	480,000	*2,272,000*
Engineering Equipment	*45-C0132*	8			15,000	35,000		*50,000*
Engineering Vehicles	*45-C0133*	4	15,000	57,000	27,000	27,000		*126,000*
Police Software	*45-C0196*	1	112,400					*112,400*
Police Firing Range	*45-C0226*	5		30,000				*30,000*
Park Equipment	*45-C0237*	5	17,500	50,000	50,000	50,000	50,000	*217,500*
Fire Department Training Center	*45-C0241*	5			500,000	500,000	500,000	*1,500,000*
Traffic Signalization Upgrades	*45-C0243*	5	19,000	120,000				*139,000*
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		8,000	8,000	8,000	8,000	*32,000*
Downtown Beautification Program	*45-C0280*	5	15,000	25,000	25,000	25,000	25,000	*115,000*
Wheaton Park Improvements	*45-C0293*	5	7,000	20,000				*27,000*
Police Building Renovation	*45-C0308*	5	25,000	50,000	50,000	100,000	50,000	*275,000*
City Hall Improvements	*45-C0326*	5	64,000	105,000	35,000	30,000	30,000	*264,000*
Fuel Station Improvements	*45-C0352*	5		40,000			200,000	*240,000*
Bridge Repair Program	*45-C0400*	4		90,000	100,000			*190,000*
Signal Controller Upgrades	*45-C0433*	5		20,000	20,000	20,000	20,000	*80,000*
Steam Engine Museum	*45-C0439*	5	30,000	369,000	50,000	15,000		*464,000*
Geographic Information System	*45-C0451*	5		8,750	8,750	8,750	8,750	*35,000*
Sidewalk Replacement Program	*45-C0458*	5	125,000	130,000	135,000	140,000	145,000	*675,000*
City Park Improvements	*45-C0522*	5	100,000	50,000	10,000	30,000	30,000	*220,000*
Traffic Calming	*45-C0560*	5	29,000	35,000	35,000	35,000	35,000	*169,000*
Parks Vehicles and Equipment	*45-C0570*	5	135,000	251,000	83,000	115,000	45,000	*629,000*
Recreation Vehicles and Equipment	*45-C0576*	5	30,000		30,000			*60,000*
New Sidewalks	*45-C0595*	1	80,000	80,000	80,000			*240,000*
Fairground Grandstand Improvements	*45-C0624*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Fairground Park Improvements	*45-C0626*	5	10,000	10,000	10,000	25,000	40,000	*95,000*
Parks Citywide Upgrades	*45-C0665*	3		95,000	30,000			*125,000*
Planning & Code Admin Vehicles	*45-C0678*	5	30,000	60,000	60,000	30,000	30,000	*210,000*
Professional Court Extension	*45-C0685*	5	32,000					*32,000*
Consolidation of Public Safety Assets	*45-C0687*	5			500,000			*500,000*

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Multi-Use Trails	*45-C0717*	6			500,000			*500,000*
Public Works Storage Yard Expansion	*45-C0718*	5				10,000		*10,000*
Northwest Connector	*45-C0735*	5		280,000				*280,000*
Municipal Financial System	*45-C0739*	5		3,800	3,800	3,800	3,800	*15,200*
Neighborhood Park Development	*45-C0751*	5			100,000		10,000	*110,000*
Potterfield Pool Improvements	*45-C0822*	8	25,000				100,000	*125,000*
Hagerstown Ice Rink	*45-C0843*	5		7,500	7,500	225,000		*240,000*
Public Safety Radios and In-Station Alerting	*45-C0849*	1		655,000				*655,000*
Marsh Run Walls Rehabilitation	*45-C0853*	4			350,000			*350,000*
Mobile License Plate Readers	*45-C0860*	1		60,000				*60,000*
Public Art	*45-C0868*	5	70,000	10,000	10,000	10,000	10,000	*110,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	170,000	200,000	300,000	300,000	300,000	*1,270,000*
Fire and EMS Equipment	*45-C0871*	5	15,000	30,000	15,000			*60,000*
Traffic Beacons	*45-C0872*	1	22,500	45,000				*67,500*
Transfers to CIP-General Fund Total			2,126,675	4,757,350	4,669,583	2,414,850	2,413,750	*16,382,208*
Transfers to CIP-Parking Fund								
Computer Equipment and Software	*45-C0006*	5	4,800	2,400	2,400	2,400	2,400	*14,400*
Time & Attendance Software and Equip	*45-C0007*	5	100	400	800	400	800	*2,500*
Municipal Financial System	*45-C0739*	5		800	800	800	800	*3,200*
Transfers to CIP-Parking Fund Total			4,900	3,600	4,000	3,600	4,000	*20,100*
Transfers to CIP-Wastewater Fund								
Computer Equipment and Software	*45-C0006*	5	29,800	14,400	14,400	14,400	14,400	*87,400*
Time & Attendance Software and Equip	*45-C0007*	5	475	1,900	3,800	1,900	3,800	*11,875*
Geographic Information System	*45-C0451*	5		8,750	8,750	8,750	8,750	*35,000*
Municipal Financial System	*45-C0739*	5		3,800	3,800	3,800	3,800	*15,200*
Transfers to CIP-Wastewater Fund Total			30,275	28,850	30,750	28,850	30,750	*149,475*
Transfers to CIP-Water Fund								
Computer Equipment and Software	*45-C0006*	5	29,800	14,400	14,400	14,400	14,400	*87,400*
Time & Attendance Software and Equip	*45-C0007*	5	475	1,900	3,800	1,900	3,800	*11,875*
Geographic Information System	*45-C0451*	5		8,750	8,750	8,750	8,750	*35,000*
Municipal Financial System	*45-C0739*	5		3,800	3,800	3,800	3,800	*15,200*
Transfers to CIP-Water Fund Total			30,275	28,850	30,750	28,850	30,750	*149,475*
GRAND TOTAL			15,777,925	46,205,999	10,943,333	9,135,000	13,300,524	*95,362,781*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '23 thru FY '27

DEPARTMENT SUMMARY

Department	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Community Development			25,000			*25,000*
Engineering	6,349,000	25,080,000	6,562,000	5,427,000	2,805,524	*46,223,524*
Finance	1,340,000					*1,340,000*
Fire	3,185,000	17,666,999	2,272,333	800,000	800,000	*24,724,332*
Information Technology	718,000	185,000	185,000	177,000	185,000	*1,450,000*
Parks	2,479,700	1,921,000	798,000	770,000	8,410,000	*14,378,700*
Planning	30,000	60,000	60,000	30,000	30,000	*210,000*
Police	986,225	610,000	591,000	641,000	615,000	*3,443,225*
Public Works	660,000	683,000	420,000	1,290,000	455,000	*3,508,000*
Recreation	30,000		30,000			*60,000*
TOTAL	**15,777,925**	**46,205,999**	**10,943,333**	**9,135,000**	**13,300,524**	***95,362,781***

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '23 thru **FY '27**

CATEGORY SUMMARY

Category	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Amenities			350,000			*350,000*
Automobiles and Trucks	1,187,000	3,754,999	1,830,333	920,000	847,000	*8,539,332*
Buildings and Structures	7,656,700	38,193,000	3,163,000	3,473,000	10,498,000	*62,983,700*
Infrastructure-Alleys	145,000	145,000	80,000	80,000	80,000	*530,000*
Infrastructure-Bridges	25,000	90,000	100,000			*215,000*
Infrastructure-Parks	66,000	95,000	30,000			*191,000*
Infrastructure-Sidewalks	325,000	480,000	335,000	260,000	765,000	*2,165,000*
Infrastructure-Streets	3,165,000	355,000	1,575,000	3,715,000	440,524	*9,250,524*
Infrastructure-Utilities	544,000	645,000	280,000	250,000	250,000	*1,969,000*
Land Improvements	630,000	1,068,000	2,690,000	65,000	75,000	*4,528,000*
Machinery and Equipment	1,838,825	1,321,000	443,000	313,000	278,000	*4,193,825*
Software	195,400	59,000	67,000	59,000	67,000	*447,400*
TOTAL	15,777,925	46,205,999	10,943,333	9,135,000	13,300,524	*95,362,781*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '23 thru FY '27

EXPENDITURE TYPE SUMMARY

Expenditure Type	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design	1,300,000	615,000	15,000	25,000	15,000	*1,970,000*
Land Acquisition	500,000	200,000	500,000			*1,200,000*
Construction/Maintenance	10,686,700	40,291,000	8,093,000	7,823,000	12,098,524	*78,992,224*
Equip/Vehicles/Furnishings	3,259,225	5,083,999	2,319,333	1,271,000	1,171,000	*13,104,557*
Software	32,000	16,000	16,000	16,000	16,000	*96,000*
TOTAL	**15,777,925**	**46,205,999**	**10,943,333**	**9,135,000**	**13,300,524**	***95,362,781***

PROJECTS BY DEPARTMENT

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Community Development								
Community & Economic Development Vehicles	*45-C0249*	4			25,000			*25,000*
Community Development Total					25,000			*25,000*
Engineering								
Eastern Boulevard North Extension	*45-C0606*	5					335,524	*335,524*
Traffic Beacons	*45-C0872*	1	240,000	45,000				*285,000*
Public Art	*45-C0868*	5	75,000	10,000	10,000	10,000	10,000	*115,000*
Marsh Run Walls Rehabilitation	*45-C0853*	4			350,000			*350,000*
Northwest Connector	*45-C0735*	5		280,000	1,500,000	3,400,000		*5,180,000*
Professional Court Extension	*45-C0685*	5	3,000,000					*3,000,000*
New Sidewalks	*45-C0595*	1	80,000	230,000	80,000		500,000	*890,000*
Installation of Trees Using FCA Funds	*45-C0594*	5	90,000	58,000				*148,000*
Traffic Calming	*45-C0560*	5	35,000	35,000	35,000	35,000	35,000	*175,000*
Sidewalk Replacement Program	*45-C0458*	5	125,000	130,000	135,000	140,000	145,000	*675,000*
Hagerstown Field House	*45-C0041*	5	750,000	21,250,000				*22,000,000*
Multi-Use Trails	*45-C0717*	6			2,500,000			*2,500,000*
Pavement Preservation Program	*45-C0025*	5	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	*6,500,000*
Bridge Repair Program	*45-C0400*	4	25,000	90,000	100,000			*215,000*
City Park Lake Improvements	*45-C0047*	5		700,000				*700,000*
Pavement Markings	*45-C0093*	1	30,000	30,000	30,000	30,000	30,000	*150,000*
Engineering Equipment	*45-C0132*	8			15,000	35,000		*50,000*
Engineering Vehicles	*45-C0133*	4	30,000	57,000	27,000	27,000		*141,000*
Accessibility Ramps	*45-C0217*	6	120,000	120,000	120,000	120,000	120,000	*600,000*
Traffic Signalization Upgrades	*45-C0243*	5	304,000	600,000	280,000	250,000	250,000	*1,684,000*
Alley Reconstruction	*45-C0324*	5	145,000	145,000	80,000	80,000	80,000	*530,000*
Engineering Total			6,349,000	25,080,000	6,562,000	5,427,000	2,805,524	*46,223,524*
Finance								
Downtown Redevelopment	*45-C0854*	5	1,340,000					*1,340,000*
Finance Total			1,340,000					*1,340,000*
Fire								
Fire Department Vehicle Replacement	*45-C0010*	5	65,000	2,466,999	822,333			*3,354,332*
Fire Department Training Center	*45-C0241*	5	1,000,000	1,500,000	500,000	500,000	500,000	*4,000,000*
Consolidation of Public Safety Assets	*45-C0687*	5	1,000,000	12,500,000	500,000			*14,000,000*
Public Safety Radios and In-Station Alerting	*45-C0849*	1	750,000	700,000				*1,450,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	220,000	200,000	300,000	300,000	300,000	*1,320,000*
Fire and EMS Equipment	*45-C0871*	5	150,000	300,000	150,000			*600,000*
Fire Total			3,185,000	17,666,999	2,272,333	800,000	800,000	*24,724,332*
Information Technology								
Cable Inet	*45-C0568*	2	28,000	14,000	14,000	14,000	14,000	*84,000*
Computer Equipment and Software	*45-C0006*	5	325,000	60,000	60,000	60,000	60,000	*565,000*
Time & Attendance Software and Equip	*45-C0007*	5	16,000	8,000	16,000	8,000	16,000	*64,000*
Municipal Broadband	*45-C0008*	8	16,000	16,000	8,000	8,000	8,000	*56,000*
Cable PEG	*45-C0569*	2	266,000	36,000	36,000	36,000	36,000	*410,000*

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Municipal Financial System	*45-C0739*	5	32,000	16,000	16,000	16,000	16,000	*96,000*
Geographic Information System	*45-C0451*	5	35,000	35,000	35,000	35,000	35,000	*175,000*
Information Technology Total			718,000	185,000	185,000	177,000	185,000	*1,450,000*
Parks								
Steam Engine Museum	*45-C0439*	5	260,000	810,000	50,000	15,000		*1,135,000*
Potterfield Pool Improvements	*45-C0822*	8	25,000	40,000			100,000	*165,000*
Neighborhood Park Development	*45-C0751*	5	50,000		100,000		10,000	*160,000*
Parks Citywide Upgrades	*45-C0665*	3	66,000	95,000	30,000			*191,000*
Fairground Park Improvements	*45-C0626*	5	100,000	10,000	10,000	250,000	40,000	*410,000*
Fairground Grandstand Improvements	*45-C0624*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
City Park Improvements	*45-C0522*	5	400,000	275,000	55,000	30,000	30,000	*790,000*
Hagerstown Ice Rink	*45-C0843*	5	621,700	10,000	10,000	300,000	8,000,000	*8,941,700*
Wheaton Park Improvements	*45-C0293*	5	437,000	200,000	400,000			*1,037,000*
Park Equipment	*45-C0237*	5	175,000	50,000	50,000	50,000	50,000	*375,000*
Hager House Visitor Center Improvements	*45-C0061*	7	200,000	170,000				*370,000*
Parks Vehicles and Equipment	*45-C0570*	5	135,000	251,000	83,000	115,000	170,000	*754,000*
Parks Total			2,479,700	1,921,000	798,000	770,000	8,410,000	*14,378,700*
Planning								
Planning & Code Admin Vehicles	*45-C0678*	5	30,000	60,000	60,000	30,000	30,000	*210,000*
Planning Total			30,000	60,000	60,000	30,000	30,000	*210,000*
Police								
Mobile License Plate Readers	*45-C0860*	1		60,000				*60,000*
Police Vehicles	*45-C0129*	1	440,000	440,000	456,000	456,000	480,000	*2,272,000*
Police Crime Lab Equipment	*45-C0182*	5	43,825	30,000				*73,825*
Police Software	*45-C0196*	1	112,400					*112,400*
Police Firing Range	*45-C0226*	5	40,000	30,000				*70,000*
Police Building Renovation	*45-C0308*	5	350,000	50,000	50,000	100,000	50,000	*600,000*
Police Radios	*45-C0128*	1			85,000	85,000	85,000	*255,000*
Police Total			986,225	610,000	591,000	641,000	615,000	*3,443,225*
Public Works								
Public Works Storage Yard Expansion	*45-C0718*	5				910,000		*910,000*
Signal Controller Upgrades	*45-C0433*	5	40,000	20,000	20,000	20,000	20,000	*120,000*
Fuel Station Improvements	*45-C0352*	5	20,000	40,000			200,000	*260,000*
City Hall Improvements	*45-C0326*	5	115,000	105,000	35,000	30,000	30,000	*315,000*
Downtown Beautification Program	*45-C0280*	5	15,000	25,000	25,000	25,000	25,000	*115,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	8,000	8,000	8,000	8,000	8,000	*40,000*
Public Works Vehicles	*45-C0065*	5	457,000	480,000	327,000	292,000	167,000	*1,723,000*
LED Signal Lights	*45-C0245*	4	5,000	5,000	5,000	5,000	5,000	*25,000*
Public Works Total			660,000	683,000	420,000	1,290,000	455,000	*3,508,000*
Recreation								
Recreation Vehicles and Equipment	*45-C0576*	5	30,000		30,000			*60,000*
Recreation Total			30,000		30,000			*60,000*
GRAND TOTAL			15,777,925	46,205,999	10,943,333	9,135,000	13,300,524	*95,362,781*

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	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*
CIP Fund Balance			*206,000*					*206,000*
State Highway User Revenue			*1,094,000*	*1,300,000*	*1,300,000*	*1,300,000*	*1,300,000*	*6,294,000*
Hagerstown Field House	45-C0041	5	750,000	21,250,000				*22,000,000*
Bond Financing (General Fund)				*19,800,000*				*19,800,000*
CIP Fund - GF Fund Balance			*750,000*	*1,450,000*				*2,200,000*
City Park Lake Improvements	45-C0047	5		700,000				*700,000*
Transfers to CIP-General Fund				*700,000*				*700,000*
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 Equipment	45-C0132	8			15,000	35,000		*50,000*
Transfers to CIP-General Fund					*15,000*	*35,000*		*50,000*
Engineering Vehicles	45-C0133	4	30,000	57,000	27,000	27,000		*141,000*
CIP Fund Balance			*15,000*					*15,000*
Transfers to CIP-General Fund			*15,000*	*57,000*	*27,000*	*27,000*		*126,000*
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	304,000	600,000	280,000	250,000	250,000	*1,684,000*
CIP Fund Balance			*57,000*					*57,000*
Grants-Federal			*228,000*	*480,000*				*708,000*
Transfers to CIP-CDBG Fund					*280,000*	*250,000*	*250,000*	*780,000*
Transfers to CIP-General Fund			*19,000*	*120,000*				*139,000*
Alley Reconstruction	45-C0324	5	145,000	145,000	80,000	80,000	80,000	*530,000*
State Highway User Revenue			*145,000*	*145,000*	*80,000*	*80,000*	*80,000*	*530,000*
Bridge Repair Program	45-C0400	4	25,000	90,000	100,000			*215,000*
CIP Fund Balance			*25,000*					*25,000*
Transfers to CIP-General Fund				*90,000*	*100,000*			*190,000*
Sidewalk Replacement Program	45-C0458	5	125,000	130,000	135,000	140,000	145,000	*675,000*
Transfers to CIP-General Fund			*125,000*	*130,000*	*135,000*	*140,000*	*145,000*	*675,000*
Traffic Calming	45-C0560	5	35,000	35,000	35,000	35,000	35,000	*175,000*
CIP Fund Balance			*6,000*					*6,000*
Transfers to CIP-General Fund			*29,000*	*35,000*	*35,000*	*35,000*	*35,000*	*169,000*
Installation of Trees Using FCA Funds	45-C0594	5	90,000	58,000				*148,000*
Reforestation Funds			*90,000*	*58,000*				*148,000*
New Sidewalks	45-C0595	1	80,000	230,000	80,000		500,000	*890,000*
Grants-State							*500,000*	*500,000*
Transfers to CIP-CDBG Fund				*150,000*				*150,000*
Transfers to CIP-General Fund			*80,000*	*80,000*	*80,000*			*240,000*

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Eastern Boulevard North Extension	45-C0606	5					335,524	*335,524*
Contribution by Others							*335,524*	*335,524*
Professional Court Extension	45-C0685	5	3,000,000					*3,000,000*
American Rescue Plan Act (ARPA) Grant			*1,150,000*					*1,150,000*
CIP Fund - GF Fund Balance			*140,000*					*140,000*
CIP Fund Balance			*428,000*					*428,000*
Grants-Federal			*1,250,000*					*1,250,000*
Transfers to CIP-General Fund			*32,000*					*32,000*
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*
Northwest Connector	45-C0735	5		280,000	1,500,000	3,400,000		*5,180,000*
Bond Financing (General Fund)					*1,000,000*	*1,000,000*		*2,000,000*
Contribution by Others					*500,000*	*2,400,000*		*2,900,000*
Transfers to CIP-General Fund				*280,000*				*280,000*
Marsh Run Walls Rehabilitation	45-C0853	4			350,000			*350,000*
Transfers to CIP-General Fund					*350,000*			*350,000*
Public Art	45-C0868	5	75,000	10,000	10,000	10,000	10,000	*115,000*
CIP Fund Balance			*5,000*					*5,000*
Transfers to CIP-General Fund			*70,000*	*10,000*	*10,000*	*10,000*	*10,000*	*110,000*
Traffic Beacons	45-C0872	1	240,000	45,000				*285,000*
CIP Fund Balance			*39,000*					*39,000*
Contribution by Others			*22,500*					*22,500*
Grants-Federal			*156,000*					*156,000*
Transfers to CIP-General Fund			*22,500*	*45,000*				*67,500*
Engineering Total			6,349,000	25,080,000	6,562,000	5,427,000	2,805,524	*46,223,524*
Finance								
Downtown Redevelopment	45-C0854	5	1,340,000					*1,340,000*
American Rescue Plan Act (ARPA) Grant			*175,000*					*175,000*
CIP Fund - GF Fund Balance			*1,165,000*					*1,165,000*
Finance Total			1,340,000					*1,340,000*
Fire								
Fire Department Vehicle Replacement	45-C0010	5	65,000	2,466,999	822,333			*3,354,332*
Bond Financing (General Fund)				*2,466,999*				*2,466,999*
Transfers to CIP-General Fund			*65,000*		*822,333*			*887,333*
Fire Department Training Center	45-C0241	5	1,000,000	1,500,000	500,000	500,000	500,000	*4,000,000*
Bond Financing (General Fund)				*1,500,000*				*1,500,000*
CIP Fund - GF Fund Balance			*500,000*					*500,000*
Grants-State Governor Bond Bill			*500,000*					*500,000*
Transfers to CIP-General Fund					*500,000*	*500,000*	*500,000*	*1,500,000*
Consolidation of Public Safety Assets	45-C0687	5	1,000,000	12,500,000	500,000			*14,000,000*
Bond Financing (General Fund)				*1,700,000*				*1,700,000*
CIP Fund - GF Fund Balance			*1,000,000*					*1,000,000*
Grants-Federal				*10,800,000*				*10,800,000*
Transfers to CIP-General Fund					*500,000*			*500,000*
Public Safety Radios and In-Station Alerting	45-C0849	1	750,000	700,000				*1,450,000*
CIP Fund Balance			*75,000*	*45,000*				*120,000*
Grants-Federal			*675,000*					*675,000*
Transfers to CIP-General Fund				*655,000*				*655,000*
Fire Facilities City Owned Buildings	45-C0870	5	220,000	200,000	300,000	300,000	300,000	*1,320,000*
American Rescue Plan Act (ARPA) Grant			*50,000*					*50,000*
Transfers to CIP-General Fund			*170,000*	*200,000*	*300,000*	*300,000*	*300,000*	*1,270,000*
Fire and EMS Equipment	45-C0871	5	150,000	300,000	150,000			*600,000*

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-Federal			*135,000*	*270,000*	*135,000*			*540,000*
Transfers to CIP-General Fund			*15,000*	*30,000*	*15,000*			*60,000*
Fire Total			3,185,000	17,666,999	2,272,333	800,000	800,000	*24,724,332*
Information Technology								
Computer Equipment and Software	45-C0006	5	325,000	60,000	60,000	60,000	60,000	*565,000*
American Rescue Plan Act (ARPA) Grant			*195,000*					*195,000*
CIP Fund Balance			*6,000*					*6,000*
Transfers to CIP-Electric Fund			*29,800*	*14,400*	*14,400*	*14,400*	*14,400*	*87,400*
Transfers to CIP-General Fund			*29,800*	*14,400*	*14,400*	*14,400*	*14,400*	*87,400*
Transfers to CIP-Parking Fund			*4,800*	*2,400*	*2,400*	*2,400*	*2,400*	*14,400*
Transfers to CIP-Wastewater Fund			*29,800*	*14,400*	*14,400*	*14,400*	*14,400*	*87,400*
Transfers to CIP-Water Fund			*29,800*	*14,400*	*14,400*	*14,400*	*14,400*	*87,400*
Time & Attendance Software and Equip	45-C0007	5	16,000	8,000	16,000	8,000	16,000	*64,000*
CIP Fund Balance			*14,000*					*14,000*
Transfers to CIP-Electric Fund			*475*	*1,900*	*3,800*	*1,900*	*3,800*	*11,875*
Transfers to CIP-General Fund			*475*	*1,900*	*3,800*	*1,900*	*3,800*	*11,875*
Transfers to CIP-Parking Fund			*100*	*400*	*800*	*400*	*800*	*2,500*
Transfers to CIP-Wastewater Fund			*475*	*1,900*	*3,800*	*1,900*	*3,800*	*11,875*
Transfers to CIP-Water Fund			*475*	*1,900*	*3,800*	*1,900*	*3,800*	*11,875*
Municipal Broadband	45-C0008	8	16,000	16,000	8,000	8,000	8,000	*56,000*
Transfers to CIP-General Fund			*16,000*	*16,000*	*8,000*	*8,000*	*8,000*	*56,000*
Geographic Information System	45-C0451	5	35,000	35,000	35,000	35,000	35,000	*175,000*
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	28,000	14,000	14,000	14,000	14,000	*84,000*
CIP Fund Balance			*14,000*					*14,000*
PEG Fee			*14,000*	*14,000*	*14,000*	*14,000*	*14,000*	*70,000*
Cable PEG	45-C0569	2	266,000	36,000	36,000	36,000	36,000	*410,000*
CIP Fund Balance			*230,000*					*230,000*
PEG Fee			*36,000*	*36,000*	*36,000*	*36,000*	*36,000*	*180,000*
Municipal Financial System	45-C0739	5	32,000	16,000	16,000	16,000	16,000	*96,000*
CIP Fund Balance			*32,000*					*32,000*
Transfers to CIP-Electric Fund				*3,800*	*3,800*	*3,800*	*3,800*	*15,200*
Transfers to CIP-General Fund				*3,800*	*3,800*	*3,800*	*3,800*	*15,200*
Transfers to CIP-Parking Fund				*800*	*800*	*800*	*800*	*3,200*
Transfers to CIP-Wastewater Fund				*3,800*	*3,800*	*3,800*	*3,800*	*15,200*
Transfers to CIP-Water Fund				*3,800*	*3,800*	*3,800*	*3,800*	*15,200*
Information Technology Total			718,000	185,000	185,000	177,000	185,000	*1,450,000*
Parks								
Hager House Visitor Center Improvements	45-C0061	7	200,000	170,000				*370,000*
Grants-State MHAA			*100,000*	*75,000*				*175,000*
Transfers to CIP-General Fund			*100,000*	*95,000*				*195,000*
Park Equipment	45-C0237	5	175,000	50,000	50,000	50,000	50,000	*375,000*
Grants-State Program Open Space			*157,500*					*157,500*
Transfers to CIP-General Fund			*17,500*	*50,000*	*50,000*	*50,000*	*50,000*	*217,500*
Wheaton Park Improvements	45-C0293	5	437,000	200,000	400,000			*1,037,000*
Grants-State Program Open Space				*180,000*				*180,000*
Transfers to CIP-CDBG Fund			*430,000*		*400,000*			*830,000*
Transfers to CIP-General Fund			*7,000*	*20,000*				*27,000*
Steam Engine Museum	45-C0439	5	260,000	810,000	50,000	15,000		*1,135,000*
CIP Fund Balance			*95,000*					*95,000*

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-Federal				*396,000*				*396,000*
Grants-State Program Open Space			*135,000*	*45,000*				*180,000*
Transfers to CIP-General Fund			*30,000*	*369,000*	*50,000*	*15,000*		*464,000*
City Park Improvements	45-C0522	5	400,000	275,000	55,000	30,000	30,000	*790,000*
CIP Fund Balance			*55,000*					*55,000*
Grants-State CP&P			*200,000*					*200,000*
Grants-State Program Open Space				*225,000*	*45,000*			*270,000*
Transfers to CIP-CDBG Fund			*45,000*					*45,000*
Transfers to CIP-General Fund			*100,000*	*50,000*	*10,000*	*30,000*	*30,000*	*220,000*
Parks Vehicles and Equipment	45-C0570	5	135,000	251,000	83,000	115,000	170,000	*754,000*
Bond Financing (General Fund)							*125,000*	*125,000*
Transfers to CIP-General Fund			*135,000*	*251,000*	*83,000*	*115,000*	*45,000*	*629,000*
Fairground Grandstand Improvements	45-C0624	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Transfers to CIP-General Fund			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Fairground Park Improvements	45-C0626	5	100,000	10,000	10,000	250,000	40,000	*410,000*
Grants-State Program Open Space			*90,000*			*225,000*		*315,000*
Transfers to CIP-General Fund			*10,000*	*10,000*	*10,000*	*25,000*	*40,000*	*95,000*
Parks Citywide Upgrades	45-C0665	3	66,000	95,000	30,000			*191,000*
CIP Fund Balance			*35,000*					*35,000*
Grant-MEA			*31,000*					*31,000*
Transfers to CIP-General Fund				*95,000*	*30,000*			*125,000*
Neighborhood Park Development	45-C0751	5	50,000		100,000		10,000	*160,000*
CIP Fund Balance			*5,000*					*5,000*
Grants-State Program Open Space			*45,000*					*45,000*
Transfers to CIP-General Fund					*100,000*		*10,000*	*110,000*
Potterfield Pool Improvements	45-C0822	8	25,000	40,000			100,000	*165,000*
Grant-MEA				*40,000*				*40,000*
Transfers to CIP-General Fund			*25,000*				*100,000*	*125,000*
Hagerstown Ice Rink	45-C0843	5	621,700	10,000	10,000	300,000	8,000,000	*8,941,700*
American Rescue Plan Act (ARPA) Grant			*450,000*					*450,000*
Bond Financing (General Fund)							*1,000,000*	*1,000,000*
CIP Fund Balance			*21,700*					*21,700*
Contribution by Others			*150,000*	*2,500*	*2,500*	*75,000*	*6,000,000*	*6,230,000*
Grants-State							*1,000,000*	*1,000,000*
Transfers to CIP-General Fund				*7,500*	*7,500*	*225,000*		*240,000*
Parks Total			2,479,700	1,921,000	798,000	770,000	8,410,000	*14,378,700*
Planning								
Planning & Code Admin Vehicles	45-C0678	5	30,000	60,000	60,000	30,000	30,000	*210,000*
Transfers to CIP-General Fund			*30,000*	*60,000*	*60,000*	*30,000*	*30,000*	*210,000*
Planning Total			30,000	60,000	60,000	30,000	30,000	*210,000*
Police								
Police Radios	45-C0128	1			85,000	85,000	85,000	*255,000*
Transfers to CIP-General Fund					*85,000*	*85,000*	*85,000*	*255,000*
Police Vehicles	45-C0129	1	440,000	440,000	456,000	456,000	480,000	*2,272,000*
Transfers to CIP-General Fund			*440,000*	*440,000*	*456,000*	*456,000*	*480,000*	*2,272,000*
Police Crime Lab Equipment	45-C0182	5	43,825	30,000				*73,825*
Grants-Federal			*43,825*	*30,000*				*73,825*
Police Software	45-C0196	1	112,400					*112,400*
Transfers to CIP-General Fund			*112,400*					*112,400*
Police Firing Range	45-C0226	5	40,000	30,000				*70,000*
American Rescue Plan Act (ARPA) Grant			*40,000*					*40,000*
Transfers to CIP-General Fund				*30,000*				*30,000*

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Police Building Renovation	45-C0308	5	350,000	50,000	50,000	100,000	50,000	*600,000*
CIP Fund Balance			*325,000*					*325,000*
Transfers to CIP-General Fund			*25,000*	*50,000*	*50,000*	*100,000*	*50,000*	*275,000*
Mobile License Plate Readers	45-C0860	1		60,000				*60,000*
Transfers to CIP-General Fund				*60,000*				*60,000*
Police Total			986,225	610,000	591,000	641,000	615,000	*3,443,225*
Public Works								
Public Works Vehicles	45-C0065	5	457,000	480,000	327,000	292,000	167,000	*1,723,000*
Bond Financing (General Fund)					*235,000*	*200,000*		*435,000*
Prior Bond Proceeds			*170,000*					*170,000*
Transfers to CIP-General Fund			*287,000*	*480,000*	*92,000*	*92,000*	*167,000*	*1,118,000*
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	8,000	8,000	8,000	8,000	8,000	*40,000*
CIP Fund Balance			*8,000*					*8,000*
Transfers to CIP-General Fund				*8,000*	*8,000*	*8,000*	*8,000*	*32,000*
Downtown Beautification Program	45-C0280	5	15,000	25,000	25,000	25,000	25,000	*115,000*
Transfers to CIP-General Fund			*15,000*	*25,000*	*25,000*	*25,000*	*25,000*	*115,000*
City Hall Improvements	45-C0326	5	115,000	105,000	35,000	30,000	30,000	*315,000*
CIP Fund Balance			*51,000*					*51,000*
Transfers to CIP-General Fund			*64,000*	*105,000*	*35,000*	*30,000*	*30,000*	*264,000*
Fuel Station Improvements	45-C0352	5	20,000	40,000			200,000	*260,000*
American Rescue Plan Act (ARPA) Grant			*20,000*					*20,000*
Transfers to CIP-General Fund				*40,000*			*200,000*	*240,000*
Signal Controller Upgrades	45-C0433	5	40,000	20,000	20,000	20,000	20,000	*120,000*
CIP Fund Balance			*40,000*					*40,000*
Transfers to CIP-General Fund				*20,000*	*20,000*	*20,000*	*20,000*	*80,000*
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			660,000	683,000	420,000	1,290,000	455,000	*3,508,000*
Recreation								
Recreation Vehicles and Equipment	45-C0576	5	30,000		30,000			*60,000*
Transfers to CIP-General Fund			*30,000*		*30,000*			*60,000*
Recreation Total			30,000		30,000			*60,000*
GRAND TOTAL			15,777,925	46,205,999	10,943,333	9,135,000	13,300,524	*95,362,781*

City of Hagerstown, Maryland

ELECTRIC FUND

FY '23 thru **FY '27**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Contribution by Others								
Kilpatrick Woods	*50-C0550*	5	120,000	450,000	450,000			*1,020,000*
Brookmeadow	*50-C0703*	5	50,000					*50,000*
Burhans Village	*50-C0707*	5	12,500					*12,500*
Contribution by Others Total			182,500	450,000	450,000			*1,082,500*
Electric Fund								
Electric Vehicles	*50-C0090*	5	405,000	215,000		285,000	255,000	*1,160,000*
Telemetry Equipment	*50-C0111*	5	10,000	15,000	5,000	5,000	5,000	*40,000*
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	34,500	25,000				*59,500*
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*
Test Equipment	*50-C0609*	5	15,000	15,000	15,000	15,000	15,000	*75,000*
Substation Controls	*50-C0616*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Meter Replacement	*50-C0679*	5	300,000	300,000	300,000	300,000	300,000	*1,500,000*
Brookmeadow	*50-C0703*	5	70,000	40,000				*110,000*
Burhans Village	*50-C0707*	5	5,000					*5,000*
Substation Breaker Replacement	*50-C0776*	5	60,000	60,000	60,000	60,000	60,000	*300,000*
Substation Upgrades	*50-C0778*	5	25,000			125,000	275,000	*425,000*
Equipment Refurbishment	*50-C0797*	5	50,000	50,000	50,000	50,000	50,000	*250,000*
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	15,000	15,000	15,000	15,000	15,000	*75,000*
Circuit Upgrades	*50-C0842*	5		150,000	150,000	150,000	150,000	*600,000*
Electric Fund Total			1,395,000	1,097,500	1,082,500	1,792,500	1,512,500	*6,880,000*
GRAND TOTAL			1,577,500	1,547,500	1,532,500	1,792,500	1,512,500	*7,962,500*

City of Hagerstown, Maryland

ELECTRIC FUND

FY '23 thru **FY '27**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund								
Electric Vehicles	50-C0090	5	405,000	215,000		285,000	255,000	*1,160,000*
Electric Fund			*405,000*	*215,000*		*285,000*	*255,000*	*1,160,000*
Telemetry Equipment	50-C0111	5	10,000	15,000	5,000	5,000	5,000	*40,000*
Electric Fund			*10,000*	*15,000*	*5,000*	*5,000*	*5,000*	*40,000*
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	34,500	25,000				*59,500*
Electric Fund			*34,500*	*25,000*				*59,500*
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	475,000	450,000			*1,150,500*
Contribution by Others			*120,000*	*450,000*	*450,000*			*1,020,000*
Electric Fund			*105,500*	*25,000*				*130,500*
Test Equipment	50-C0609	5	15,000	15,000	15,000	15,000	15,000	*75,000*
Electric Fund			*15,000*	*15,000*	*15,000*	*15,000*	*15,000*	*75,000*
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*
Meter Replacement	50-C0679	5	300,000	300,000	300,000	300,000	300,000	*1,500,000*
Electric Fund			*300,000*	*300,000*	*300,000*	*300,000*	*300,000*	*1,500,000*
Brookmeadow	50-C0703	5	120,000	40,000				*160,000*
Contribution by Others			*50,000*					*50,000*
Electric Fund			*70,000*	*40,000*				*110,000*
Burhans Village	50-C0707	5	17,500					*17,500*
Contribution by Others			*12,500*					*12,500*
Electric Fund			*5,000*					*5,000*
Substation Breaker Replacement	50-C0776	5	60,000	60,000	60,000	60,000	60,000	*300,000*
Electric Fund			*60,000*	*60,000*	*60,000*	*60,000*	*60,000*	*300,000*
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	50,000	50,000	50,000	50,000	50,000	*250,000*
Electric Fund			*50,000*	*50,000*	*50,000*	*50,000*	*50,000*	*250,000*
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	15,000	15,000	15,000	15,000	15,000	*75,000*
Electric Fund			*15,000*	*15,000*	*15,000*	*15,000*	*15,000*	*75,000*
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			1,577,500	1,547,500	1,532,500	1,792,500	1,512,500	*7,962,500*
GRAND TOTAL			1,577,500	1,547,500	1,532,500	1,792,500	1,512,500	*7,962,500*

City of Hagerstown, Maryland

WATER FUND

FY '23 thru **FY '27**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	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	15,000,000	15,000,000	*30,500,000*
Edgemont Reservoir Improvements	*52-C0168*	5	500,000	7,500,000	7,500,000	2,000,000		*17,500,000*
Mack Water Tank	*52-C0274*	5	2,000,000	2,000,000				*4,000,000*
Breichner WTP Improvements	*52-C0405*	5			3,000,000	3,000,000		*6,000,000*
Water System SCADA Improvements	*52-C0820*	5			400,000	400,000		*800,000*
Bond Financing-MDE (Water Fund) Total			2,500,000	9,500,000	11,400,000	20,400,000	15,000,000	*58,800,000*
Contribution by Others								
Pump Station Improvements	*52-C0651*	5		575,000	1,275,000	1,175,000	1,775,000	*4,800,000*
Contribution by Others Total				575,000	1,275,000	1,175,000	1,775,000	*4,800,000*
Water Fund								
Water Vehicles	*52-C0117*	5	675,000	320,000	330,000	300,000	310,000	*1,935,000*
Willson Treatment Plant	*52-C0166*	5	950,000	700,000	550,000	550,000	550,000	*3,300,000*
Willson Transmission Mains	*52-C0167*	5	220,000	400,000	700,000	700,000	400,000	*2,420,000*
Edgemont Reservoir Improvements	*52-C0168*	5	150,000	150,000	650,000	300,000	150,000	*1,400,000*
Mack Water Tank	*52-C0274*	5	400,000	200,000				*600,000*
Risk and Resiliency/Security	*52-C0322*	1	150,000	100,000	50,000	50,000	25,000	*375,000*
Breichner WTP Improvements	*52-C0405*	5	20,000	520,000	500,000	300,000	20,000	*1,360,000*
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	125,000	125,000	125,000	125,000	*645,000*
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	420,000	440,000	460,000	480,000	*2,200,000*
Water System SCADA Improvements	*52-C0820*	5	75,000	175,000	175,000	125,000	100,000	*650,000*
Water Fund Total			3,520,000	3,445,000	3,855,000	3,245,000	2,495,000	*16,560,000*
GRAND TOTAL			6,020,000	13,520,000	16,530,000	24,820,000	19,370,000	*80,260,000*

City of Hagerstown, Maryland

WATER FUND

FY '23 thru **FY '27**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Water Fund								
Water Vehicles	52-C0117	5	675,000	320,000	330,000	300,000	310,000	*1,935,000*
Water Fund			*675,000*	*320,000*	*330,000*	*300,000*	*310,000*	*1,935,000*
Willson Treatment Plant	52-C0166	5	950,000	700,000	550,000	550,000	550,000	*3,300,000*
Water Fund			*950,000*	*700,000*	*550,000*	*550,000*	*550,000*	*3,300,000*
Willson Transmission Mains	52-C0167	5	220,000	400,000	1,200,000	15,700,000	15,400,000	*32,920,000*
Bond Financing-MDE (Water Fund)					*500,000*	*15,000,000*	*15,000,000*	*30,500,000*
Water Fund			*220,000*	*400,000*	*700,000*	*700,000*	*400,000*	*2,420,000*
Edgemont Reservoir Improvements	52-C0168	5	650,000	7,650,000	8,150,000	2,300,000	150,000	*18,900,000*
Bond Financing-MDE (Water Fund)			*500,000*	*7,500,000*	*7,500,000*	*2,000,000*		*17,500,000*
Water Fund			*150,000*	*150,000*	*650,000*	*300,000*	*150,000*	*1,400,000*
Mack Water Tank	52-C0274	5	2,400,000	2,200,000				*4,600,000*
Bond Financing-MDE (Water Fund)			*2,000,000*	*2,000,000*				*4,000,000*
Water Fund			*400,000*	*200,000*				*600,000*
Risk and Resiliency/Security	52-C0322	1	150,000	100,000	50,000	50,000	25,000	*375,000*
Water Fund			*150,000*	*100,000*	*50,000*	*50,000*	*25,000*	*375,000*
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	520,000	3,500,000	3,300,000	20,000	*7,360,000*
Bond Financing-MDE (Water Fund)					*3,000,000*	*3,000,000*		*6,000,000*
Water Fund			*20,000*	*520,000*	*500,000*	*300,000*	*20,000*	*1,360,000*
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	700,000	1,400,000	1,300,000	1,900,000	*5,445,000*
Contribution by Others				*575,000*	*1,275,000*	*1,175,000*	*1,775,000*	*4,800,000*
Water Fund			*145,000*	*125,000*	*125,000*	*125,000*	*125,000*	*645,000*
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	420,000	440,000	460,000	480,000	*2,200,000*
Water Fund			*400,000*	*420,000*	*440,000*	*460,000*	*480,000*	*2,200,000*
Water System SCADA Improvements	52-C0820	5	75,000	175,000	575,000	525,000	100,000	*1,450,000*
Bond Financing-MDE (Water Fund)					*400,000*	*400,000*		*800,000*
Water Fund			*75,000*	*175,000*	*175,000*	*125,000*	*100,000*	*650,000*
Water Fund Total			6,020,000	13,520,000	16,530,000	24,820,000	19,370,000	*80,260,000*
GRAND TOTAL			6,020,000	13,520,000	16,530,000	24,820,000	19,370,000	*80,260,000*

City of Hagerstown, Maryland

WASTEWATER FUND

FY '23 thru FY '27

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Gr								
Wastewater Vehicle Replacement	*54-C0004*	5	425,937					*425,937*
East End Pump Station #33	*54-C0565*	5	3,000,000					*3,000,000*
Pump Station #13 Reconstruction	*54-C0574*	5	2,235,000					*2,235,000*
American Rescue Plan Act (ARPA) Grant Total			5,660,937					*5,660,937*
Bond Financing-MDE (Wastewater Fu								
East End Pump Station #33	*54-C0565*	5		500,000				*500,000*
Pump Station #13 Reconstruction	*54-C0574*	5		1,465,000				*1,465,000*
Bond Financing-MDE (Wastewater Fund) Total				1,965,000				*1,965,000*
Contribution by Others								
Trunk Lines and Laterals	*54-C0834*	2	150,000	150,000	150,000	150,000	150,000	*750,000*
Contribution by Others Total			150,000	150,000	150,000	150,000	150,000	*750,000*
Grant-State MDE								
WWT Plant Equipment	*54-C0584*	1	240,000	240,000	240,000	240,000	240,000	*1,200,000*
Grant-State MDE Total			240,000	240,000	240,000	240,000	240,000	*1,200,000*
Wastewater Fund								
Wastewater Vehicle Replacement	*54-C0004*	5	942,863	100,000	120,000	45,000	35,000	*1,242,863*
Manhole Raising	*54-C0267*	1	25,000	25,000	25,000	25,000	25,000	*125,000*
Pump Station Improvements	*54-C0299*	1	15,000	75,000	75,000	75,000	75,000	*315,000*
Collection System Rehabilitation	*54-C0327*	1	275,000	100,000	100,000	100,000	100,000	*675,000*
WWT Plant Equipment	*54-C0584*	1	260,000	460,000	260,000	260,000	260,000	*1,500,000*
WWT Buildings/ Structures/ Equipment & Software	*54-C0585*	5	30,000	25,000	25,000	25,000	25,000	*130,000*
Oxygen System Improvements	*54-C0657*	1	45,000	20,000	20,000	20,000	20,000	*125,000*
Solids Processing-Pelletizer Improvements	*54-C0711*	2	100,000	100,000	100,000	100,000	100,000	*500,000*
Solids Processing Facility Improvements	*54-C0712*	2	350,000	300,000				*650,000*
Collection System Equipment	*54-C0713*	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Laboratory Equipment	*54-C0745*	5	420,000	1,000,000	25,000	25,000	25,000	*1,495,000*
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	250,000	250,000	250,000	250,000	250,000	*1,250,000*
Pump Station Upgrades	*54-C0832*	5	100,000	50,000				*150,000*
Trunk Lines and Laterals	*54-C0834*	2	15,000	15,000	15,000	15,000	15,000	*75,000*
Wastewater Fund Total			3,019,863	2,712,000	1,207,000	1,132,000	1,122,000	*9,192,863*
GRAND TOTAL			9,070,800	5,067,000	1,597,000	1,522,000	1,512,000	*18,768,800*

City of Hagerstown, Maryland

WASTEWATER FUND

FY '23 thru **FY '27**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund								
Wastewater Vehicle Replacement	54-C0004	5	1,368,800	100,000	120,000	45,000	35,000	*1,668,800*
American Rescue Plan Act (ARPA) Grant			*425,937*					*425,937*
Wastewater Fund			*942,863*	*100,000*	*120,000*	*45,000*	*35,000*	*1,242,863*
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	15,000	75,000	75,000	75,000	75,000	*315,000*
Wastewater Fund			*15,000*	*75,000*	*75,000*	*75,000*	*75,000*	*315,000*
Collection System Rehabilitation	54-C0327	1	275,000	100,000	100,000	100,000	100,000	*675,000*
Wastewater Fund			*275,000*	*100,000*	*100,000*	*100,000*	*100,000*	*675,000*
East End Pump Station #33	54-C0565	5	3,000,000	500,000				*3,500,000*
American Rescue Plan Act (ARPA) Grant			*3,000,000*					*3,000,000*
Bond Financing-MDE (Wastewater Fund)				*500,000*				*500,000*
Pump Station #13 Reconstruction	54-C0574	5	2,235,000	1,465,000				*3,700,000*
American Rescue Plan Act (ARPA) Grant			*2,235,000*					*2,235,000*
Bond Financing-MDE (Wastewater Fund)				*1,465,000*				*1,465,000*
WWT Plant Equipment	54-C0584	1	500,000	700,000	500,000	500,000	500,000	*2,700,000*
Grant-State MDE			*240,000*	*240,000*	*240,000*	*240,000*	*240,000*	*1,200,000*
Wastewater Fund			*260,000*	*460,000*	*260,000*	*260,000*	*260,000*	*1,500,000*
WWT Buildings/ Structures/ Equipment & Software	54-C0585	5	30,000	25,000	25,000	25,000	25,000	*130,000*
Wastewater Fund			*30,000*	*25,000*	*25,000*	*25,000*	*25,000*	*130,000*
Oxygen System Improvements	54-C0657	1	45,000	20,000	20,000	20,000	20,000	*125,000*
Wastewater Fund			*45,000*	*20,000*	*20,000*	*20,000*	*20,000*	*125,000*
Solids Processing-Pelletizer Improvements	54-C0711	2	100,000	100,000	100,000	100,000	100,000	*500,000*
Wastewater Fund			*100,000*	*100,000*	*100,000*	*100,000*	*100,000*	*500,000*
Solids Processing Facility Improvements	54-C0712	2	350,000	300,000				*650,000*
Wastewater Fund			*350,000*	*300,000*				*650,000*
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	420,000	1,000,000	25,000	25,000	25,000	*1,495,000*
Wastewater Fund			*420,000*	*1,000,000*	*25,000*	*25,000*	*25,000*	*1,495,000*
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	250,000	250,000	250,000	250,000	250,000	*1,250,000*
Wastewater Fund			*250,000*	*250,000*	*250,000*	*250,000*	*250,000*	*1,250,000*
Pump Station Upgrades	54-C0832	5	100,000	50,000				*150,000*
Wastewater Fund			*100,000*	*50,000*				*150,000*
Trunk Lines and Laterals	54-C0834	2	165,000	165,000	165,000	165,000	165,000	*825,000*
Contribution by Others			*150,000*	*150,000*	*150,000*	*150,000*	*150,000*	*750,000*
Wastewater Fund			*15,000*	*15,000*	*15,000*	*15,000*	*15,000*	*75,000*
Wastewater Fund Total			9,070,800	5,067,000	1,597,000	1,522,000	1,512,000	*18,768,800*
GRAND TOTAL			9,070,800	5,067,000	1,597,000	1,522,000	1,512,000	*18,768,800*

City of Hagerstown, Maryland

PARKING FUND

FY '23 thru **FY '27**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing (Parking Fund)								
Parking Facilities - 3rd Parking Deck	*56-C0173*	5	5,500,000	4,500,000				*10,000,000*
Bond Financing (Parking Fund) Total			5,500,000	4,500,000				*10,000,000*
Parking Fund								
Parking Facilities - 3rd Parking Deck	*56-C0173*	5	217,000					*217,000*
Upgrades to Parking Decks	*56-C0749*	5	15,000	15,000	10,000	10,000	10,000	*60,000*
Parking Fund Vehicles	*56-C0829*	5	35,000		30,000			*65,000*
Parking Lot Improvements	*56-C0857*	5	80,000	10,000	10,000	10,000	10,000	*120,000*
Parking Fund Total			347,000	25,000	50,000	20,000	20,000	*462,000*
GRAND TOTAL			5,847,000	4,525,000	50,000	20,000	20,000	*10,462,000*

City of Hagerstown, Maryland

PARKING FUND

FY '23 thru **FY '27**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Parking Fund								
Parking Facilities - 3rd Parking Deck	56-C0173	5	5,717,000	4,500,000				*10,217,000*
Bond Financing (Parking Fund)			*5,500,000*	*4,500,000*				*10,000,000*
Parking Fund			*217,000*					*217,000*
Upgrades to Parking Decks	56-C0749	5	15,000	15,000	10,000	10,000	10,000	*60,000*
Parking Fund			*15,000*	*15,000*	*10,000*	*10,000*	*10,000*	*60,000*
Parking Fund Vehicles	56-C0829	5	35,000		30,000			*65,000*
Parking Fund			*35,000*		*30,000*			*65,000*
Parking Lot Improvements	56-C0857	5	80,000	10,000	10,000	10,000	10,000	*120,000*
Parking Fund			*80,000*	*10,000*	*10,000*	*10,000*	*10,000*	*120,000*
Parking Fund Total			5,847,000	4,525,000	50,000	20,000	20,000	*10,462,000*
GRAND TOTAL			5,847,000	4,525,000	50,000	20,000	20,000	*10,462,000*

City of Hagerstown, Maryland

GOLF FUND

FY '23 thru **FY '27**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Golf Fund								
Golf Course - Vehicles/Equipment	*57-C0395*	4	38,000	45,000	52,000	54,000	49,000	*238,000*
Golf Course Improvements	*57-C0825*	8	25,000	15,000	50,000	50,000		*140,000*
Golf Fund Total			63,000	60,000	102,000	104,000	49,000	*378,000*
GRAND TOTAL			63,000	60,000	102,000	104,000	49,000	*378,000*

City of Hagerstown, Maryland

GOLF FUND

FY '23 thru **FY '27**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Golf Fund								
Golf Course - Vehicles/Equipment	57-C0395	4	38,000	45,000	52,000	54,000	49,000	*238,000*
Golf Fund			*38,000*	*45,000*	*52,000*	*54,000*	*49,000*	*238,000*
Golf Course Improvements	57-C0825	8	25,000	15,000	50,000	50,000		*140,000*
Golf Fund			*25,000*	*15,000*	*50,000*	*50,000*		*140,000*
Golf Fund Total			63,000	60,000	102,000	104,000	49,000	*378,000*
GRAND TOTAL			63,000	60,000	102,000	104,000	49,000	*378,000*

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '23 thru **FY '27**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Property Management Fund								
Elizabeth Hager Center	*58-C0803*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
60 West Washington Street	*58-C0828*	5					40,000	*40,000*
Property Management Fund Total			20,000	20,000	20,000	20,000	60,000	*140,000*
Transfers to Prop Mgmt-CDBG Fund								
Alms House Repairs	*58-C0755*	5	400,000	250,000				*650,000*
Transfers to Prop Mgmt-CDBG Fund Total			400,000	250,000				*650,000*
GRAND TOTAL			420,000	270,000	20,000	20,000	60,000	*790,000*

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '23 thru **FY '27**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Property Management Fund								
Alms House Repairs	58-C0755	5	400,000	250,000				*650,000*
Transfers to Prop Mgmt-CDBG Fund			*400,000*	*250,000*				*650,000*
Elizabeth Hager Center	58-C0803	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Property Management Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
60 West Washington Street	58-C0828	5					40,000	*40,000*
Property Management Fund							*40,000*	*40,000*
Property Management Fund Total			420,000	270,000	20,000	20,000	60,000	*790,000*
GRAND TOTAL			420,000	270,000	20,000	20,000	60,000	*790,000*

City of Hagerstown, Maryland

STORMWATER PROTECTION FUND

FY '23 thru **FY '27**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Gr								
Hagerstown Field House	*59-C0634*	5		700,000				*700,000*
American Rescue Plan Act (ARPA) Grant Total				700,000				*700,000*
Grants-Federal								
Stream Restorations	*59-C0866*	5	200,000	250,000				*450,000*
Grants-Federal Total			200,000	250,000				*450,000*
Stormwater Fee								
Stormwater Vehicles	*59-C0064*	5			125,000		700,000	*825,000*
Stormdrain System Upgrades	*59-C0444*	5	150,000	150,000	150,000	150,000	150,000	*750,000*
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	50,000	50,000	50,000	*200,000*
Storm Water Protection Program Implementation	*59-C0637*	5		446,000	760,000	350,000	200,000	*1,756,000*
Green Streets	*59-C0639*	5		300,000				*300,000*
Stream Restorations	*59-C0866*	5	960,000	1,100,000				*2,060,000*
Stormwater Fee Total			1,235,000	2,121,000	1,185,000	650,000	1,200,000	*6,391,000*
GRAND TOTAL			1,435,000	3,071,000	1,185,000	650,000	1,200,000	*7,541,000*

City of Hagerstown, Maryland

STORMWATER PROTECTION FUND

FY '23 thru **FY '27**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Stormwater								
Stormwater Vehicles	59-C0064	5			125,000		700,000	*825,000*
Stormwater Fee					*125,000*		*700,000*	*825,000*
Stormdrain System Upgrades	59-C0444	5	150,000	150,000	150,000	150,000	150,000	*750,000*
Stormwater Fee			*150,000*	*150,000*	*150,000*	*150,000*	*150,000*	*750,000*
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	50,000	50,000	50,000	*200,000*
Stormwater Fee			*25,000*	*25,000*	*50,000*	*50,000*	*50,000*	*200,000*
Hagerstown Field House	59-C0634	5		700,000				*700,000*
American Rescue Plan Act (ARPA) Grant				*700,000*				*700,000*
Storm Water Protection Program Implementation	59-C0637	5		446,000	760,000	350,000	200,000	*1,756,000*
Stormwater Fee				*446,000*	*760,000*	*350,000*	*200,000*	*1,756,000*
Green Streets	59-C0639	5		300,000				*300,000*
Stormwater Fee				*300,000*				*300,000*
Stream Restorations	59-C0866	5	1,160,000	1,350,000				*2,510,000*
Grants-Federal			*200,000*	*250,000*				*450,000*
Stormwater Fee			*960,000*	*1,100,000*				*2,060,000*
Stormwater Total			1,435,000	3,071,000	1,185,000	650,000	1,200,000	*7,541,000*
GRAND TOTAL			1,435,000	3,071,000	1,185,000	650,000	1,200,000	*7,541,000*

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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.

FY23: Includes Office 365 upgrade for the City environment ($120,000); phone system upgrade ($75,000); Storinator backup replacement ($50,000); multi-factor authentication ($40,000); miscellaneous IT upgrades and projects ($40,000).

FY24 - FY27: Miscellaneous IT upgrades and projects ($60,000/year).

Justification

The IT department has worked hard 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 Informtation Technolgy department. The IT 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 customer 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	325,000	60,000	60,000	60,000	60,000	565,000
Total	325,000	60,000	60,000	60,000	60,000	565,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	195,000					195,000
CIP Fund Balance	6,000					6,000
Transfers to CIP-Electric Fund	29,800	14,400	14,400	14,400	14,400	87,400
Transfers to CIP-General Fund	29,800	14,400	14,400	14,400	14,400	87,400
Transfers to CIP-Parking Fund	4,800	2,400	2,400	2,400	2,400	14,400
Transfers to CIP-Wastewater Fund	29,800	14,400	14,400	14,400	14,400	87,400
Transfers to CIP-Water Fund	29,800	14,400	14,400	14,400	14,400	87,400
Total	325,000	60,000	60,000	60,000	60,000	565,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	16,000	8,000	16,000	8,000	16,000	64,000
Total	16,000	8,000	16,000	8,000	16,000	64,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	14,000					14,000
Transfers to CIP-Electric Fund	475	1,900	3,800	1,900	3,800	11,875
Transfers to CIP-General Fund	475	1,900	3,800	1,900	3,800	11,875
Transfers to CIP-Parking Fund	100	400	800	400	800	2,500
Transfers to CIP-Wastewater Fund	475	1,900	3,800	1,900	3,800	11,875
Transfers to CIP-Water Fund	475	1,900	3,800	1,900	3,800	11,875
Total	16,000	8,000	16,000	8,000	16,000	64,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # **45-C0008**

Project Name **Municipal Broadband**



Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: Various locations
Year Submitted: 2014

Department Information Technology
Contact Snyder
Priority Improve Service

Status Active

Description

This project would provide free wireless high-speed Internet access to patrons of the following City owned parks: City Park, Fairgrounds Park, Pangborn Park, Wheaton Park, Hellane Park, and Staley Park. This project would be a two year rollout, with City/Fairgrounds/Pangborn being Year 1 and Wheaton/Hellane/Staley being Year 2.

Justification

Patrons of our park systems are looking for a wide range of amenities when they visit a park with their families (or to enjoy the parks themselves). Providing free internet service to a patron's portable or mobile device increases the likelihood that a person will visit, stay longer,and experience more interactions within the parks. This technology also increases the value of parks as a place of entertainment, where internet usage can be used for interactive presentations, video displays, and other technology opportunities that provide a unique visiting experience.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	16,000	16,000	8,000	8,000	8,000	56,000
Total	16,000	16,000	8,000	8,000	8,000	56,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund	16,000	16,000	8,000	8,000	8,000	56,000
Total	16,000	16,000	8,000	8,000	8,000	56,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

Per the Vehicle & Equipment Replacement Schedule:

FY23: 2014 Chevrolet Tahoe - F14-9818 ($65,000)

FY24: Engine 2 - 2004 KME Pumper ($822,333 including $105,000 for equipment)
FY24: Engine 3 -2004 KME Pumper ($822,333 including $105,000 for equipment)
FY24: Engine 5 - 2004 KME Pumper ($822,333 including $105,000 for equipment)

FY25: Engine 1 - 2013 KME Pumper ($822,333 including $105,000 for equipment)

Justification

In FY22, and in order to fund the higher priority need of replacing the third aerial ladder, the three 2004 KME triplet pumpers had been deferred to FY24. The departments strategic goal remains five front-line pumpers, two ready reserve pumpers, and one maintenance reserve pumper.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	65,000	2,466,999	822,333			3,354,332
Total	65,000	2,466,999	822,333			3,354,332

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing (General Fund)		2,466,999				2,466,999
Transfers to CIP-General Fund	65,000		822,333			887,333
Total	65,000	2,466,999	822,333			3,354,332

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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.

FY23: Includes funds for paving portions of Security Road, Noland Drive, Eastern Boulevard, and others. Funding includes work for crack sealing, pavement marking, and slurry seal. Next condition survey should be completed in the fall of 2024.

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 (PCI). In 2013, the overall PCI was 77 (good condition) but due to inadequate funding in FY13, 14 and 15 the PCI dropped to 69 in 2016. As a result of adequate HUR funding in FY16 thru FY19, the PCI increased back to 76 in 2018. Based on the 2021 pavement condition survey, the current PCI is 74.

In 2010 the City 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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	206,000					206,000
State Highway User Revenue	1,094,000	1,300,000	1,300,000	1,300,000	1,300,000	6,294,000
Total	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 45-C0041

Project Name Hagerstown Field House



Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: Current Municipal Stadium
Year Submitted: 2022

Department Engineering
Contact Tissue
Priority Planned Improvement

Status Active

Description

Planning, design, and construction of a 114,000 square foot field house for recreational use by community and sports tourism. Project consist of two indoor turf fields and four basketball courts (convertible to other hard court sports including volleyball, pickleball, futsal, etc.)

In 2021, the City contracted with Eastern Sports Management to be a long term partner and operator of the facility.

FY23: Phase II and III (bid documents and construction drawings- $750,000)

FY24: Phase IV (construction -$21,250,000)

Justification

The 2018 Victus Advisors study documented the need for such a facility in the community.

Budget Impact/Other

Based on a 25 year term at 4.25%, the preliminary annual debt service impact for the FY24 bond issue of $19.8M is $1.3M.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design	750,000					750,000
Construction/Maintenance		21,250,000				21,250,000
Total	750,000	21,250,000				22,000,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing (General Fund)		19,800,000				19,800,000
CIP Fund - GF Fund Balance	750,000	1,450,000				2,200,000
Total	750,000	21,250,000				22,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 Engineering
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 and middle lakes. Replacement of walls around perimeter of lakes, associated sidewalk improvements, dredging, leak repair, and landscape enhancements ($700,000).

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 parks in America. The preservation of the lakes helps to maintain their beauty, 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

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance		700,000				700,000
Total		700,000				700,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund		700,000				700,000
Total		700,000				700,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 45-C0061

Project Name Hager House Visitor Center Improvements



Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: Hager House Museum
Year Submitted: 2019

Department Parks
Contact Deike and Tissue
Priority Grant Commitment
Status Active

Description

Upgrade exhibits (50 plus years old) and interpretive media at the Hager House visitors center, based on "Exhibit Plan" prepared by Interpretive Direction, LLC (David Guiney) and endorsed by City Council on January 12, 2021. Will then apply for MHAA grants to implement.

FY23: Phase I renovation of the visitors center. Design completed in FY22 for completion of exhibits 1,2,5,6,7, house model, and 10 ($200,000).

FY24: Phase II renovation of the visitors center. Design and completion of exhibits 3,4,8, and 9 ($20,000 design; $150,000 completion).

Justification

Exhibits are very dated and lack any modern interactivity (video, QR codes, etc.). Exhibits are 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design		20,000				20,000
Construction/Maintenance	200,000	150,000				350,000
Total	200,000	170,000				370,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-State MHAA	100,000	75,000				175,000
Transfers to CIP-General Fund	100,000	95,000				195,000
Total	200,000	170,000				370,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 the Vehicle & Equipment Replacement Schedule.

FY23: 2011 JD 310SJ Backhoe #7 ($135,000); 2005 Chevy Van #615 ($35,000); 2008 Ford F550 Dump Truck #12 ($125,000); 2013 Ford F750 Dump Truck #22 ($150,000); 2018 Ferris Mower #64 ($12,000)

FY24: 2008 Ford F550 Dump Truck #10 ($125,000); 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); 2013 Ford F750 Dump Truck #21 ($150,000)

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); 2006 Ford E350 Bucket Truck #602 ($115,000)

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 ($12,000); 2015 Ford F350 #94 ($45,000)

FY27: 2016 Ford F250 Crew Cab #47 ($45,000); 2015 JD Z930A Mower #62 ($20,000); 2018 Ferris Mower #64 ($12,000); 2008 Solar Sign Board #616 ($45,000); 2008 Solar Sign Board #617 ($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 15 year term at 2.98%, annual debt service impact for the 2019 general fund supported bond issue of $1.0M is $87.1K.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	457,000	480,000	327,000	292,000	167,000	1,723,000
Total	457,000	480,000	327,000	292,000	167,000	1,723,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing (General Fund)			235,000	200,000		435,000
Prior Bond Proceeds	170,000					170,000
Transfers to CIP-General Fund	287,000	480,000	92,000	92,000	167,000	1,118,000
Total	457,000	480,000	327,000	292,000	167,000	1,723,000

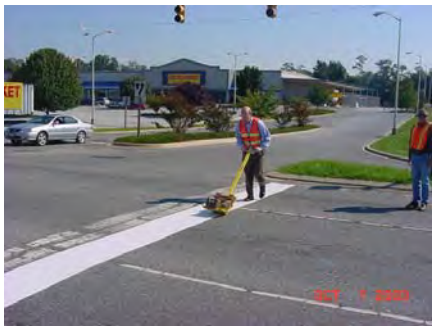
CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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

FY25 - FY27: Replace radios as needed ($85,000/year).

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings			85,000	85,000	85,000	255,000
Total			85,000	85,000	85,000	255,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund			85,000	85,000	85,000	255,000
Total			85,000	85,000	85,000	255,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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

Per the Vehicle & Equipment Replacement Schedule:

FY23: Unit 990 (98 Dodge Ram Truck - $55,000); Unit 972 (04 Ford Crown Victoria - $55,000); Unit 912 (05 Chevy Tahoe - $55,000); Unit 986 (05 Ford Crown Victoria -$55,000); Unit 989 (05 Chevy Cargo Van - $55,000); Unit 9401 (06 Ford Crown Victoria - $55,000); Unit 994 (07 Chevy Impala - $55,000); Unit 910 (07 Chevy Impala - $55,000)

FY24: Unit 923 (09 Chevy Impala - $55,000); Unit 921 (08 Chevy Impala - $55,000); Unit 971 (09 Chevy Impala - $55,000); Unit 997 (09 Chevy Impala - $55,000); Unit 9303 (11 Ford Crown Victoria - $55,000); Unit 9302 (11 Ford Crown Victoria - $55,000); Unit 987 (12 Chevy Impala - $55,000); Unit 9501 (13 Ford Explorer - $55,000)

FY25: Unit 937 (13 Ford Edge - $57,000); Unit 948 (13 Acura - $57,000); Unit 9301 (13 Ford Interceptor - $57,000); Unit 945 (13 Ford Edge - $57,000); Unit 902 (14 Ford Fusion - $57,000); Unit 903 (14 Ford Taurus - $57,000); Unit 907 (14 Ford Fusion $57,000); Unit 924 (14 Ford Fusion $57,000)

FY26: Unit 905 (14 Ford Edge - $57,000); Unit 908 (14 Ford Fusion - $57,000); Unit 909 (14 Ford Fusion - $57,000); Unit 933 (14 Ford Fusion - $57,000); Unit 9116 (14 Ford Explorer - $57,000); Unit 9117 (14 Ford Explorer - $57,000); Unit 9119 (14 Ford Explorer - $57,000); Unit 914 (15 Ford Explorer XLT - $57,000)

FY27: Unit 9121 (15 Ford Explorer - $60,000); Unit 9220 (15 Ford Explorer - $60,000); Unit 936 (15 Ford Explorer XLT- $60,000); Unit 9120 (15 Ford Explorer - $60,000); Unit 960 (15 Ford Explorer XLT- $60,000); Unit 901 (16 Ford Taurus - $60,000); Unit 975 (17 Ford Explorer - $60,000); Unit 932 (17 Ford Explorer - $60,000)

Justification

Many patrol vehicles are operated around the clock with in-town driving and considerable idling. Staff 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	440,000	440,000	456,000	456,000	480,000	2,272,000
Total	440,000	440,000	456,000	456,000	480,000	2,272,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund	440,000	440,000	456,000	456,000	480,000	2,272,000
Total	440,000	440,000	456,000	456,000	480,000	2,272,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 45-C0132

Project Name Engineering Equipment



Type Maintenance
Useful Life 10 years
Category Machinery and Equipment
Location: Engineering
Year Submitted: 2022

Department Engineering
Contact Tissue
Priority Improve Service

Status Active

Description

Replacement of various pieces of Engineering equipment needed to complete assigned tasks.

FY25: Parrot ANAFI drone with cameras ($15,000)

FY26: Plotter ($35,000)

Justification

Equipment will reach its end of life and need replaced

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings			15,000	35,000		50,000
Total			15,000	35,000		50,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund			15,000	35,000		50,000
Total			15,000	35,000		50,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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

Per the Vehicle & Equipment Replacement Schedule:

FY23: 2006 Jeep Liberty #709 ($30,000)
FY24: 2008 Impala Sedan #703 ($30,000; 2013 Chevy Cargo Van #710 ($27,000)
FY25: 2014 Ford Focus #707 ($27,000)
FY26: 2018 Ford Escape #702 ($27,000)

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	30,000	57,000	27,000	27,000		141,000
Total	30,000	57,000	27,000	27,000		141,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	15,000					15,000
Transfers to CIP-General Fund	15,000	57,000	27,000	27,000		126,000
Total	30,000	57,000	27,000	27,000		141,000

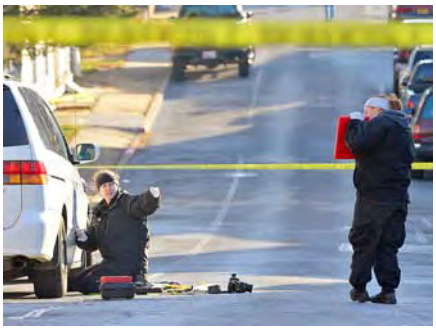
CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: Freestyle 2 Handheld Scanner and Crime-lite Auto ($43,825 - Coverdell Grant)

FY24: Remote firing unit ($30,000 - Coverdell grant)

Justification

The Western Maryland Regional Crime Laboratory is requesting funding toward the purchase of a Freestyle 2 handheld scanner. The WMRCL currently has and uses a Faro laser scanner to capture detailed scans of crime scenes. The handheld scanner being requested works with the existing system to allow scientists to gather scan data from small spaces or detailed scans of areas of the crime scene that are not currently able to be captured with the existing system. This purchase will include the necessary software package as well as a warranty to ensure the continued accuracy of the system.

The Western Maryland Regional Crime Laboratory is requesting funding toward the purchase of a Crime-lite Auto. The Crime-lite Auto is a forensic search and detection tool. This will allow the WMRCL to search and photograph both crime scenes and items within the laboratory for both latent and trace evidence. The unit is hand held and can be successfully managed by a single person. The WMRCL currently uses separate light sources and cameras to achieve these results. On scene, this requires multiple scientists to process, assist with lighting, and photography. This unit would allow the WRMCL scientists to easily identify and photograph evidence, leading to better laboratory testing results and faster crime scene searching.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	43,825	30,000				73,825
Total	43,825	30,000				73,825

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-Federal	43,825	30,000				73,825
Total	43,825	30,000				73,825

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 45-C0196

Project Name Police Software



Type Improvement
Useful Life 5 - 7 years
Category Software
Location: Police Department
Year Submitted: 2022

Department Police
Contact Kifer
Priority Public Safety

Status Active

Description

FY23: Replacing V3.V4 & OCREC6 servers @$25,000/each - ($50,000)
FY23: Replace 8 network switches @ $7,800/each - ($62,400)

Justification

Replacement of old and or/outdated equipment is vital to the service quality, security requirements, data storage/retention/recall, and effective support provided by the departments information technology department.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	112,400					112,400
Total	112,400					112,400

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund	112,400					112,400
Total	112,400					112,400

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 City-wide. 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.

FY23: Install accessibility ramps along overlay streets (Security Road, Noland Drive, Chestnut Street & others ($120,000).

FY24 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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 ($40,000)

FY24: Facility improvements including the construction of a permanent restroom and eye wash facility ($30,000)

Justification

The police firing range has become a well-designed firearms training facility. The facility is utilized by all Washington County law enforcement agencies, as well as several State and Federal agencies. 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. For FY24, 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 wash facility with running water.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	40,000	30,000				70,000
Total	40,000	30,000				70,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	40,000					40,000
Transfers to CIP-General Fund		30,000				30,000
Total	40,000	30,000				70,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 Deike
Priority Planned Improvement
Status Active

Description

Program to maintain high-quality and safe equipment and amentities in the parks of the City.

FY23: Fairgrounds Park - replace modular play equipment near North Pavilion ($120,000); grass mound in City Park ($20,000); picnic tables, park benches and portable bleachers in various parks ($35,000).

FY24-FY27: Replace or add portable bleachers, park benches, picnic tables, and trash cans for various parks ($50,000/year).

Justification

The play equipment is at the end of its life cycle and in need of replacement.

The park benches and picnic tables will improve park facilities for all visitors.

Staff will continue to apply for Program Open Space funding.

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

Less labor making repairs and maintenance.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	175,000	50,000	50,000	50,000	50,000	375,000
Total	175,000	50,000	50,000	50,000	50,000	375,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-State Program Open Space	157,500					157,500
Transfers to CIP-General Fund	17,500	50,000	50,000	50,000	50,000	217,500
Total	175,000	50,000	50,000	50,000	50,000	375,000

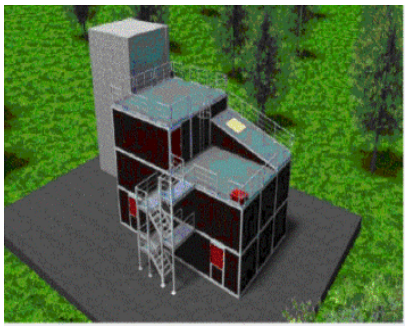
CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: New burn building module and other props ($1,000,000 including $500,000 State Bond Bill).

FY24: Build permanent pole building for 940 Bowman Avenue ($1,000,000)
FY24 - FY27: $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

Burn Building:
In FY22, the HFD was denied a grant to upgrade the live burn building with a sea container configured multi-story burn building. The estimated cost of this facility and concrete anchors/pads is estimated to be approximately $1.0M. Other props and improvements are urgently needed to adequately train FF's. Senator Corderman has requested funds supporting the burn building from State coffers. These include a flashover simulator, long hallway prop addition to the existing burn structure, and propane fed reusable auto and dumpster fire props. An annual CIP request of $500,000/year is requested through FY27 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 power poles, overhead wires, transformers, and such is requested to train aerial operators absent live power.

Pole Building:
With the imminent sale of 25 West Church St, HFD urgently is in need to relocate the non-living quarters and our support functions of our facility to another location. This will include the SCBA repair shop, air cascade cylinders and fill station, quartermaster facility, maintenance shop, gym, and portable equipment maintenance area. In addition, we will be constructing a portable equipment storage area and a new SCBA training maze. The building will be less than 5,000 sq. ft. per planning to avoid additional costs. We request a steel framed building on a concrete slab with adequate heat, water, and sewer for the described uses. Initially we are requesting a minimum of two 16 foot tall bay doors 12 feet wide to store vehicles pending construction of one or more new stations in the future.
New construction is currently estimated at $300./sq. ft.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	1,000,000	1,500,000	500,000	500,000	500,000	4,000,000
Total	1,000,000	1,500,000	500,000	500,000	500,000	4,000,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing (General Fund)		1,500,000				1,500,000
CIP Fund - GF Fund Balance	500,000					500,000
Grants-State Governor Bond Bill	500,000					500,000
Transfers to CIP-General Fund			500,000	500,000	500,000	1,500,000
Total	1,000,000	1,500,000	500,000	500,000	500,000	4,000,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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, the City will construct a mast arm pole to hang the signals over the travel lanes. Pedestrian signals will also be upgraded with APS and ramps.

FY23: Eastern Boulevard., @ Frederick Street Signal Replacement ($304,000 - Federal 75%, City 25%)

FY24: Bester School Pedestrian Safety (from BPPA Study) - Potomac @ Baltimore Street ($600,000 -Federal 80%, City 20%)

FY25: Pedestrian lights to address concerns from walking audit; Park Lane @ PA Avenue, ($30,000)

FY25-FY27: Design and construct signal upgrades such as Wilson @ Virginia Avenue, Washington Street @ Devonshire, and Salem Avenue @ Westside, etc ($250,000/year)

Justification

These changes increase safety on our streets and sidewalks by making lights for pedestrians and motorists more visible.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	304,000	600,000	280,000	250,000	250,000	1,684,000
Total	304,000	600,000	280,000	250,000	250,000	1,684,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	57,000					57,000
Grants-Federal	228,000	480,000				708,000
Transfers to CIP-CDBG Fund			280,000	250,000	250,000	780,000
Transfers to CIP-General Fund	19,000	120,000				139,000
Total	304,000	600,000	280,000	250,000	250,000	1,684,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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

Per the Vehicle & Equipment Replacement Schedule:

FY25: 2014 Dodge Journey #801 ($25,000)

Justification

Replace deteriorating equipment

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings			25,000			25,000
Total			25,000			25,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund			25,000			25,000
Total			25,000			25,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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:

FY23 - FY27: Misc. Improvements ($8,000/year)

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.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	8,000	8,000	8,000	8,000	8,000	40,000
Total	8,000	8,000	8,000	8,000	8,000	40,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	8,000					8,000
Transfers to CIP-General Fund		8,000	8,000	8,000	8,000	32,000
Total	8,000	8,000	8,000	8,000	8,000	40,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	15,000	25,000	25,000	25,000	25,000	115,000
Total	15,000	25,000	25,000	25,000	25,000	115,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund	15,000	25,000	25,000	25,000	25,000	115,000
Total	15,000	25,000	25,000	25,000	25,000	115,000

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 Deike and Tissue
Priority Planned Improvement
Status Active

Description

Based on two public meetings in 2021, a master plan was developed and approved by City Council on November 23, 2021. Implementation is proposed as follows:

FY23: Phase I - House removal, misting pad, parking, and plaza ($430,000)
FY24: Phase II - Play equipment ($200,000)
FY25: Phase III - Complete to Master Plan ($400,000)

FY23: Epoxy coat restroom floors ($7,000)

Phase I design completed during FY22

Justification

Residential rental has been vacant since June 2019, no improved parking area on site, limited activities for children available, and park has haphazard and unplanned layout currently.

Budget Impact/Other

Park is already in system. Misting pad will require more staff time.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	437,000	200,000	400,000			1,037,000
Total	437,000	200,000	400,000			1,037,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-State Program Open Space		180,000				180,000
Transfers to CIP-CDBG Fund	430,000		400,000			830,000
Transfers to CIP-General Fund	7,000	20,000				27,000
Total	437,000	200,000	400,000			1,037,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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

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 ($300,000). Project could start in FY22 with the remaining portion to be completed in FY23.

FY23 - FY27: Includes replacement air handlers and other capital improvement needs that will occur based on the age of the police department building ($50,000/year).

FY26: Replace the cooling tower. The current cooling tower was installed in 1992 and is reaching the end of its useful life ($50,000).

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 departments impound needs.

The 15 heat pumps in the police building are an integral part of the HVAC system. Replacement will occur only as needed.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	350,000	50,000	50,000	100,000	50,000	600,000
Total	350,000	50,000	50,000	100,000	50,000	600,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	325,000					325,000
Transfers to CIP-General Fund	25,000	50,000	50,000	100,000	50,000	275,000
Total	350,000	50,000	50,000	100,000	50,000	600,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23: Alley 4-41 (Mulberry to Jefferson Street) $95,000, Alley 1-118 (Clarkson to Alley 1-115) $50,000.

FY24: Alley 3-15 (South of 1st St.) $65,000, Alleys 1-69, 1-69A, 1-70 (Wash. Street to Wash. Avenue) $80,000

FY25: Alley 2-84 (First Street to Alley 2-83) $80,000

FY26 - FY27: Various - Exact locations to be determined $80,000

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	145,000	145,000	80,000	80,000	80,000	530,000
Total	145,000	145,000	80,000	80,000	80,000	530,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
State Highway User Revenue	145,000	145,000	80,000	80,000	80,000	530,000
Total	145,000	145,000	80,000	80,000	80,000	530,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: Remodel support services and lobby area ($75,000); Replace Second of Two Boilers. Boiler to be replaced originally installed in 1992 ($40,000)

FY24: Continue remodel support services and lobby area ($75,000); Miscellaneous Repairs ($20,000); Asbestos Tile Removal ($10,000)

FY25: Paint Exterior Stairwell ($25,000); Asbestos Tile Removal ($10,000)

FY26 - 27: Miscellaneous Repairs ($20,000/year); Asbestos Tile Removal ($10,000/year)

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).

The lobby remodel would occur once support services is relocated, possibly spring of 2023. If later, remodel could be a FY24 project. Remodel to include media studio plus other services.

Budget Impact/Other

Asbestos tile removal reduces liability

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	115,000	105,000	35,000	30,000	30,000	315,000
Total	115,000	105,000	35,000	30,000	30,000	315,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	51,000					51,000
Transfers to CIP-General Fund	64,000	105,000	35,000	30,000	30,000	264,000
Total	115,000	105,000	35,000	30,000	30,000	315,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: Replace Veeder-Root fuel management and automatic tank gauge system ($20,000).

FY24: Replace dispensing units currently installed ($40,000).

FY27: Total replacement of the underground tanks and piping. These tanks were installed in 2007 ($200,000).

Justification

Fuel management system was installed in 2007. System updates are increasingly difficult and parts are becoming obsolete.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	20,000	40,000			200,000	260,000
Total	20,000	40,000			200,000	260,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	20,000					20,000
Transfers to CIP-General Fund		40,000			200,000	240,000
Total	20,000	40,000			200,000	260,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23: Repairs as determined by latest bridge inspections; such as bridge deck joints seal replacement, traffic barrier, scupper drains, or concrete repairs ($25,000).

FY24: Repairs as determined by latest bridge inspections ($75,000); The City's 18 minor bridges (6 to 20' long) are inspected every 4 years with the next being in 2024 ($15,000).

FY25: $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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	25,000	90,000	100,000			215,000
Total	25,000	90,000	100,000			215,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	25,000					25,000
Transfers to CIP-General Fund		90,000	100,000			190,000
Total	25,000	90,000	100,000			215,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	40,000					40,000
Transfers to CIP-General Fund		20,000	20,000	20,000	20,000	80,000
Total	40,000	20,000	20,000	20,000	20,000	120,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 Deike and 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.

Improve facility based on strategic plan to make the facility more family oriented as follows:

FY23: New Restrooms ($260,000 - $135,000 in awarded Program Open Space funds and $125,000 in City matching funds)

FY24: Renovate locomotive ($300,000); build new cover pavilion ($460,000 - $396,000, awarded Maryland Transportation Alternatives Program Grant along with $64,000 in City matching funds). Youth oriented items, hands-on activities, signage and new programs ($50,000 - $45,000 Program Open Space funds and $5,000 General Fund).

FY25: Youth oriented items, hands on activities, signage, and new programs ($50,000).

FY26: 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	260,000	810,000	50,000	15,000		1,135,000
Total	260,000	810,000	50,000	15,000		1,135,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	95,000					95,000
Grants-Federal		396,000				396,000
Grants-State Program Open Space	135,000	45,000				180,000
Transfers to CIP-General Fund	30,000	369,000	50,000	15,000		464,000
Total	260,000	810,000	50,000	15,000		1,135,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 to provide 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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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

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 Protection enterprise fund (59-C0459) and replacement of sidewalks (including sidewalks damaged by street trees) will be funded by the general fund ($125,000 annually with $5,000 annual increases). 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

Assume $5,000 per year budget increase to maintain level of work completed when inflation is considered.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	125,000	130,000	135,000	140,000	145,000	675,000
Total	125,000	130,000	135,000	140,000	145,000	675,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund	125,000	130,000	135,000	140,000	145,000	675,000
Total	125,000	130,000	135,000	140,000	145,000	675,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 Deike and Tissue
Priority Planned Improvement

Status Active

Description

Construction improvements throughout City Park.

FY23: Construct restrooms on Museum Drive parking lot ($200,000); install metal railings on stairs at Reynolds Avenue pedestrian entrance ($20,000); epoxy coat floors of primary restrooms ($10,000); update and add to Christmas display ($25,000).

FY23: Remodel bandshell - replace rotted wood, repaint, rebuild stage floor, movie screen ($100,000).

FY23: Continue from FY22 rebuild of all pedestrian bridges in park ($45,000 - CDBG funds).

FY24: Improve the upper parking lot by tennis court ($250,000); update and add to Christmas display ($25,000).

FY25: Add plumbing and fixtures to parks maintenance shop to create employee restroom ($5,000); new gazebo by Mansion House ($20,000); repaint porch, reconstruct railing, replace fron steps, and repair rear wall at Mansion House($30,000).

FY26 - FY27: Miscellaneous projects ($30,000/year)

Justification

Restrooms provide for a better visitor experience as there are no public restrooms in this area of City Park. Metal railings are for the safety of anyone using steps. Epoxy floors make for easier cleaning and appearance. New Christmas displays enhance the experience and the Mansion House is in need of several major repairs.

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

The restrooms will add to utility costs (water, sewer, electric) as will the additional Christmas lights (electric).

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	400,000	275,000	55,000	30,000	30,000	790,000
Total	400,000	275,000	55,000	30,000	30,000	790,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	55,000					55,000
Grants-State CP&P	200,000					200,000
Grants-State Program Open Space		225,000	45,000			270,000
Transfers to CIP-CDBG Fund	45,000					45,000
Transfers to CIP-General Fund	100,000	50,000	10,000	30,000	30,000	220,000
Total	400,000	275,000	55,000	30,000	30,000	790,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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.) $35,000

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. ($35,000/year)

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	35,000	35,000	35,000	35,000	35,000	175,000
Total	35,000	35,000	35,000	35,000	35,000	175,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	6,000					6,000
Transfers to CIP-General Fund	29,000	35,000	35,000	35,000	35,000	169,000
Total	35,000	35,000	35,000	35,000	35,000	175,000

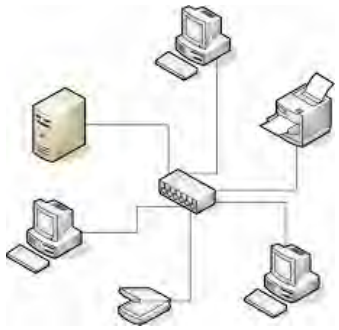
CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	28,000	14,000	14,000	14,000	14,000	84,000
Total	28,000	14,000	14,000	14,000	14,000	84,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	14,000					14,000
PEG Fee	14,000	14,000	14,000	14,000	14,000	70,000
Total	28,000	14,000	14,000	14,000	14,000	84,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	266,000	36,000	36,000	36,000	36,000	410,000
Total	266,000	36,000	36,000	36,000	36,000	410,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	230,000					230,000
PEG Fee	36,000	36,000	36,000	36,000	36,000	180,000
Total	266,000	36,000	36,000	36,000	36,000	410,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 Deike and Haddock
Priority Planned Improvement

Status Active

Description

Per the Vehicle & Equipment Replacement Schedule:

FY23: Replace 2008 Dump Truck #305 ($125,000); 2004 Gator #317 ($10,000)

FY24: Replace 2004 Ford pickup #312 ($42,000); 2009 Chevy pickup #313 ($42,000); 2012 Ford Dump truck #318 ($125,000); additional chipper ($42,000)

FY25: Replace 2013 Gator #315 ($10,000); 2012 Gator #316 ($10,000); 2004 JD Tractor #375 ($25,000); 2007 Gator #378 ($10,000); 1999 Wacker roller #388 ($28,000)

FY26: Replace 2015 Chevy pickup #300 ($43,000); 2014 Ford pickup #311 ($47,000); 2004 JD tractor #374 ($25,000)

FY27: Replace 2014 Dodge Dump truck #303 ($125,000); 2012 Chevy pickup #309 ($45,000)

Justification

Improved Service.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	135,000	251,000	83,000	115,000	170,000	754,000
Total	135,000	251,000	83,000	115,000	170,000	754,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing (General Fund)					125,000	125,000
Transfers to CIP-General Fund	135,000	251,000	83,000	115,000	45,000	629,000
Total	135,000	251,000	83,000	115,000	170,000	754,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 45-C0576

Project Name Recreation Vehicles and Equipment



Type Replacement
Useful Life 5 - 10 years
Category Automobiles and Trucks
Location: Public Works
Year Submitted: 2022

Department Recreation
Contact Deike
Priority Planned Improvement
Status Active

Description

Per the Vehicle & Equipment Replacement Schedule:

FY23: Replace 2002 Ford Escape - #301 ($30,000)

FY25: Replace 2007 Ford Focus - #304 ($30,000)

Justification

Current vehicles in Recreation were previously replaced by other departments and passed onto recreation. Both cars have a fair amount of wear and age. Maintenance costs will be lowered.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	30,000		30,000			60,000
Total	30,000		30,000			60,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund	30,000		30,000			60,000
Total	30,000		30,000			60,000

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 2022 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.

FY23 - FY24: Funds received in FY22 potentially from Currwood, Kilpatrick Woods, Brookmeadow, and other developments.

Justification

Benefits the community and 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	90,000	58,000				148,000
Total	90,000	58,000				148,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Reforestation Funds	90,000	58,000				148,000
Total	90,000	58,000				148,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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.

FY23: Moller Avenue ($80,000)

FY24: Security Road: ($150,000 CDBG) In conjunction with land development and street overlay, install 1800 LF of sidewalk and new curb from Fairgrounds Park to Brookline Avenue to create a safer walkway to park from the east. Daycotah Avenue ($80,000)

FY25: Columbia Avenue ($80,000)

FY27: Route 65 (East Side) from Wilson Boulevard 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	80,000	230,000	80,000		500,000	890,000
Total	80,000	230,000	80,000		500,000	890,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-State					500,000	500,000
Transfers to CIP-CDBG Fund		150,000				150,000
Transfers to CIP-General Fund	80,000	80,000	80,000			240,000
Total	80,000	230,000	80,000		500,000	890,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 2026 to 2030 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance					335,524	335,524
Total					335,524	335,524

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Contribution by Others					335,524	335,524
Total					335,524	335,524

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 Deike
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: Repair concrete steps on both ends of the grandstand ($10,000).

FY24: Add ceiling fans to fit room to distribute heat evenly; insulate Police Athletic League weight rooms ($10,000).

FY25 - FY27: Miscellaneous Repairs ($10,000/year).

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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General 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 '23 *thru* FY '27

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 Deike and Tissue
Priority Planned Improvement

Status Active

Description

Maintenance and improvements to various items in the park per the following schedule:

FY23: Complete the replacement of the stable roofs ($100,000).

FY24: Fairgrounds Park shop refinish floor ($5,000); other repairs ($5,000).

FY25: General repairs and maintenance ($10,000).

FY26: Parking improvements to lot east of the BMX track ($250,000).

FY27: Epoxy coat floors in softball and soccer field restrooms ($40,000).

Justification

Replacement of stable roofs began in FY22. This is to complete the remainder of the stable roofs that are failing due to age.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	100,000	10,000	10,000	250,000	40,000	410,000
Total	100,000	10,000	10,000	250,000	40,000	410,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-State Program Open Space	90,000			225,000		315,000
Transfers to CIP-General Fund	10,000	10,000	10,000	25,000	40,000	95,000
Total	100,000	10,000	10,000	250,000	40,000	410,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 Deike and Tissue
Priority Documented Savings

Status Active

Description

Upgrades, repairs, improvements in various parks:

FY23: Hager Park- replace roof on garage ($5,000) & refinish bathroom floors ($5,000). Pangborn Park - replace wood rail with metal rail at trellis ($14,000); new plumbing for garden fountain ($5,000).

FY23:Replace inefficient lighting fixtures in public parks and streets utilizing grants from the Maryland Energy Administration (MEA) - replace cobrahead fixtures in Fairgrounds Park and along Hamilton Run Trail ($37,000).

FY24: Staley Park - replace roofs on National Little League dugouts and concession stand ($10,000); Ridge Avenue playground, Hager Park, Hamilton playground - create handicap parking for each ($50,000). University Plaza - Refinish and repair main fountain ($35,000).

FY25: Hellane Park- Install new fence at Colt League first base foul line ($30,000).

Justification

Provides better parking accessibility for handicap drivers to these parks and playgrounds. Keeps rain and snow from entering facilities allowing for longer lasting structures.

Modern LED lights operate on a fraction of the elctric of older fixtures. City light provides return on investment analysis for each grant.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	66,000	95,000	30,000			191,000
Total	66,000	95,000	30,000			191,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	35,000					35,000
Grant-MEA	31,000					31,000
Transfers to CIP-General Fund		95,000	30,000			125,000
Total	66,000	95,000	30,000			191,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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: 2022

Department Planning
Contact Maher
Priority Planned Improvement
Status Active

Description

Per the Vehicle and Equipment Replacement Schedule:

FY23: 2004 Chevy Colorado #455 ($30,000)

FY24: 2005 Chevy Colorado #474 ($30,000), 2006 Chevy Colorado #450 ($30,000)

FY25: 2006 Chevy Colorado #471 ($30,000), 2007 Ford Ranger #452 ($30,000)

FY26: 2014 Ford F150 #410 ($30,000)

FY27: 2014 Ford F150 #411 ($30,000)

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, pick up dumped items, etc.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	30,000	60,000	60,000	30,000	30,000	210,000
Total	30,000	60,000	60,000	30,000	30,000	210,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund	30,000	60,000	60,000	30,000	30,000	210,000
Total	30,000	60,000	60,000	30,000	30,000	210,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 was completed in 2021.

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 the Summer of 2022 and be completed in 2023. Staff acquired $1,250,000 in Appalachian Regional Commission (ARC) funds. Staff will apply for additional funding through the state and will only use local ARPA if unsuccessful in alternate funding source.

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.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	3,000,000					3,000,000
Total	3,000,000					3,000,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	1,150,000					1,150,000
CIP Fund - GF Fund Balance	140,000					140,000
CIP Fund Balance	428,000					428,000
Grants-Federal	1,250,000					1,250,000
Transfers to CIP-General Fund	32,000					32,000
Total	3,000,000					3,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23: Design of one location ($500,000); Land acquisition of two locations ($500,000)

FY24: Design of one location ($500,000); Build new facilities at two locations ($12,000,000)

FY25: Land acquisition - to be determined south end location ($500,000)

Justification

Fire department headquarters has been sold with a projected eviction date of January 2024. Therefore, the land acquisition elevates to the highest priority need. 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, is and will continue to occur. Staff recommends that one or more of these projects be phased into: Land acquisition in FY23 (250,000.00 each); Design and site analysis ($500,000); and build (> $6m each) 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design	500,000	500,000				1,000,000
Land Acquisition	500,000		500,000			1,000,000
Construction/Maintenance		12,000,000				12,000,000
Total	1,000,000	12,500,000	500,000			14,000,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing (General Fund)		1,700,000				1,700,000
CIP Fund - GF Fund Balance	1,000,000					1,000,000
Grants-Federal		10,800,000				10,800,000
Transfers to CIP-General Fund			500,000			500,000
Total	1,000,000	12,500,000	500,000			14,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 Engineering
Contact Tissue
Priority Probable Grant

Status Active



Description

FY25: 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. Final design completed in 2021 and construction will be in 2024/2025.

Justification

The Bicycle Advisory Committee endorsed a plan to create a multi-use trail from Hager Park to City Park. Project will become more justified if the Field House is constructed at the Municipal Stadium site at east end of trail.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance			2,500,000			2,500,000
Total			2,500,000			2,500,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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); 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design				10,000		10,000
Construction/Maintenance				900,000		900,000
Total				910,000		910,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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, Haven Heights, and other development and consistent with the Comprehensive Plan and presentation to City Council in July of 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 the "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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing (General Fund)			1,000,000	1,000,000		2,000,000
Contribution by Others			500,000	2,400,000		2,900,000
Transfers to CIP-General Fund		280,000				280,000
Total		280,000	1,500,000	3,400,000		5,180,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23: Upgrade from Munis v.11.3 to v.2019 ($16,000); miscellaneous system upgrades ($16,000).

FY24-FY27: Miscellaneous System Upgrades ($16,000/year)

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Software	32,000	16,000	16,000	16,000	16,000	96,000
Total	32,000	16,000	16,000	16,000	16,000	96,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	32,000					32,000
Transfers to CIP-Electric Fund		3,800	3,800	3,800	3,800	15,200
Transfers to CIP-General Fund		3,800	3,800	3,800	3,800	15,200
Transfers to CIP-Parking Fund		800	800	800	800	3,200
Transfers to CIP-Wastewater Fund		3,800	3,800	3,800	3,800	15,200
Transfers to CIP-Water Fund		3,800	3,800	3,800	3,800	15,200
Total	32,000	16,000	16,000	16,000	16,000	96,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 Deike and 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).

FY23: Antietam Creek Waterway Trail: Complete construction and amenities ($50,000 - awarded $45,000 MD POS and $5,000 CIP Fund Balance)

FY25: Project to be determined in underserved areas ($100,000)

FY27: Woodland Way Park: County will convey park to City after they make upgrades; sign upgrades and miscellaneous work to bring up to City standards ($10,000 General Fund).

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	50,000		100,000		10,000	160,000
Total	50,000		100,000		10,000	160,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	5,000					5,000
Grants-State Program Open Space	45,000					45,000
Transfers to CIP-General Fund			100,000		10,000	110,000
Total	50,000		100,000		10,000	160,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 Deike
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.

FY23: Replace exterior pool house doors, vents and plexiglass covers and paint light poles and slide ($25,000)

FY24: Pool Deck light tower fixture replacements to LED ($40,000)

FY27: White coating of pool. Typical resurfacing is every 5-7 years. Resurfacing was recently completed ($100,000).

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	25,000	40,000			100,000	165,000
Total	25,000	40,000			100,000	165,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grant-MEA		40,000				40,000
Transfers to CIP-General Fund	25,000				100,000	125,000
Total	25,000	40,000			100,000	165,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 Deike and 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.

FY23: Phase II condensation control and air quality improvement project ($600,000 - $450,000 American Rescue Plan Act Funds and $150,000 contributions); additional repairs ($21,700)

FY24 - FY25: Various Repairs ($10,000/year)

FY26: Replacement of ice making system - equipment, piping, etc. ($300,000).

FY27: Construction of a second sheet of ice ($8,000,000 to include $6,000,000 in contributions, $1,000,000 anticipated from Washington County, and $1,000,000 Bond Financing).

Justification

Supports the Hagerstown Ice Amateur Athletic Association who operates the Ice Rink, which is a city owned building.

FY23 project will improve the air quality within the ice rink arena and grandstand for skate participants and visitors alike by introducing fresh air from the outside and controlling the humidity levels. Condensation, fogging and stale air contribute to a less than ideal breathing environment within the arena.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	621,700	10,000	10,000	300,000	8,000,000	8,941,700
Total	621,700	10,000	10,000	300,000	8,000,000	8,941,700

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	450,000					450,000
Bond Financing (General Fund)					1,000,000	1,000,000
CIP Fund Balance	21,700					21,700
Contribution by Others	150,000	2,500	2,500	75,000	6,000,000	6,230,000
Grants-State					1,000,000	1,000,000
Transfers to CIP-General Fund		7,500	7,500	225,000		240,000
Total	621,700	10,000	10,000	300,000	8,000,000	8,941,700

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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

FY23: Replacement of public safety portable radios and accessories- $750,000 ($675,000 Washington County Grant, $75,000 City match).

FY24: Upgrade to both the county radio infrastructure, computer-aided dispatch systems, and station alerting at 7 facilities- $700,000 ($100,000/facility).

Justification

HFD participated in a regional grant with DES and the volunteers that was denied in FY22. As this CIP request is being submitted we have been notified that Washington County DES is applying for a similar regional grant in FY23 for fire-rescue assets. Even though we will need a total of 75 portable radios, the terms and conditions imposed by the county will limit the HFD to a maximum of 60 radios. It is unclear if they will also include accessories like spare batteries, chargers, speaker mics and cases. Staff requests that we establish a FY23 placeholder for the full amount to replace 75 radios and accessories which we estimate to be approximately $750,000. If the grant is awarded, the City will be responsible for a 10% match. Separately, we recommend a CIP placeholder in FY24 for an anticipated upgrade to both the county radio infrastructure, computer-aided dispatch systems and station alerting, costs and timing unknown. We believe that $100,000 /facility (7) is appropriate.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	750,000	700,000				1,450,000
Total	750,000	700,000				1,450,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	75,000	45,000				120,000
Grants-Federal	675,000					675,000
Transfers to CIP-General Fund		655,000				655,000
Total	750,000	700,000				1,450,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance			350,000			350,000
Total			350,000			350,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund			350,000			350,000
Total			350,000			350,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 45-C0854

Project Name Downtown Redevelopment



Type Improvement
Useful Life 25 - 50 years
Category Buildings and Structures
Location: 32 N Potomac Street
Year Submitted: 2022

Department Finance
Contact Hepburn
Priority Planned Improvement

Status Active

Description

The acquisition of the 32 North Potomac Street property is consistent with the Mayor and City Council's goals for long-term investments to benefit the citizens of Hagerstown. The former M&T Bank property will be used for City operations to include billing and support services (1st floor) and Department of Community and Economic development (2nd floor). The city's acquisition of this property is expected to be finalized in early 2022 with an acquisition price of $825,000.

FY23: Design ($35,000); renovation of the 1st and 2nd floors ($1,255,000 including $125,000 in ARPA funding)
FY23: Utility billing "through the wall" payment kiosk ($50,000 - ARPA funding)

Justification

Provide an expanded level of customer service options and social distance options for customers. For customers conducting business with the City's customer service staff, a standard lobby option will remain available on the buildings first floor and new, drive through and payment kiosk options will be available.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design	35,000					35,000
Construction/Maintenance	1,255,000					1,255,000
Equip/Vehicles/Furnishings	50,000					50,000
Total	1,340,000					1,340,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	175,000					175,000
CIP Fund - GF Fund Balance	1,165,000					1,165,000
Total	1,340,000					1,340,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY24: One new unit and one replacement ($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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings		60,000				60,000
Total		60,000				60,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to CIP-General Fund		60,000				60,000
Total		60,000				60,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 currently has 23 unique pieces of public art with several additional in progress. 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.

FY23: Clara Barton sculpture ($60,000); Rochester Mural update ($15,000)

FY24 - FY27: Projects to be determined but to include update to "Faces of Hagerstown" ($10,000/year)

Listed in Mayor and Council's Strategic Plan. Staff will apply for "Public Art across Maryland" grants on aa project by project basis.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	75,000	10,000	10,000	10,000	10,000	115,000
Total	75,000	10,000	10,000	10,000	10,000	115,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	5,000					5,000
Transfers to CIP-General Fund	70,000	10,000	10,000	10,000	10,000	110,000
Total	75,000	10,000	10,000	10,000	10,000	115,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

Two separate projects are requested short term for FY23. 1) Replacement of the natural gas powered diesel generator at FS-3. Attempts to repair have been met with problem after problem by both CMG staff and various vendors. Replacement and upgrade of the gas service, and electric transfer switch gear is needed immediately in FY22-23. 2) Replace ceiling tiles throughout the station since the roof has been replaced and leaks have been stopped.

FY23: Replace natural gas generator at Station 3 - Eastern Boulevard ($50,000); miscellaneous repairs fire facilties ($170,000 for E-3, T-3)

FY24: Miscellaneous repairs ($200,000)

FY25 - FY27: Miscellaneous repairs ($300,000/year)

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	220,000	200,000	300,000	300,000	300,000	1,320,000
Total	220,000	200,000	300,000	300,000	300,000	1,320,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	50,000					50,000
Transfers to CIP-General Fund	170,000	200,000	300,000	300,000	300,000	1,270,000
Total	220,000	200,000	300,000	300,000	300,000	1,320,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 45-C0871

Project Name Fire and EMS 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: Hurst Extrication Tools (Battery powered) - cutters, jaws of life, spreaders and rams ($150,000)

FY24: Hurst Extrication Tools (Battery powered) for Ladder TK1- cutters, jaws of life, spreaders and rams ($150,000)
FY24: Community Risk Reduction Boards for each Fire Station ($150,000)

FY25: Hurst Extrication Tools (Battery powered) for Ladder TK4- cutters, jaws of life, spreaders and rams ($150,000)

Justification

Battery powered rescue tools that do not require hoses or power units. The battery powered tools are stronger, smaller, and lighter for ease of use.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	150,000	300,000	150,000			600,000
Total	150,000	300,000	150,000			600,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-Federal	135,000	270,000	135,000			540,000
Transfers to CIP-General Fund	15,000	30,000	15,000			60,000
Total	150,000	300,000	150,000			600,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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:

FY23: Radar boards on Maryland Avenue and Summit Avenue and RRFB traffic beacon at Northern Avenue and Short Road ($195,000 - 80% Federal, 20% City funded).

FY23:RRFB beacons at Hagers Crossing ($45,000)

FY24: Beacon, Salem at Rhode Island ($45,000), Staff will request funding assistance from W.C.P.S.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	240,000	45,000				285,000
Total	240,000	45,000				285,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
CIP Fund Balance	39,000					39,000
Contribution by Others	22,500					22,500
Grants-Federal	156,000					156,000
Transfers to CIP-General Fund	22,500	45,000				67,500
Total	240,000	45,000				285,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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

Per the Vehicle & Equipment Replacement Schedule:

FY23: 2007 Full Size Pick Up Trucks #101 and #102 ($35,000/each); 1998 Clark Fork Lift #114 ($50,000)

FY23: 2003 Bucket Truck #124 ($285,000). The current estimated queue for this truck is two years. Expected delivery is in FY25.

FY24: 2007 Full Size Pick Up Trucks #122, #126, and #131 ($45,000/each); 2005 Meter Van #137 ($50,000); 1990 Air Compressor #134 ($30,000)

FY25: 2003 Bucket Truck #124 ($285,000)

FY26: 2004 Bucket Truck #128 ($285,000)

FY27: 1998 Dump Truck #107 ($175,000); 1995 Stake Body Truck #116 ($80,000)

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	405,000	215,000		285,000	255,000	1,160,000
Total	405,000	215,000		285,000	255,000	1,160,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund	405,000	215,000		285,000	255,000	1,160,000
Total	405,000	215,000		285,000	255,000	1,160,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 funding provided for remote meter reading hardware devices. FY24 funds are budgeted to complete the fiber optic installation between Fairground Ave and Mitchell Ave for SCADA communication. Fiscal Years 2025 and beyond provide for maintenance of operation. 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	10,000	5,000	5,000	5,000	5,000	30,000
Equip/Vehicles/Furnishings		10,000				10,000
Total	10,000	15,000	5,000	5,000	5,000	40,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund	10,000	15,000	5,000	5,000	5,000	40,000
Total	10,000	15,000	5,000	5,000	5,000	40,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund			200,000	500,000	200,000	900,000
Total			200,000	500,000	200,000	900,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

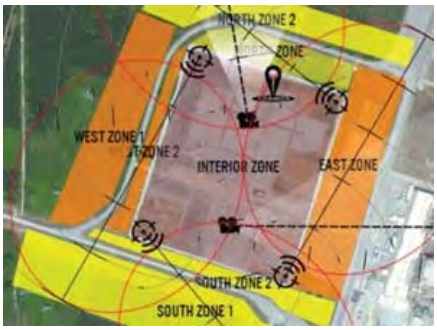
City of Hagerstown, Maryland

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.

FY23: Improve Security at Wesel Substation
FY24: Improve Security at Mitchell and Bulldog Substations
FY25: Improve Security at Fairground and Frederick Street Substations
FY26: Improve Security at Zayre and Plant Substations

Justification

Deter theft and/or vandalism of Electric Utility assets.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	17,250	12,500				29,750
Equip/Vehicles/Furnishings	17,250	12,500				29,750
Total	34,500	25,000				59,500

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund	34,500	25,000				59,500
Total	34,500	25,000				59,500

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.
FY23: Rebuild overhead line along Marshall Street to provide capacity for Kilpatrick Woods Development (C0550).
FY24: Completion of overhead rebuild for Kilpatrick Woods Development (C0550).
FY25: Haven Road from Pennsylvania Avenue to Outer Drive
FY26: Wilson Boulevard from Frederick Street to Rose Hill Avenue
FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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.
FY25: 400 Block of North Potomac Street
FY26: 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.

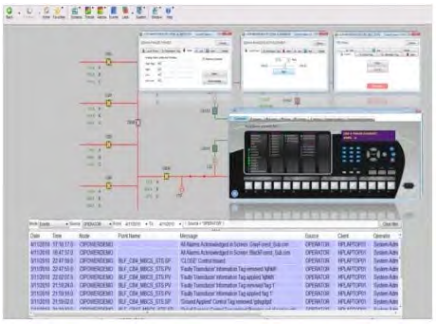
Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance			50,000	50,000		100,000
Equip/Vehicles/Furnishings			50,000	50,000		100,000
Total			100,000	100,000		200,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund			100,000	100,000		200,000
Total			100,000	100,000		200,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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

FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance					30,000	30,000
Equip/Vehicles/Furnishings					20,000	20,000
Total					50,000	50,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund					50,000	50,000
Total					50,000	50,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

Budget Impact/Other

Decrease extensive labor to locate fault and replace.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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 service to the undeveloped lands between Marshall Street and Salem Avenue (east of I-81). Approximately 241 residential lots are expected to be connected.

Developer contributions include installation of conduits and streetlighting system.

Justification

Provide new electric service to lots as they develop.

Budget Impact/Other

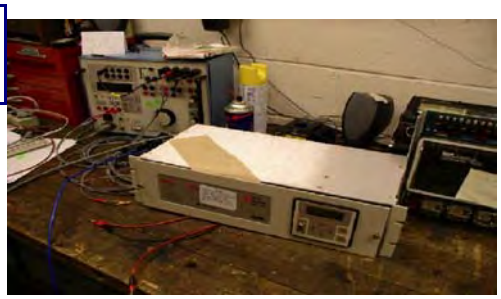
Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	172,750	10,000	0			182,750
Equip/Vehicles/Furnishings	52,750	465,000	450,000			967,750
Total	225,500	475,000	450,000			1,150,500

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Contribution by Others	120,000	450,000	450,000			1,020,000
Electric Fund	105,500	25,000				130,500
Total	225,500	475,000	450,000			1,150,500

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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.

FY23 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	15,000	15,000	15,000	15,000	15,000	75,000
Total	15,000	15,000	15,000	15,000	15,000	75,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund	15,000	15,000	15,000	15,000	15,000	75,000
Total	15,000	15,000	15,000	15,000	15,000	75,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 50-C0679

Project Name Meter Replacement



Type Improvement
Useful Life 25 years
Category Infrastructure-Utilities
Location: HLD Service Territory
Year Submitted: 2022

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Procure and replace electric revenue meters across the HLD service territory to improve device accuracy and provide for an automated read and outage detection system.

Justification

In compliance with COMAR 20.50.02.02C, American National Standard for Electric Meters - Code for Electricity Metering, ANSI C12.1-2001, annual testing statistics are tightening test or replacement requirements for specific homogeneous meter types on the HLD system.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	50,000	50,000	50,000	50,000	50,000	250,000
Equip/Vehicles/Furnishings	250,000	250,000	250,000	250,000	250,000	1,250,000
Total	300,000	300,000	300,000	300,000	300,000	1,500,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund	300,000	300,000	300,000	300,000	300,000	1,500,000
Total	300,000	300,000	300,000	300,000	300,000	1,500,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # **50-C0703**

Project Name **Brookmeadow**



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Security Rd & Hamilton Run
Year Submitted: 2022

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Proposed development on the north side of Security Rd, along Hamilton Run, requiring underground electric service to 110 townhome units. Developer responsibilities include conduits and street light installation. HLD crews will pull and terminate underground conduits, set transformers, and meters.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	40,000	5,000				45,000
Equip/Vehicles/Furnishings	80,000	35,000				115,000
Total	120,000	40,000				160,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Contribution by Others	50,000					50,000
Electric Fund	70,000	40,000				110,000
Total	120,000	40,000				160,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	2,500					2,500
Equip/Vehicles/Furnishings	15,000					15,000
Total	17,500					17,500

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Contribution by Others	12,500					12,500
Electric Fund	5,000					5,000
Total	17,500					17,500

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

Justification

Replacement of aged and deteriorated breakers will reduce unnecessary outages and ensures proper coordination of the distribution system.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	30,000	30,000	30,000	30,000	30,000	150,000
Equip/Vehicles/Furnishings	30,000	30,000	30,000	30,000	30,000	150,000
Total	60,000	60,000	60,000	60,000	60,000	300,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund	60,000	60,000	60,000	60,000	60,000	300,000
Total	60,000	60,000	60,000	60,000	60,000	300,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23: 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.

FY26 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund	25,000			125,000	275,000	425,000
Total	25,000			125,000	275,000	425,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	50,000	50,000	50,000	50,000	50,000	250,000
Total	50,000	50,000	50,000	50,000	50,000	250,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund	50,000	50,000	50,000	50,000	50,000	250,000
Total	50,000	50,000	50,000	50,000	50,000	250,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

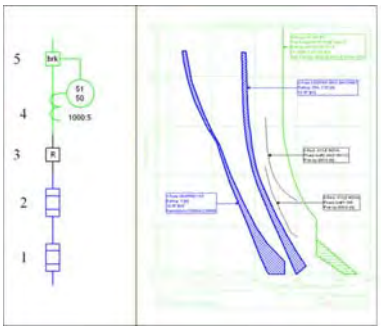
Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	5,000	5,000	5,000	5,000	5,000	25,000
Equip/Vehicles/Furnishings	5,000	5,000	5,000	5,000	5,000	25,000
Total	10,000	10,000	10,000	10,000	10,000	50,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	7,500	7,500	7,500	7,500	7,500	37,500
Equip/Vehicles/Furnishings	7,500	7,500	7,500	7,500	7,500	37,500
Total	15,000	15,000	15,000	15,000	15,000	75,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Electric Fund	15,000	15,000	15,000	15,000	15,000	75,000
Total	15,000	15,000	15,000	15,000	15,000	75,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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.

FY24 - FY25: Construction of the fifth feeder from the Wesel Substation in conjunction with C0778.

FY26 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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

Per the Vehicle & Equipment Replacement Schedule:

FY23: 2012 F550 Service Truck #206 ($110,000); 2007 Wachs Valve Turner #262 ($150,000); 2018 RR Hillside Mower #238 ($90,000); 2004 Gravely Mower #246 ($25,000)

FY23: Includes vehicles ordered in FY22 but not received until FY23 - 2005 F550 Service Truck #208 ($100,000); 2009 Ford F750 Dump Truck #211 ($100,000); 2008 Ford F550 Dump Truck #233 ($100,000)

FY24: 2013 Chevy Equinox #201 ($30,000); 2012 Ford F550 Service Truck #260 ($110,000); 2014 Chevy Equinox #261 ($30,000); 2001 JD 410G Backhoe #228 ($150,000)

FY25: 2014 International Dump Truck #207 ($175,000); 2012 Ford Escape #226 ($30,000); 2014 Ford F150 #200 ($35,000); 2014 Ford F150 #203 ($35,000); 2015 Ford Van #209 ($55,000)

FY26: 2015 Chevy Traverse #214 ($30,000); 2014 Case Excavator #224 ($150,000); 2015 Chevy Traverse #244 ($30,000); 2017 Ford F350 #204 ($45,000); 2017 Ford F350 #254 ($45,000)

FY27: 2016 Ford F550 #216 ($110,000); 2016 Ford F350 #217 ($50,000); 2006 JD 310SG Backhoe #223 ($150,000)

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.

FY23 budget includes vehicles ordered in FY22 but not received until FY23; 2005 F550 Service Truck #208 ($100,000); 2009 Ford F750 Dump Truck #211 ($100,000); 2008 Ford F550 Dump Truck ($100,000).

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	675,000	320,000	330,000	300,000	310,000	1,935,000
Total	675,000	320,000	330,000	300,000	310,000	1,935,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Water Fund	675,000	320,000	330,000	300,000	310,000	1,935,000
Total	675,000	320,000	330,000	300,000	310,000	1,935,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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

FY23: Replace the roof and gutters on the Operations Building that is 30 years old ($500,000); chlorine scrubber/engineering recommended in EPA Risk Management Plan ($300,000).

FY23 - FY24: Various plant improvements for equipment replacement to include pumps, motors, communication equipment, etc. ($150,000/year).

FY24: High Service Pump VFD replacement ($500,000).

FY24 - FY27: Various plant maintenance of structures to include masonry, steps, doors, etc ($50,000/year).

FY25 - FY27: Replacement of aging equipment to include pumps, motors, chemical feed equipment, etc. ($500,000/year).

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	500,000	50,000	50,000	50,000	50,000	700,000
Equip/Vehicles/Furnishings	400,000	650,000	500,000	500,000	500,000	2,550,000
Engineering	50,000					50,000
Total	950,000	700,000	550,000	550,000	550,000	3,300,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Water Fund	950,000	700,000	550,000	550,000	550,000	3,300,000
Total	950,000	700,000	550,000	550,000	550,000	3,300,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23 - FY25: 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 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	200,000	200,000	700,000	15,200,000	15,200,000	31,500,000
Engineering	20,000	200,000	500,000	500,000	200,000	1,420,000
Total	220,000	400,000	1,200,000	15,700,000	15,400,000	32,920,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing-MDE (Water Fund)			500,000	15,000,000	15,000,000	30,500,000
Water Fund	220,000	400,000	700,000	700,000	400,000	2,420,000
Total	220,000	400,000	1,200,000	15,700,000	15,400,000	32,920,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: Begin construction of improvements to include Probable Maximum Precipitation (PMP).

FY23 - FY27: Continue MDE required reservoir improvements.

FY23 - FY27: Watershed land acquisitions and improvements in the Watershed ($150,000/year).

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. Engineering costs are being expensed to Operating Budget 5271001.5306 for FY23 and FY24 - $1,000,000 for both years.

Based on a 20 year term at 2%, the preliminary annual debt service impact for the FY23 bond issue of $500K is $31.4K.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	500,000	7,500,000	7,500,000	2,000,000		17,500,000
Other	150,000	150,000	150,000	150,000	150,000	750,000
Engineering			500,000	150,000		650,000
Total	650,000	7,650,000	8,150,000	2,300,000	150,000	18,900,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing-MDE (Water Fund)	500,000	7,500,000	7,500,000	2,000,000		17,500,000
Water Fund	150,000	150,000	650,000	300,000	150,000	1,400,000
Total	650,000	7,650,000	8,150,000	2,300,000	150,000	18,900,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 52-C0274

Project Name Mack Water Tank



Type Replacement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Water Department
Year Submitted: 2022

Department Water Fund
Contact Luhn
Priority Planned Improvement

Status Active

Description

FY23: Study/design phase for a new Mack Tank ($300,000); begin construction phase ($2,000,000); construction management ($100,000).

FY24: Complete construction phase ($2,000,000); construction management ($200,000).

Justification

Mack Tank is 50 years old and has had two leaks in the past three years.

Budget Impact/Other

Upgrades will replace aging infrastructure. There have been two leaks in the past three years. The last was quite significant with the potential to flood neighboring businesses/properties.

Compliance with Disinfection By-products and to meet water quality parameters.

Based on a 20 year term at 2%, the preliminary annual debt service impact for the FY23 bond issue of $1.5M is $93.5K.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	2,000,000	2,000,000				4,000,000
Engineering	400,000	200,000				600,000
Total	2,400,000	2,200,000				4,600,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing-MDE (Water Fund)	2,000,000	2,000,000				4,000,000
Water Fund	400,000	200,000				600,000
Total	2,400,000	2,200,000				4,600,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: Improve the security of the water plants and pump stations to include redundant pumps and equipment that may become needed in natural disasters.

FY23 - FY24: Improve the Security of the Communication Systems at the water plants, pump stations, and storage tanks.

FY23 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	150,000	100,000	50,000	50,000	25,000	375,000
Total	150,000	100,000	50,000	50,000	25,000	375,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Water Fund	150,000	100,000	50,000	50,000	25,000	375,000
Total	150,000	100,000	50,000	50,000	25,000	375,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 which is an 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings					100,000	100,000
Total					100,000	100,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
ARDI Fund Balance					100,000	100,000
Total					100,000	100,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 Breichner 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 $5,100,000 (engineering and construction). Upgrades will be phased in once the Willson Plant upgrades are complete.

FY23, FY24, & FY27: Miscellaneous required rehab/replacement projects. ($20,000/year).

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.

FY25 - FY26: Begin construction of plant renovations.

Justification

Replace and/or upgrade aging equipment to achieve compliance with the Safe Drinking Water Act Disinfectant 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 be discharged to the wastewater lagoon thus increasing the upgrade 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	20,000	20,000	3,000,000	3,000,000	20,000	6,060,000
Engineering		500,000	500,000	300,000		1,300,000
Total	20,000	520,000	3,500,000	3,300,000	20,000	7,360,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing-MDE (Water Fund)			3,000,000	3,000,000		6,000,000
Water Fund	20,000	520,000	500,000	300,000	20,000	1,360,000
Total	20,000	520,000	3,500,000	3,300,000	20,000	7,360,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: Replacement of plotter.

FY23 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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

FY23 - FY27: Replacement of critical equipment, such as pumps and motors at all stations ($125,000/year); Installation of VFDs at Pump Station 3.

FY24 - FY25: Design of new suction and discharge mains at Pump Station 6 at Greendale Street and Chewsville PRV ($150,000); miscellaneous pump replacements (developer driven).

FY25 - FY27: Construction of the Pump Station 6 improvements (suction and discharge) and Chewsville PRV. Work will be contingent on the Water Master Plan Update recommendations.

FY27: Design for the relocation of Pump Station 2 that is located on Nothern Ave ($400,000); construction of new Pump Station 2 ($1,500,000).

Justification

Replace and/or upgrade deteriorating infrastructure to improve reliability.

Compliance with Stage 2 DBPR - Nitrification Control.

Budget Impact/Other

Upgrades to the pump stations will not likely change the overall operating cost.

Pump Station 2 (Northern Ave) relocation will be development driven. It is possible that a portion of the funding will be through developer contributions.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	125,000	300,000	1,000,000	1,000,000	1,500,000	3,925,000
Engineering	20,000	400,000	400,000	300,000	400,000	1,520,000
Total	145,000	700,000	1,400,000	1,300,000	1,900,000	5,445,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Contribution by Others		575,000	1,275,000	1,175,000	1,775,000	4,800,000
Water Fund	145,000	125,000	125,000	125,000	125,000	645,000
Total	145,000	700,000	1,400,000	1,300,000	1,900,000	5,445,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23 - FY27: 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.

FY23 - FY27: Funding 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 the project is complete, department efficiencies will increase - also expect revenues to increase associated with better read accuracy.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	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

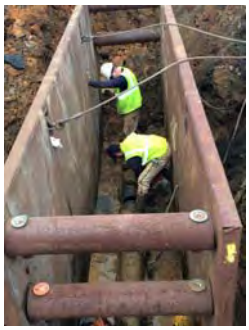
Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Water Fund	325,000	325,000	325,000	325,000	325,000	1,625,000
Total	325,000	325,000	325,000	325,000	325,000	1,625,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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

FY23: Continue to replace aging infrastructure throughout the Distribution System (Mosby Dr, Emerald Dr, Harry Heth Rd).

FY23 - FY27: Continue the leak detection program; Replace aging infrastructure throughout the Distribution System; hydrant and valve program ($50,000/year).

Justification

Replace deteriorating infrastructure to improve reliability, safety for workers, and 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

Reduction in operating cost associated with road repairs as distribution system is upgraded (materials and road repairs).

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	300,000	310,000	320,000	330,000	340,000	1,600,000
Allocated Labor	100,000	110,000	120,000	130,000	140,000	600,000
Total	400,000	420,000	440,000	460,000	480,000	2,200,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Water Fund	400,000	420,000	440,000	460,000	480,000	2,200,000
Total	400,000	420,000	440,000	460,000	480,000	2,200,000

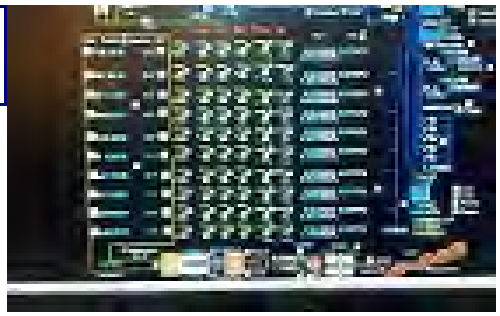
CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: Pump station Ifix upgrade ($35,000); miscellaneous items ($40,000).

FY24 - FY26: Miscellaneous maintenance of SCADA System.

FY25 - FY26: Breichner Plant SCADA Upgrade. Work will be contingent on the Edgemont Source Water Viability Study ($400,000/year).

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	75,000	100,000	500,000	500,000	100,000	1,275,000
Engineering		75,000	75,000	25,000		175,000
Total	75,000	175,000	575,000	525,000	100,000	1,450,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing-MDE (Water Fund)			400,000	400,000		800,000
Water Fund	75,000	175,000	175,000	125,000	100,000	650,000
Total	75,000	175,000	575,000	525,000	100,000	1,450,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 54-C0004
Project Name Wastewater Vehicle Replacement



Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: CS, WWTP, Admin.
Year Submitted: Ongoing

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

Per the Vehicle & Equipment Replacement Schedule:

FY23: 2006 Jet-Vac Cleaner #528 ($750,000)

FY23: Includes vehicles ordered in FY22 but not received until FY23 - 2001 Ford E350 Camera Rig #518 ($425,937); 2003 Ford F550 Crane Truck #507 ($165,578); 2011 Chevy HHR Van #506 ($27,285)

FY24: 2005 New Holland Tractor #535 ($35,000); 1993 Kohler Generator #513 ($65,000)

FY25: 1991 Ingersol Rand Light Plant #522 ($45,000); 1999 Volvo Trailer Mounted Generator #509 ($75,000)

FY26: 2006 Chevrolet 2500 HD 4X4 w/ Snow Plow #591 ($45,000)

FY27: 2008 Chevrolet Blazer 4X4 #505 ($35,000)

Justification

Replacement units - reduced maintenance costs anticipated.

Budget Impact/Other

FY23 Vehicle expenses will include vehicles on-order in FY22 - Wastewater Cash encumbered will be used to cover this expense.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	1,368,800	100,000	120,000	45,000	35,000	1,668,800
Total	1,368,800	100,000	120,000	45,000	35,000	1,668,800

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	425,937					425,937
Wastewater Fund	942,863	100,000	120,000	45,000	35,000	1,242,863
Total	1,368,800	100,000	120,000	45,000	35,000	1,668,800

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23 - FY27: Manhole raising frame replacement ($25,000/year).

Justification

Annual overlay projects.

Budget Impact/Other

Reduction of liability cost - road improvements.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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.

FY23: Complete installation of hardware for the Arista SCADA System in the last 3 pumping stations ($15,000).

FY24 - FY27: Replace SCADA hardware and software as required to keep the systems operational ($75,000/year).

Justification

Reduce maintenance and increase safety and security of stations.

Budget Impact/Other

Replacing obsolete SCADA equipment is needed to improve the reliability of the SCADA system for all pumping stations.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	15,000	75,000	75,000	75,000	75,000	315,000
Total	15,000	75,000	75,000	75,000	75,000	315,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund	15,000	75,000	75,000	75,000	75,000	315,000
Total	15,000	75,000	75,000	75,000	75,000	315,000

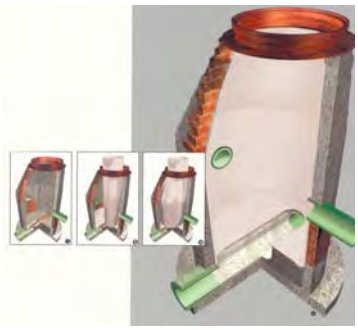
CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: Rehabilitation of wet wells for Pump Stations #4 and #7 ($150,000); rehabilitate high priority deteriorating manholes ($25,000).

FY23 - FY27: Manhole rehabilitation and/or replacement ($100,000/year).

Justification

Wet well walls at Pump stations #4 and #7 are deteriorating and in need of coating them to prevent further damage.

Existing manholes throughout the collection system are in need of being coated to prevent further deterioration.

Budget Impact/Other

Addressing these issues with existing structures throughout the collection system will extend their life expectancy.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	275,000	100,000	100,000	100,000	100,000	675,000
Total	275,000	100,000	100,000	100,000	100,000	675,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund	275,000	100,000	100,000	100,000	100,000	675,000
Total	275,000	100,000	100,000	100,000	100,000	675,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 54-C0565

Project Name East End Pump Station #33



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

FY23: 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' long under Dual Highway.

FY24: I/I work on gravity lines leading to Pump Station #33.

Justification

Pump Station #9, formerly Four Points, has reached capacity and a new station is needed to promote growth and development.

Budget Impact/Other

The design of Pump Station #33 was completed in FY22 for $535,000 and was funded through the Wastewater Fund.

An application for grant funding from MDE will be submitted for the I/I work on gravity lines project. If not approved, the funding source will be changed to the Wastewater fund.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	3,000,000	500,000				3,500,000
Total	3,000,000	500,000				3,500,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	3,000,000					3,000,000
Bond Financing-MDE (Wastewater Fund)		500,000				500,000
Total	3,000,000	500,000				3,500,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 54-C0574

Project Name Pump Station #13 Reconstruction



Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Western Maryland Parkway
Year Submitted: 2022

Department Wastewater Fund
Contact Moss
Priority Planned Improvement

Status Active

Description

Reconstruction of Pump Station #13 on Western Maryland Parkway.

Justification

Pump Station #13 will need to be rebuilt and returned to service when the Flow Transfer Agreement with the County expires in August 2022, requiring the flow to be transferred to the City's collection system.

Budget Impact/Other

Design costs of $185,000 were funded in FY22.

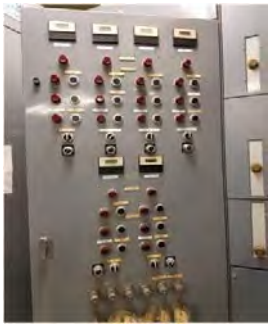
Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design		50,000				50,000
Construction/Maintenance	2,235,000	1,415,000				3,650,000
Total	2,235,000	1,465,000				3,700,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant	2,235,000					2,235,000
Bond Financing-MDE (Wastewater Fund)		1,465,000				1,465,000
Total	2,235,000	1,465,000				3,700,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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.

FY23: 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); UV Disinfection System influent and effluence gate actuators are over 10 years old and in need of replacement due to periodic malfunctioning being experienced ($100,000).

FY23 - FY24: BNR mixer replacement program (FY23 $150,000; FY24 $160,000).

FY24: New Chem Scan unit on OAB deck ($40,000).

FY24 - FY27: Upgrade PLC's and Control Panels for the Nitrate Recycle Pumps and upgrade all supported software and associated hardware ($500,000/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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	500,000	700,000	500,000	500,000	500,000	2,700,000
Total	500,000	700,000	500,000	500,000	500,000	2,700,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grant-State MDE	240,000	240,000	240,000	240,000	240,000	1,200,000
Wastewater Fund	260,000	460,000	260,000	260,000	260,000	1,500,000
Total	500,000	700,000	500,000	500,000	500,000	2,700,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 54-C0585

Project Name WWT Buildings/ Structures/ Equipment & Software



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

FY23: Construct pole barn structure over storm water pumps for WWTP ($25,000); new plotter for Barn ($5,000).

FY24 - 27: Renovations, repairs, maintenance, and purchase of engineering equipment and software as needed ($25,000/year).

Justification

Aging structures that require repairs and improvements.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	30,000	25,000	25,000	25,000	25,000	130,000
Total	30,000	25,000	25,000	25,000	25,000	130,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund	30,000	25,000	25,000	25,000	25,000	130,000
Total	30,000	25,000	25,000	25,000	25,000	130,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23: Miscellaneous repairs and equipment replacement on oxygen skid and on OAB Deck ($45,000).

FY24 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	45,000	20,000	20,000	20,000	20,000	125,000
Total	45,000	20,000	20,000	20,000	20,000	125,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund	45,000	20,000	20,000	20,000	20,000	125,000
Total	45,000	20,000	20,000	20,000	20,000	125,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 54-C0711

Project Name Solids Processing-Pelletizer 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

Miscellaneous improvements per the Synagro operating contract to include HVAC, electrical, plumbing, and building (roof, windows, etc).

Justification

To maintain the solids processing structure and pelletizing equipment.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	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 '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund	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 '23 *thru* FY '27

City of Hagerstown, Maryland

Project # **54-C0712**

Project Name **Solids Processing Facility 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

FY23 - FY24: Funds are budgeted to either replace or rehab the existing Pellet Silo ($650,000).

Justification

Existing Silo has been in service since 1988 and the condition has deteriorated.

Budget Impact/Other

Existing Silo has exceeded its useful life. Pellet storage is required to cost efficiently run the solids processing operation.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design	150,000	50,000				200,000
Construction/Maintenance	200,000	250,000				450,000
Total	350,000	300,000				650,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund	350,000	300,000				650,000
Total	350,000	300,000				650,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23 - FY27: Replacement of miscellaneous equipment for the 23 pumping stations continually coveying wastewater to the WWTP ($80,000/year).

Equipment includes Muffin Monster motors, drive gears, cutters, new soft starts at various stations, HMI interface, PLC replacement, automatic transfer switches for emergency generators, etc.

Justification

To maintain operations to ensure regulatory compliance.

Budget Impact/Other

To maintain operations to ensure regulatory compliance.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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

FY23: New hood and ventiliation system ($250,000); lachat replacement unit ($55,000); DI Water System ($15,000); laboratory improvements currently being specified through design consultant ($100,000).

FY24: Construction of Lab improvements ($1,000,000).

FY25 - FY27: Replacement of Laboratory equipment ($25,000/year).

Justification

Replace obsolete equipment and rehab/rebuild the Environmental Laboratory to ensure compliance with Laboratory and OSHA standards.

Budget Impact/Other

The Environmental Laboratory houses the Water and Wastewater lab operations. 20% of capital expenses will be charged to the Water Fund.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	420,000	1,000,000	25,000	25,000	25,000	1,495,000
Total	420,000	1,000,000	25,000	25,000	25,000	1,495,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund	420,000	1,000,000	25,000	25,000	25,000	1,495,000
Total	420,000	1,000,000	25,000	25,000	25,000	1,495,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 are 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 14th year in the budget process.

Grinder pump discharge assemblies for inventory ($12,000/year).

Justification

Reduce deteriorating equipment.

Budget Impact/Other

Reduction of annual maintenance costs is anticipated.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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

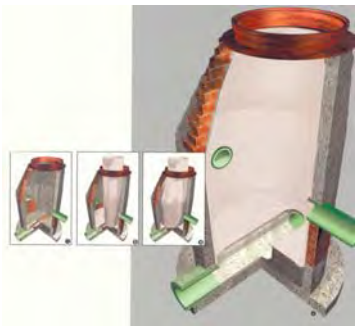
CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

Correct Infiltration and Inflow into the wastewater collection system. Work consists of pipe replacement or pipe lining ($250,000/year).

Locations will be prioritized through the Sanitary Sewer Evaluation to reduce I&I and increase system and treatment capacity.

Justification

Reducing the inflow & infiltration will provide future re-capturing of allocation for the WWTP.

Consistent with Comprehensive Plan which identified the 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	250,000	250,000	250,000	250,000	250,000	1,250,000
Total	250,000	250,000	250,000	250,000	250,000	1,250,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund	250,000	250,000	250,000	250,000	250,000	1,250,000
Total	250,000	250,000	250,000	250,000	250,000	1,250,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 54-C0832

Project Name Pump Station Upgrades



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

Pump Station #15 upgrades at Noland Village will need to be completed to accommodate flows from Pump Station #13. Pump Station #13 will be reconstructed, or replaced, to receive the flows coming from the County as part of the Flow Transfer Agreement expiring in 2023 (FY23: Engineering/Design $50,000) (FY24: Construction $50,000).

Design of gravity main and package pump station to eliminate Pump Station #6 (FY23 Engineering/Design $50,000).

Justification

Reduce annual operating costs.

Budget Impact/Other

Eliminate the cost of operating over-sized pump stations.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design	100,000					100,000
Construction/Maintenance		50,000				50,000
Total	100,000	50,000				150,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Wastewater Fund	100,000	50,000				150,000
Total	100,000	50,000				150,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 or transfer of infrastructure is necessary to connect the City and County Systems. New truck 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Land Acquisition	15,000	15,000	15,000	15,000	15,000	75,000
Construction/Maintenance	150,000	150,000	150,000	150,000	150,000	750,000
Total	165,000	165,000	165,000	165,000	165,000	825,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Contribution by Others	150,000	150,000	150,000	150,000	150,000	750,000
Wastewater Fund	15,000	15,000	15,000	15,000	15,000	75,000
Total	165,000	165,000	165,000	165,000	165,000	825,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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. The City's third parking deck will be constructed in conjuction with the Hagerstown Multi-Use Sports and Events Facility to be located on the corner of Baltimore St. and Summit Ave. This new parking deck will support the operations of the sports and events facility while providing additional parking for the projected development that will follow this project.

Design phase of the parking deck will start and be partially completed in FY22 with an estimated cost of $150,000.

FY23: Land acquisition ($700,000); continue design phase ($150,000); start construction phase of a new 350-400 space deck ($4,867,000).

FY24: Continue construction phase of the new parking deck ($4,500,000).

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 4.25%, the preliminary annual debt service impact for the FY23 bond issue of $10.0M is $638.1K. The City will receive the full $10.0M in FY23 but will utilize the funding in separate years.

Annual operation costs are estimated to be approximately $204.6K for a full year in FY26.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design	150,000					150,000
Land Acquisition	700,000					700,000
Construction/Maintenance	4,867,000	4,500,000				9,367,000
Total	5,717,000	4,500,000				10,217,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Bond Financing (Parking Fund)	5,500,000	4,500,000				10,000,000
Parking Fund	217,000					217,000
Total	5,717,000	4,500,000				10,217,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	15,000	15,000	10,000	10,000	10,000	60,000
Total	15,000	15,000	10,000	10,000	10,000	60,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Parking Fund	15,000	15,000	10,000	10,000	10,000	60,000
Total	15,000	15,000	10,000	10,000	10,000	60,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 the Vehicle & Equipment Replacement Schedule:

FY23: 2012 Ford F150 4X4 supervisor pickup truck #033 ($35,000)

FY25: 2014 Ford Transit Van service truck #039 ($30,000)

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	35,000		30,000			65,000
Total	35,000		30,000			65,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Parking Fund	35,000		30,000			65,000
Total	35,000		30,000			65,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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.

FY23 - FY27: 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

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	80,000	10,000	10,000	10,000	10,000	120,000
Total	80,000	10,000	10,000	10,000	10,000	120,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Parking Fund	80,000	10,000	10,000	10,000	10,000	120,000
Total	80,000	10,000	10,000	10,000	10,000	120,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 Deike
Priority Cost Avoidance

Status Active

Description

Per Vehicle & Equipment Replacement Schedule:

FY23: 2004 Cushman Sprayer #389 ($38,000)
FY24:1999 GMC Pickup #332 ($45,000)
FY25: 2016 Mower #348 ($12,000); 2010 Mower #368 ($40,000)
FY26: 2012 Golf Cart #346 ($9,000); 2005 Fairway Mower #351 ($45,000)
FY27: 2007 Mower #326 ($40,000); 2012 Golf Cart #347 ($9,000)

Justification

Replace deteriorated equipment. Maintain reliable and efficient equipment necessary to operate and maintain golf course.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings	38,000	45,000	52,000	54,000	49,000	238,000
Total	38,000	45,000	52,000	54,000	49,000	238,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Golf Fund	38,000	45,000	52,000	54,000	49,000	238,000
Total	38,000	45,000	52,000	54,000	49,000	238,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 Deike
Priority Improve Service

Status Active

Description

FY23: Replace nets bordering senior center ($15,000); erect a chain link fence to secure facilities ($10,000).

FY24: Replace last set of netting bordering the senior center consisting of 3 sections ($5,000/section).

FY25 - FY26: Improvemnets to cart paths, greens, tees, and fencing.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	25,000	15,000	50,000	50,000		140,000
Total	25,000	15,000	50,000	50,000		140,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Golf Fund	25,000	15,000	50,000	50,000		140,000
Total	25,000	15,000	50,000	50,000		140,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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 and community room space in the lower levels of the Alms House. Renovations will include new electric, plumbing, HVAC, and finishes to create offices and meeting room space.

Upper floor would be stabilized and prepared for possible renovations in future years.

Justification

Provides a police presence in the northeast quadrant of the City.

Budget Impact/Other

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	400,000	250,000				650,000
Total	400,000	250,000				650,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Transfers to Prop Mgmt-CDBG Fund	400,000	250,000				650,000
Total	400,000	250,000				650,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23 - 27: Painting, various leasehold improvements, and continued replacement of HVAC units on an as needed basis.

Justification

Improvements as needed to maintain the quality of the building.

Budget Impact/Other

New HVAC should be more efficient, saving on heating/cooling costs. Replace as needed.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	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

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Property Management 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 '23 *thru* FY '27

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.

FY27: HVAC Equipment will be 15 years old and possibly in need of replacement. This amount will only cover a portion of replacement costs.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance					40,000	40,000
Total					40,000	40,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Property Management Fund					40,000	40,000
Total					40,000	40,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 & Equipment Replacement Schedule:

This CIP funds three vehicles: two sweepers and one dump truck.

FY25: 2014 Ford F550 Dump Truck #18 ($125,000)

FY27: 2018 Elgin Sweeper #92 ($350,000); 2018 Elgin Sweeper #93 ($350,000)

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Equip/Vehicles/Furnishings			125,000		700,000	825,000
Total			125,000		700,000	825,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Stormwater Fee			125,000		700,000	825,000
Total			125,000		700,000	825,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23 - FY26: $150,000 per year for unspecified work to deal with aging system and to remediate issues from the video inspection. 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.

Potential projects include Morningside Heights ($80,000), Brookline Avenue, and East Irvin Avenue.

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	150,000	150,000	150,000	150,000	150,000	750,000
Total	150,000	150,000	150,000	150,000	150,000	750,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Stormwater Fee	150,000	150,000	150,000	150,000	150,000	750,000
Total	150,000	150,000	150,000	150,000	150,000	750,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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 C0458.

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 '23	FY '24	FY '25	FY '26	FY '27	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 '23	FY '24	FY '25	FY '26	FY '27	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 '23 *thru* FY '27

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 capital improvement project C0594 for tree planting using Forest Conservation Funds.

We anticipate increased planting in FY25 and beyond as MDE increases the credit for tree planting.

FY23 - FY27: 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	25,000	25,000	50,000	50,000	50,000	200,000
Total	25,000	25,000	50,000	50,000	50,000	200,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Stormwater Fee	25,000	25,000	50,000	50,000	50,000	200,000
Total	25,000	25,000	50,000	50,000	50,000	200,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

City of Hagerstown, Maryland

Project # 59-C0634

Project Name Hagerstown Field House

Type Improvement
Useful Life 50 years
Category Land Improvements
Location: 274 East Memorial Blvd
Year Submitted: 2022

Department Stormwater
Contact Tissue
Priority Planned Improvement

Status Active



Description

As part of the construction of a field house at the site of Municipal Stadium, this project will address stormwater issues including naturalizing "town run", providing quantitative storage volume to lesson flooding, and planting trees.

Justification

This is a known flooding issue.

Obtain MS4 credits as required by MDE Permit.

Budget Impact/Other

Will be maintained as part of the grounds of the field house. TBD who will do that but it could involve mowing and tree trimming.

Expenditures	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance		700,000				700,000
Total		700,000				700,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
American Rescue Plan Act (ARPA) Grant		700,000				700,000
Total		700,000				700,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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:

FY24: North High Design ($80,000); Fairgrounds Park (Ice Rink) ($366,000)

FY25: Community Rescue Service ($140,000); North High Construction ($620,000)

FY26: Hagerstown Industrial Park ($350,000)

FY27: To Be Determined ($200,000)

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Planning/Design		80,000				80,000
Construction/Maintenance		366,000	760,000	350,000	200,000	1,676,000
Total		446,000	760,000	350,000	200,000	1,756,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Stormwater Fee		446,000	760,000	350,000	200,000	1,756,000
Total		446,000	760,000	350,000	200,000	1,756,000

CAPITAL IMPROVEMENT PROGRAM FY '23 *thru* FY '27

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.

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 environmental 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, selective 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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance		300,000				300,000
Total		300,000				300,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Stormwater Fee		300,000				300,000
Total		300,000				300,000

CAPITAL IMPROVEMENT PROGRAM

FY '23 *thru* FY '27

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

FY23: Construction of stream restoration at the golf course in the winter of 2022-2023 ($800,000 funding from the stormwater fund).

FY23: Stream restoration at City Park in the winter of 2022 or spring of 2023 ($160,000 funding from stormwater fund).

FY23: Design of Hamilton Run stream restoration adjacent to Longmeadow Park to stabilize stream banks, restore rehabitat, alleviate flooding of Northern Avenue, and eliminate failing retaining wall ($200,000 from Federal Grant).

FY24: Construction of Hamilton Run restoration at Longmeadow Park ($250,000 federal grant; $1,100,000 from stormwater fund).

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 '23	FY '24	FY '25	FY '26	FY '27	Total
Construction/Maintenance	1,160,000	1,350,000				2,510,000
Total	1,160,000	1,350,000				2,510,000

Funding Sources	FY '23	FY '24	FY '25	FY '26	FY '27	Total
Grants-Federal	200,000	250,000				450,000
Stormwater Fee	960,000	1,100,000				2,060,000
Total	1,160,000	1,350,000				2,510,000

Economic Development

City of Hagerstown









SCHEDULE OF FEES AND SERVICE CHARGES
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SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2022/2023

NAME OF FEE/PURPOSE	EFF DATE	FY22 RATE	FY23 PROPOSED	FY21 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CITY CLERK						
01030022 - 4271				**$ 2,350**		
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				**$ 181**		
Bad Check Fee Per Check (To compensate the City for Bank charges & employee time)	2007	$35	$35		$35 Area Banks	Admin Order
01072012 - 4490				**$ 300**		
Pay-By-Phone Transaction Fee (waived most of 2020)	2012	$10	$10 not charging currently		Potomac Edison $7	Admin Order
COMMUNICATIONS						
01030062-4899				**$ 1,413**	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	$100		fees. Cost of title search included in loan.	
BUSINESS REVOLVING LOAN FUND						
14000001 - 4899				**$ -**	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	$250		at closing.	
MARKET HOUSE						
01402042-481005				**$ 400**		
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	$TBD		discount if choose to be part of the entire season	
Reg Space: 3ft Quarterly Fee		Decision by Mayor and Council	Mayor and Council expected		(Approx 20 weeks-Outdoor)	
Prem Space: 6ft Quarterly		in FY20 to allow vendor booths	to review vendor booth			
Prem Space: 3ft Quarterly		to be free. Expected to be	fees for new downtown		Boonsboro Farmers Market	
Electric Quarterly Fee		reviewed for FY22.	farmers market location.		$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; $50 per season (Outdoor)	
UNIVERSITY PLAZA						
01030052-4810-P0860				**$ 1,150**		
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			

NAME OF FEE/PURPOSE	EFF DATE	FY22 RATE	FY23 PROPOSED	FY21 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PLANNING						
01090012 - 441131				**$ 1,100**	Washington County:	
Subdivision: Simplified Plat, Condo Plat, Replat	2015	$355	$355		$350	Admin Order
01090012 - 441122				**$ 13,310**	Washington County:	
Subdivision: Final Plat	2015	$590+$50/lot	$590+$50/lot		$650+$250/lot (<50 lots) $650+$150/lot (>50 lots)	Admin Order
01090012-441124				**$ -**		
Subdivision: Sketch Plans					Washington County:	
Nonresidential - 2 ≤ acres	2015	$590	$590		$700 + $20/acre	Admin Order
Nonresidential - > 2 acres	2015	$1,200	$1,200		$700 + $20/acre	Admin Order
Residential - < 50 lots	2015	$590	$590		$700 + $20/acre	Admin Order
Residential - ≥ 50 lots	2015	$1,200	$1,200		$700 + $20/acre	Admin Order
01090012 - 441121				**$ -**		
Subdivision: Development Plan	2015	$1,200+$50/lot	$1,300+$50/lot		$900+$30/Lot	Admin Order
01090012 - 441125				**$ 1,420**		
Minor Subdivision	2015	$355	$355		$350	Admin Order
01090012 - 441126				**$ -**		
Subdivision Variance/Waiver Request	2015	$100	$0		$115	Admin Order
01090012 - 441161				**$ -**		
Concept Plan/Sketch Plans:						
CR Sketch Plan	2015	$1,200	$1,200			Admin Order
Mixed Use Development	2022		$1,200			Admin Order
Multi-Family Development	2015	$1,200	$1,200			Admin Order
01090012 - 441119				**$ 3,060**		
BZA Filing Fee:					Washington County:	
Special Exception	2015	$590	$590		$500	Admin Order
Variances:						
Residential	2015	$155	$155		$150	Admin Order
Non-Residential	2015	$310	$310		$300	Admin Order
Residential Fence Variance	2015	$155	$155		$150	Admin Order
Nonconforming Uses:						
Change	2015	$590	$590		$500	Admin Order
Expansion	2015	$590	$590		$500	Admin Order
Administrative Appeals	2015	$250	$250		$150	Admin Order
01090012 - 441112				**$ -**		
Rezoning Fees:					Washington County:	
Preliminary Consultation	2015	$590	$590		$500+$20/acre	Admin Order
Rezoning Filing Fee	2015	$2,400+$15/APO	$2,400+$15/APO		$2,165+$20/acre	Admin Order
Local Conservation District	2015	$590	$590		N/A	Admin Order
Conversion District	2022		$2,400+$15/APO		N/A	Admin Order
PUD Master Plan	2015	$2,400+$15/APO	$2,400+$15/APO		$1,030+$30/acre	Admin Order
01090012 - 441102				**$ 17,673**		
Full Site Plan Fees:					Washington County:	
Concept Plan for Environmental Site Design		0	0		$210	Admin Order
Residential	2006	$1,000 + $15/unit	$1,000 + $15/unit		Res. $900+$10/unit + $110-$330/acre	Admin Order
Mixed-Use	2022	$1,100 + $15/unit	$1,100 + $15/unit			
Nonresidential	2006	$1,000 + $50/acre	$1100 + $50/acre		Comm: $900 +$110-$330/acre	Admin Order
01090012 - 441101				**$ 3,540**	Washington County:	
Minor Site Plan	2015	$590	$690		$650	Admin Order
01090012 - 441103				**$ -**	Washington County:	
Site Plan Variance/Waiver Request	2015	$100	$0		$115	Admin Order
01090012 - 441111				**$ 22,685**		
Zoning Certificate Fees:					Washington County:	Admin Order
Home Work Stations & CC-MU	2015	$50	$50		$65	Admin Order
All other commercial	2015	$125	$125		$165	Admin Order
Blanket for Multi-Vendors	2015	$400	$400			
Zoning Verification Letter: One SFR	2015	$50	$75		$165	Admin Order
Zoning Verification Letter: All Others	2015	$100	$100		$165	Admin Order
Fence Permits:	2015					
Residential: Single Family, Two-Family		$40	$45		If 7 ft. tall or more: $50;otherwise no permit	Admin Order
Commercial, Industrial, Multi-Family		$125	$150		If 7 ft. tall or more: $50;otherwise no permit	
01090012 - 489603				**$ -**	Washington County:	
Comprehensive Plan	2015	$25	$25		$50 ($5 on CD)	Admin Order
01090012 - 489604				**$ -**	Washington County:	
Land Management Code	2015	$25	$25		$20 zoning; $12 subdivision	Admin Order
Design Review Guidelines	2015	$25	$25		$100	Admin Order
01090012 - 441141				**$ -**	Washington County:	
Zoning Text Amendment	2015	$2,400	$2,400		$2,015	Admin Order
Subdivision Text Amendment	2015	$2,400	$2,400		$2,015	Admin Order
01090012 - 4899				**$ -**		
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, $0.75/page Color			Admin Order
01090012 - 426902				**$ 3,823**		
Forest Conservation Fee:					Washington County:	
Delineation	2015	$290	$290		$250	Admin Order
Final Plan & Easements	2015	$590+$15/acre	$625+$15/acre		$750+$10/acre	Admin Order
Forest Conservation Waiver/Variance Request	2006	$30	$0		$40	
Forest Conservation Exemption Certification	2015	$0	$0		$25	
17090012 - 426999				**$ 8,172**	Washington County:	
Forest Conservation FIL	2013	$0.335/sq feet	$0.35/sq feet (inflation increase)		$.30-$.36 sq feet	
01090012 - 441151				**$ 15,694**		
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	FY22 RATE	FY23 PROPOSED	FY21 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CODE ADMINISTRATION						
01140012 - 4210				**$ 1,081,006**	Washington County:	Ordinance
Building Permits:						
Application Fee		$20	$20		Comm: $150; Res: $65	
Tech Fee	2011	$20	$20		$15	
Commercial, Apartments & New Residential:					Comm: $0.15 per sq.ft.; Res: $.10 per sq.ft.	
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
Expedited U&O's (within 24 Hours of Final Inspection)	2021	$50	$50		$75	
After Hours Inspection Request	2021	$50	$50			Admin Order
01140012 - 421101				**$ 90,057**	Washington County:	Ordinance
Plumbing Permits:	2011				Res: $65+$50-60/unit	
Application Fee: Residential/Comm/Apmt		$50/$100/$100	$50/$100/$100		Comm: $125+$75/unit	
Tech Fee		$20	$20		$15	
Fixture fees (varies)		$4- $40	$4- $40		$2-$50	
Single fixture (app fee is waived)		Tech fee + fixture only	Tech fee + fixture only		$25 + tech fee	
01140012 - 4202				**$ 11,935**		Ordinance
Plumbers license/registration (Biennial):	2007	($40 of fee is tech fee)	($40 of fee is tech fee)		Washington County (2 yr):	
Master		New: $150/ Renew: $125	New: $150/ Renew: $125		Master : $50/resident, $100 non-resident	
Journeyman		New: $95/ Renew: $70	New: $95/ Renew: $70		Journeyman : $20 resident/$40 non-resident	
Apprentice		New: $85/ Renew: $60	New: $85/ Renew: $60		Apprentice : $15 resident/$30 non-resident	
If license has lapsed more than 30 days		New rate is charged	New rate is charged		$100	
01140012 - 421102				**$ 133,705**	Washinton County:	Ordinance
Electrical Permits	2011				Res : $165-265/unit	
Application Fee: Residential/Comm/Apmt		$50/$100/$100	$50/$100/$100		Comm :$425/unit	
Tech Fee		$20	$20		$15	
Fixture fees (vary)		$3-$50	$3-$50		$15-$50 fixture fees	
01140012 - 421103				**$ 61,640**	Washington County:	Ordinance
Mechanical Permits:	2011				Res: $65+$40-50/unit	
Application Fee: Residential/Comm/Apmt		$50/$100/$100	$50/$100/$100		Comm: $125+$80/unit	
Tech Fee		$20	$20		$15	
Fixture fees (vary)		$5 -$30	$5 -$30		$3-$60 fixutre fees	
01140012 - 4203				**$ 5,440**	Washington County (2 yr):	Ordinance
Mechanical Licenses (Biennial)	2011	($40 of fee is tech fee) $125	($40 of fee is tech fee) $125		Master: $50 resident / $100 non-resident Journeyman : $20 resident / $40 non-resident	
01140012 - 4204				**$ 30,385**	Washington County (3 yr):	Ordinance
Electrician's Registrations (Biennial)	2007	($40 of fee is tech fee)	($40 of fee is tech fee)			
Master/ Restricted Master	2007	New: $150/ Renew: $125	New: $150/ Renew: $125		Master and Restricted: $150	
Journeyman	2022		New: $95/ Renew: $70			
Apprentice	2022		New: $95/ Renew: $60			
If license has lapsed more than 30 days	2007	New rate is charged	New rate is charged		$50 + $50/year left	
01140012 - 441593				**$ 10,147**		Admin Order
Administrative Fee for Excise Tax	2005	2% of 72% of excise tax	2% of 72% of excise tax			
01140012 - 450102				**$ 9,300**	Most citations are $200-$1,000; however, trash citations start at $25	Ordinance
Municipal Infractions: Fee Per Citation	2008	$25-$1,000	$25-$1,000			
01140012 - 4205				**$ 674,560**	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			
Re-print of Rental License	2022		$5			
01140012 - 4504				**$ 42,020**		Admin Order
CAD Administrative Fees:						
Snow Removal Fee + Tech Fee	2003	$50+$20	$50+$20			
Loose Trash removal + Tech Fee	2022		$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	$25 per item	$25 per item			
01140012 - 4505				**$ 200**		
Appeals Fee-Board of Code Appeals	2021				Washington County:	Admin Order
Fee Per Case		$150	$150		$250/non-resid : $150/resid	
01140012 - 441503				**$ (150)**	Washington County:	Admin Order
Reinspection fee	2011	$50	$50		1st- $50, 2nd- $75, 3rd- $100	
01140012 - 441504				**$ 44,465**		
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-$118 per address or tenant space	
01140012 - 441512				**$ 61,700**		Ordinance
Vacant Structures, Residential	2014	$100-$500	$100-$500			
01140012 - 441513				**$ 15,000**		Ordinance
Vacant Structures, Commercial	2014	$250-$1,000	$250-$1,000			
01140012 - 441594				**$ (400)**		Ordinance
Secure Vacant Structure:						
Fee Per Building	2011	$100	$100			
Admin fee		$100	$100			
Tech fee		$20	$20			
Hourly securing rate after 1 hour			$50			
Repeat call for service at vacant property			$150			
Material fees		Various	Various			
01140012 - 441595				**$ 45,280**		Admin Order
Technology Fees	2004	$20	$20			
01140012-441597				**$ 1,200**		Ordinance
Unattended Donation Bin Registration	2015	$100-$200	$100-$200			
01140012 - 449001				**$ 1,722**		Ordinance
Credit Card Convenience Fee	2013	$2	$2			
01140012 - 449101				**$ 17,825**		
Rental License Late Fee, Per Incident	2011	$50	$50			Ordinance

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2022/2023

NAME OF FEE/PURPOSE	EFF DATE	FY22 RATE	FY23 PROPOSED	FY21 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
ENGINEERING						
01090042 - 421202				**$ 28,032**		
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 $35/cut	
01090042 - 4899				**$ 2,310**		
Sale of Construction Documents	Varies Per Contract	Varies from $5-$200	Varies from $5-$200		Frederick City $20 Washington Co $25-50	Admin Order Admin Order
01090042 - 4896				**$ 54**		
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	$2.00/ per scan			
01090042 - 421203				**$ 340**		
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	$5			
01090042 - 421205				**$ 97,403**		
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	$25			
01090042 - 421201				**$ 13,159**		
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	$25			
01090042 - 421204				**$ 72,659**		
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	$25			
01090042 - 441201				**$ 44,578**		
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) $150 +	
01090042 - 421206				**$ 4,150**		
Right of Way Closure Permit	2005				None - Washington County	Admin Order
Application Fee		$10	$10			
Tech Fee		$5	$5			
Closure Fee		Fee Varies	Fee Varies			
RECYCLING AND TRASH COLLECTION						
01300012 - 4416				**$ 2,774,258**		
Recycling & Refuse Collection	2018				Private Contract Hauler $106/Qtr	Admin Order
Quarterly Fee - Residence		$47.00	$50.00		plus $25/Mo for Yard Waste	
Yearly Fee - Commercial		$100	$110		*increase to add "At Your Door" program	
01300012 - 4417				**$ 16,498**	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	$25			
01300012 - 4493				**$ 14,442**		
Utility Monthly Late Fee	2014	1% per month on past due unpaid balance	1% per month on past due unpaid balance			Ordinance
PUBLIC WORKS						
01160032 - 483006				**$ 52,500**		
Signal-State Highway Administration	2005					
Fee Per Intersection		$1,500	$1,500		$1,500 each	Admin Order
PARKS & RECREATION						
01450002 - 481013				**$ 20,855**		
Pavilion Facility Reservations:	2017	$65	$65		Washington Co: Residents $60; Nonresidents $80	Admin Order
Bandshell Facility Reservations:	2013	$150	$150		Arts Pavilion $80 R/$100 NR	Admin Order
					Pen-Mar (Dance Pavilion) $135 R/$165 NR	Admin Order
01450002 - 481010				**$ 1,040**		
Fairground Park Multipurpose Fields & Courts	2013	$85/$185	$85/$185			Admin Order
*Rates below include $25 Admin Fee						
Non-Tournament		$85	$85			
Tournament		$185	$185			
Stable Rental	2013	$285	$285			Admin Order
01400012-481013				**$ 2,500**		
FIT Room at Fairgrounds Park						
Rental - 4 Hr Min	2017	$50/hr + $25 Admin Fee plus $75 Covid Cleaning fee	$50/hr + $25 Admin Fee plus $75 Covid Cleaning fee		Elementary School Gyms:$75 for 3 hours	Admin Order
01450002 - 481011				**$ 6,865**		
Fairground Park Special Event Rentals						
Special Events:	2013					Admin Order
Entire Park		$1,025	$1,025			
Multipurpose Fields & Courts						
All Day Rate	2013	$85	$85			Admin Order
01404022-448701				**$ 2,122**		
Hager House	2017				Miller House: $5/person	Admin Order
Adults		$6	$6		Free for ages 12 & Under	
Senior Citizens; Students: Age 13-17		$4	$4		Free for Members & Partners	
Children: Age 6-12		$3	$3		Group Rates available for parties of 10 or more	
Children: 5 & Under		Free	Free			
Group (Min. 10 people)		$4/person	$4/person			
01402022 - Various Accounts				**$ 71,792**		
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		$5	$5		Ages 18-61: $4.00	
Senior: 62 and Older		$4	$4		Ages 62+: $3.00	
Family: (up to 5)		N/A	N/A			
Season Pass - City Residents:	2021					
Age 2 & Under		N/A	N/A		County Pool:	
Pre-school/Youth		N/A	N/A		$60/child,$80/Adult,$150/Family	

NAME OF FEE/PURPOSE	EFF DATE	FY22 RATE	FY23 PROPOSED	FY21 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKS & RECREATION (continued)						
Individual		$85	$85		(max 5 + $10/pp additional)	
Family (up to 5)		$160	$160			
Season Pass - Non-City Residents:	2021					
Age 2 & Under		N/A	N/A			
Pre-school/Youth		N/A	N/A			
Individual		$110	$110			
Family (up to 5)		$210	$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+ $210	
Over 100 People		Special Quote	Special Quote			
01404032 - 448601				**$ 1,626**		Admin Order
202 Train Exhibit	2017					
Adults		$5	$5		Roundhouse:	
Seniors; Students - Age 13-17		$3	$3		Ages 16+: $6.00	
Children: 6-12/5 & Under		$2/Free	$2/Free		Ages 4-15: $1.00	
Group Tours (Min. 10 people)		$3/ 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)			
POLICE DEPARTMENT						
01100012 - 4896		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: $5.00 plus mailing costs if applicable.	**$ 7,481**		
Copy Charges	2019				WCSO-$5/1st page,$1/each add'l page	Admin Order
01100012 - 489607		Video footage free to person in interest,	Video footage free to person in interest,	**$ -**		
Body-Worn Camera Footage	2018	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	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, $5 each add'l hour.	Admin Order
01104012 - 441331				**$ 44,448**		
Special Assignments- Hrly Fee	2014	115% of Top Officer's	115% of Top Officer's			
(Dance, School Event, etc)		Pay Rate	Pay Rate			Admin Order
01100012 - 4503				**$ 5,384**		
Vehicle Storage Fee Per Day	2007	$20	$20		WCSO - $25; max. $1,125	Admin Order
Storage, Towed Vehicles, Public Auctions						
01100012-4551				**$ 3,056**	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		$100	$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/$20			Ordinance
01104072 - 4509				**$ 1,178,420**	Annapolis Frederick	
Speed Camera Fine	2012	$40	$40		$40 $40	Ordinance
01104082-4508				**$ 188,850**	Annapolis Frederick	
Red Light Camera Fine	2017	$75	$75		$75 $75	Ordinance

NAME OF FEE/PURPOSE	EFF DATE	FY22 RATE	FY23 PROPOSED	FY21 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
FIRE DEPARTMENT						
01120012 - 441402				$ -		
False Call/Failure to notify FD working	2012	$250	$250			Ordinance
01120012 - 421302				$ 250		
Blasting Permits	2012	$50	$50			Ordinance
01120012 - 4210				$ 319,720		
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				$ 2,000		
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				$ 5,000		
Fire Code Violations	2007	$250 or Court Ordered amount	$250 or Court Ordered amount			Ordinance
01120012 - 4899				$ 247		
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					
Utility: Hourly Rate (Min Billing Amt)	2012	No longer billing	No longer billing			
Officer: Hourly Rate (Min Billing Amt)	2013					
Truck: Hourly Rate (Min Billing Amt)	2012					
ELECTRIC DEPARTMENT						
50000002 - 442101				$ 13,025,077		
50000002 - 442102						
Residential - All KWH	2005				Potomac Edison -MD (through May 2022)	Maryland PSC
Base rate		$0.06263	$0.06263		$5.70 per month plus $0.08281/kWh	
Purchased Power Adj. Rate (Est Ave rate)		$0.01484	$0.01172			
50000002 - 442201				$ 4,787,721		
50000002 - 442202						
General and Commercial	2005				Potomac Edison -MD (through May 2022)	Maryland PSC
1st 700 KWH		$0.08314	$0.08314		$0.10453	
>700 KWH		$0.05257	$0.05257		$0.05844	
Demand over 7.5 KW		$4.06817	$4.06817		$8.53000	
Purchased Power Adj. Rate (Est. aver. rate)		$0.01484	$0.01172			
50000002 - 442301				$ 1,716,347		
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	$0.01172			
50000002 - 442302				$ 4,021,396		
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	$0.01172			
50000002 - 4424				$ 20,040		
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	$0.01172			
50000002 - 442501				$ 618,271		
Street & Highway Lighting Per KWH	2005	$0.06842	$0.06842		No comparison	
Purchased Power Adj. Rate (Est. ave. rate)		$0.01484	$0.01172			Maryland PSC
50000002 - 442502				$ 22,308		
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	$0.01172			
50000002 - 442303				$ 81,034		
High Voltage-Cascades	1995				Rate was abolished in Nov. 2020; Cascades	Maryland PSC
Demand Per KW		$0.000	$0.000		sold property and settled debt	
Per KWH		$0.000	$0.000			
Purchased Power Adj Rate (Est Ave Rate)		$0.000	$0.000			
50000002 - 481813				$ 40,752		
Pole Rental - Fee Per Pole	2010	$20	$20		No comparison	Maryland PSC
Pole Rental (Prior 2001 grandfathered)	1966	$4.50	$4.50			
50000002 - 481815				$ 48,206		
50000002 - 481816						
Central Maintenance Garage Monthly Fee	2021	$42,000/Year	$42,000/Year			
Rent from Sub-Station	2007	$0.00	$0.00		Substation sold to HMS Hagerstown LLC.	Admin Order
50000002 - 489908				$ 1,851		
50000002 - 4238				$ 59,265		
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				$ 2,018		
NSF Fees	2012	$35.00/check	$35.00/check		No comparison	Admin Order
50000002 - 4493				$ 53,839		
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

NAME OF FEE/PURPOSE	EFF DATE	FY22 RATE	FY23 PROPOSED	FY21 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WATER DEPARTMENT						
52000002 - 4249				**$ 3,233**		
Contracted service-payment for services rendered not w/in the existing level	1991		Labor, various equipment, various materials, 25%		Frederick - Labor 38.5%,Material 10%	Admin Order
Labor Fee		$2.64 Multiplier Material,25% Equip				
52000002 - 4231				**$ 100,274**		
52000002 - 4245						
Water Plan Review/Inspection Fee	2006					Ordinance
Application Fee + Review Fee per Ft.		$50 +$.50	$50 +$.50			
Inspection Fee Per Ft		$3	$3			
PS Fee Per Gallon (Minimum of PS Capacity)		$14	$14			
52000002 - 4235				**$ 67,195**		
Non-Utility Misc-payment for providing consumption data to Washington County	Annual Per Agreement					Admin Order
Fee Per Account/qtr	2012	$2.95	$3.02			
52000002 - 481002				**$ 25,700**	Per lease, beginning 9/1/23, Tenant's rent shall increase at the rate of 3% per year over the previous year's rent.	
Rent-City Employee						Admin Order
Smithsburg (Tenants Pay Fuel)	Vacant	$700	$700			
Edgemont (Tenants Pay Fuel)	2016	$700	$700			
Ritchie Rd (Tenants Pay Fuel)	2016	$800	$800			
52000002 - 481003				**$ 11,500**	Increase every 5 years based on consumer price index. Last increase was in Jan 2017	
Cell Tower Rental	2007	$958.30/month	$958.30/month			Motion
52000002 - 4899				**$ 6,207**		
Misc. Other Revenues	2006					Admin Order
Hunting Permits		$20	$20			
Maps (Free with Permit)		$5	$5			
52000002 - 4240				**$ 34,950**		
Transfer Fee	2007	$50	$50		Frederick City $50 for prop transfer fee	M&C
Meter Testing Fee	2007	$50	$50		Frederick County $50 for meter testing fee	
52000004 - 4722		Eff July 1, 2021	Eff July 1, 2022	**$ 1,244,346**		
Benefit charges-charged to new customers for impact of additional demand to major system components	2019	3% Rate Increase	3% Rate Increase		Washington County - Allocation fee $2,500 plus $325 Meter Fee	Ordinance
Fee Per Gallon		$13.67	$14.08		Frederick City - Impact fee for single family dwelling - $6,245	
Initial Fee Minimum 200 Gallon		$2,734	$2,816		$24.98/gal-250 gals per EDU	
52000002 - 443201		Eff July 1, 2021	Eff July 1, 2022	**$ 2,482,244**	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		$1.77	$1.82		Frederick City FY2023/quarterly rates:	
Over 18,000 gallons		$3.37	$3.47		1st 6,000 gals - $4.72 / 1000 gals	
Fixed Fee per meter size: 5/8" - 10"		$7.84-$1,081.92	$8.08-$1,115.04		6,001 to 15,000 gals - $5.90 / 1000 gals	
Non-Residential/Rate per 1,000 gallons:					15,001 to 120,000 gals - $7.07 / 1000 gals	
First 18,000 gallons		$1.77	$1.82		120,001 to 750,000 gals - $8.25 / 1000 gals	
Over 18,000 gallons		$1.57	$1.62		over 750,000 gals - $9.44/1000 gals	
Fixed Fee per meter size: 5/8" - 10"		$7.84-$1,081.92	$8.08-$1,115.04		Fixed meter fees, size 3/4"-8" =$45.40 - $2,421.18	
52000002 - 443202		Eff July 1, 2021	Eff July 1, 2022	**$ 9,274,705**	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		$4.27	$4.40		Washington County effective FY21	
Over 18,000 gallons		$8.12	$8.36		Residential -	
Fixed Fee per meter size: 5/8" - 10"		$22.82-$3,149.16	$23.50-$3,243		1st 6000 gallons minimum of $108.43	
Non-Residential/Rate per 1,000 gallons:					Over 6000 gallons = $12.19 per 1000 gals	
First 18,000 gallons		$4.27	$4.40		Commercial I:	
Over 18,000 gallons		$3.84	$3.96		1st 6000 gallons minimum of $108.43	
Fixed Fee per meter size: 5/8" - 10"		$22.82-$3,149.16	$23.50-$3,243		Over 6000 gallons = $12.47 per 1000 gals	
52000002 - 4237		Eff July 1, 2021	Eff July 1, 2022	**$ 177,969**		
Fire Protection:	2019	3% Rate Increase	3% Rate Increase			Ordinance
City - 4" - 12"		$210.28-$1,890.02	$216.59-1,946.73			
County - 4" - 12"		$281.22-$2,520.87	$289.66-$2,596.51			
52000002 - 4232				**$ 441,435**		
New Services:	2020					Resolution
3/4" (5/8" meter)		$815	$815			
1" Single (3/4" meter)		$1,025	$1,145		Will include fees in the rate model	
1" Double (two 3/4" meters)		$1,300	$1,300			
1" RS Special		$1,610	$1,750			
2" Service		$1,890	$2,315			
Application Fee		$50	$50			
52000002 - 4238				**$ 109,755**		
Reconnection Fee:					Washington County - $50 Service Disconnect	Ordinance
8:00am-3:00pm	2020	$50	$50		or Reconnect during business hours; $75	
After 3:00pm		$100	$100		non-business hours	
Water Meter Pull per customer's request		$50	$50			
Water Meter Install per customer's request		$50	$50			
52000002 - 4494				**$ 1,755**		Admin Order
NSF Fees	2020	$35.00/check	$35.00/check		Per Maryland Commercial Law Section 15-803	
52000002 - 4493				**$ 66,084**	Frederick City - 1% penalty per month	
Utility Monthly Late Fee	2014	10% one-time late fee	10% one-time late fee		Washington County - $30 per bill Town of Smithsburg- 10% late charge	Ordinance
52000002-489914				**$ 3,913**		
Emergency Load Response Program	2014	Capacity at 75% of market clearing price	Capacity at 75% of market clearing price			M & C

NAME OF FEE/PURPOSE	EFF DATE	FY22 RATE	FY23 PROPOSED	FY21 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WASTEWATER DEPARTMENT						
54000002 - 4243				**$ 8,900**		
Connection Charge:	2020					Ordinance
Lateral connection		$1,300	$1,300			
Wye for side by side (duplex)		$200	$390		Will include in the rate model	
54000002 - 4242				**$ 35,671**		
54000002 - 4245						
Sewer Plan Review/Inspection Fee:	2020					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	$14			
54000002 - 4810				**$ 14,311**		
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	$1,194/month	$1,229/month		3% increase/year	Resolution M&C
54000004 - 4722		Eff July 1, 2021	Eff July 1, 2022	**$ 1,216,249**		
		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		$24.04/gallon	$24.76/gallon		dwelling - $5,482	
In County - minimum of 200 gallons		$27.32/gallon	$28.14/gallon		$21.93/gal and 250 gals per EDU	
54000002 - 444201		Eff July 1, 2021	Eff July 1, 2022	**$ 7,536,824**	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-FY23	Ordinance
Consumption: Per 1,000 Gallons		$5.83	$5.95		All Usage per Quarter- $6.24/1,000 gals.	
Fixed Charges: 5/8" - 10"		$23.93-$3,302.34	$24.41-$3,368.58		Sizes 3/4" to 8" or larger - $42.56-$2,269.72	
54000002 - 444202		Eff July 1, 2021	Eff July 1, 2022	**$ 3,526,207**	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		$9.77	$9.97		Wash County FY21: 1st 6,000 gals., minimum of $130.31	
Fixed Charges: 5/8" - 10"		$39.76-$5,486.88	$40.56-$5,597.28		over 6000 gals - $7.54 per 1000 gals	
54000002 - 444203		Eff July 1, 2021	Eff July 1, 2022	**$ 2,660,760**	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		$8.49	$8.66		Wash County FY21: 1st 6,000 gals., minimum of $130.31	
Fixed Charges: 5/8" - 10"		$34.58-$4,772.04	$35.27-$4,867.26		over 6000 gals - $7.54 per 1000 gals	
54000002 - 4443				**$ 105,424**		
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	$15			
54000002 - 4241				**$ 66,120**		
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 - $2000	
54000002 - 4493				**$ 105,105**	Frederick City - 1% penalty per month	
Utility Monthly Late Fee	2014	10% one-time late fee	10% one-time late fee		Washington County - $30 per bill Town of Smithsburg- 10% late charge	Ordinance
PARKING FACILITIES						
56740112 - 4451				**$ 277,496**		
56740122 - 4451						
Parking Deck Permits - Monthly Fee:					Annapolis: $90-$250/month	
Regular Customers	2021	$70	$70		Cumberland: $55-$90/month	Resolution
Personally Assigned Space	2014	$120	$120		Frederick: $97/month	Resolution
					Winchester:$50-$60/month	
56740112 - 4452				**$ 75,060**		
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	$70	$70		Frederick: $1/hr; $12 max; $5	
Exiting Fee Between 4pm-6am	2014				after-hours rate	
weeknights & Saturdays		$2	$2		Cumberland: $1/hr, $8 max	
Sundays	2014	Free	Free			
56740112 - 4453				**$ -**	Annapolis: Market Rate Pricing	
Special Event Parking (i.e. Augustoberfest)		$5	$5		Frederick: Market Rate Pricing	
					depends on event	
56740112 - 4455				**$ 10,245**		
Web Based Validations	2010	20% Discount	20% Discount			Resolution
56740132 - 4457, 445701, 445702				**$ 93,075**		
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	$0.50			
56740132 - 445801, 445802				**$ 161,978**		
445803, 445804						
Monthly Permit Fees Parking Lots:						
Student Rate	2019	$25	$25			
Central Lot	2021	$56	$56		Annapolis:$110-$225/month	Resolution
Church Street Lot	2021	$56	$56		Cumberland: $30- $35/month	
Market Lot (To be sold by July 1, 2022)	2021	$56	$56		Winchester: not available	
Rochester Lot	2021	$56	$56		Frederick: Market St. Lot $75/month	
56740132 - 445899				**$ 27,286**		
Department Charges Monthly Fee	2022	$63	$66.50			Admin Order
56740142 -4551, 455101, 4552, 455201				**$ 156,251**		
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 2022/2023

NAME OF FEE/PURPOSE	EFF DATE	FY22 RATE	FY23 PROPOSED	FY21 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
GOLF COURSE						
57000002-446501				**$ 178,303**		
Greens Fees at Hamilton Run	2021				Black Rock Golf Course	Admin Order
9 Hole/18 Hole		$13/$16	$13/$16		$15/$28	
Senior 9 Hole/Senior 18 Hole		$11/$14	$11/$14		$12/$20	
Weekend or Holiday 9 Hole/18 Hole		$16/$19	$16/$19		$33/ 18 hole	
57000002-446601				**$ 15,202**		
Season Pass (City Residents Only)	2021	Cart Not Included	Cart Not Included		Caledonia Golf Club	Admin Order
Individual		$625	$625		Individual: $450	
Senior Individual		$399	$399		Couples: $800	
Season Pass (Non-City Residents)	2021				Maple Run Golf Club	
Individual		$825	$825		Individual: $1,075	
Senior Individual		$599	$599		Family: $1,525	
57000002-4467, 446707				**$ 12,002**		
Tournaments & Specials	2011	Varies	Varies			Admin Order
57000002-481801				**$ 111,516**		
Cart Rentals, Per Person:					Black Rock Golf Course	Admin Order
9 Hole/18 Hole	2021	$8/$13	$8/$13		$10/$18	
Senior 9 Hole/Senior 18 Hole	2021	$7/$11	$7/$11		$8/$10	
Pull Cart Fee	2021	$3	$3			
PROPERTY MANAGEMENT						
58740532-489916				**$ 1,750**		
Burobox Membership Dues	2016					Resolution
Monthly Membership		$50 Basic, $100 Office	$50 Basic, $100 Office		Hagerstown Community College Fletcher Incubator & Labs Packages range $70-$380/month	
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 $270 For Profit Business			
STORMWATER MANAGEMENT						
59000002-444701				**$ 589,852**		
Stormwater Utility Fee	March 1, 2021					Resolution
Annual Fee		$34 per 1000 square feet of impervious area	$34 per 1000 square feet of impervious area Beginning January 2023 $36 per 1000 square feet of impervious area		Annapolis $78/annually Berkeley County WV: $42 annually Baltimore City: $40 to $120 annually Howard County: $15 to $90 annually Gaithersburg: $44 annually Rockville: $132 annually Tacoma Park: $50/1000 sf annually Anne Arundel: $89.25 annually	

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.

American Rescue Plan Act of 2021 (ARPA) – A $1.9 trillion coronavirus rescue package designed to facilitate the recovery of the United States from the devastating economic and health effects of the COVID-19 pandemic. The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, a part of the American Rescue Plan Act of 2021, provides $350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. (See also CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS)

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.

Coronavirus State and Local Fiscal Recovery Funds (SLFRF) – A part of the American Rescue Plan Act of 2021, this program delivers $350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. (See also AMERICAN RESCUE PLAN ACT OF 2021)

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 Protection.

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 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 Protection 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.)