CITY OF HAGERSTOWN

CITY OF
Hagerstown
MARYLAND | 1762

CITY ADMINISTRATOR'S ADOPTED BUDGET

Fiscal Year 2024-2025
July 1, 2024 - June 30, 2025

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 & SUSTAINABILTY
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 has 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 rich, social and culturally vibrant community.

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

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

ECONOMIC DEVELOPMENT THROUGH SPORTS AND TOURISM
The City of Hagerstown will be creative and diversify opportunities for Economic Development through nontraditional means.

MISC PROJECTS, GOALS AND LEGISLATIVE PRIORITIES
The City of Hagerstown takes a creative approach at finding solutions.

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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.

FY2025 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 2023 through February 2024 and provided opportunities and guidance for the creation of the FY2025 budget document. A listing of discussion topics and dates are located in the budget message in Section 1.

During the month of December 2023, 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 November 30, 2023. A second public hearing will be scheduled for April 25, 2024 to discuss further the CDBG funding needs.

Budget review meetings began in January 2024 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 2024 through March 2024, 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 FY2025 Proposed Operating Budget and the Capital Improvements Program for FY2025 – FY2029 for presentation to Mayor and Council.

On March 31, 2024, the City Administrator and Budget staff, in conjunction with City Management, will present the Mayor and Council with the FY2025 Proposed Budget for review. The Mayor and Council and the City's senior management will work together from April 2, 2024 to May 7, 2024 to review and discuss the proposed budget and CIP projects. A public hearing will be scheduled for May 7, 2024 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 7, 2024. 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 14, 2024. To conclude the Budget Development Process, Budget staff will implement the FY2025 Mayor and Council's Adopted Budget and the FY2025 – FY2029 approved CIP budget during June and July 2024. The FY2025 adopted budget will become effective on July 1, 2024. 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 few 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 526 housing units with final plats or site plans in various stages of development and construction. There are a total of 1,314 units pending for future development still in planning stages. Population growth from these pending housing units could see the City's population increase to over 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, softball and soccer fields, and skateboard 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 workforce development programs is under construction 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, which offers apprenticeship and craft training programs in 20 trades courses, will be relocating to HCC's workforce development center. 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 FY 2023, the City annexed the 116-acre Unger farm on the south side of the city with residential zoning and approved the annexation resolution for one of the warehouses in the FY 2022 agreements. Also in FY 2023, the City annexed land for a proposed residential developments on 82 acres of land adjacent to the Hager's Crossing neighborhood. In FY 2024, the City annexed another of the warehouses from the FY 2020 agreements, as well as State land on our southern border and two residentially zoned tracts of raw land on the west and south sides of the city. In FY 2025, the City will begin annexing the last warehouse from the FY 2020 agreements, as well as additional pre-annexation agreement developments on our borders.

In the Downtown area, retail, restaurant, housing, hospitality, and office redevelopments are underway or in the planning stages with approximately $73 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. In FY 2023-FY 2025, construction is underway on 3.3 million square feet of warehouse space on Edgewood Drive in the city and W. Oak Ridge Drive on annexing land.

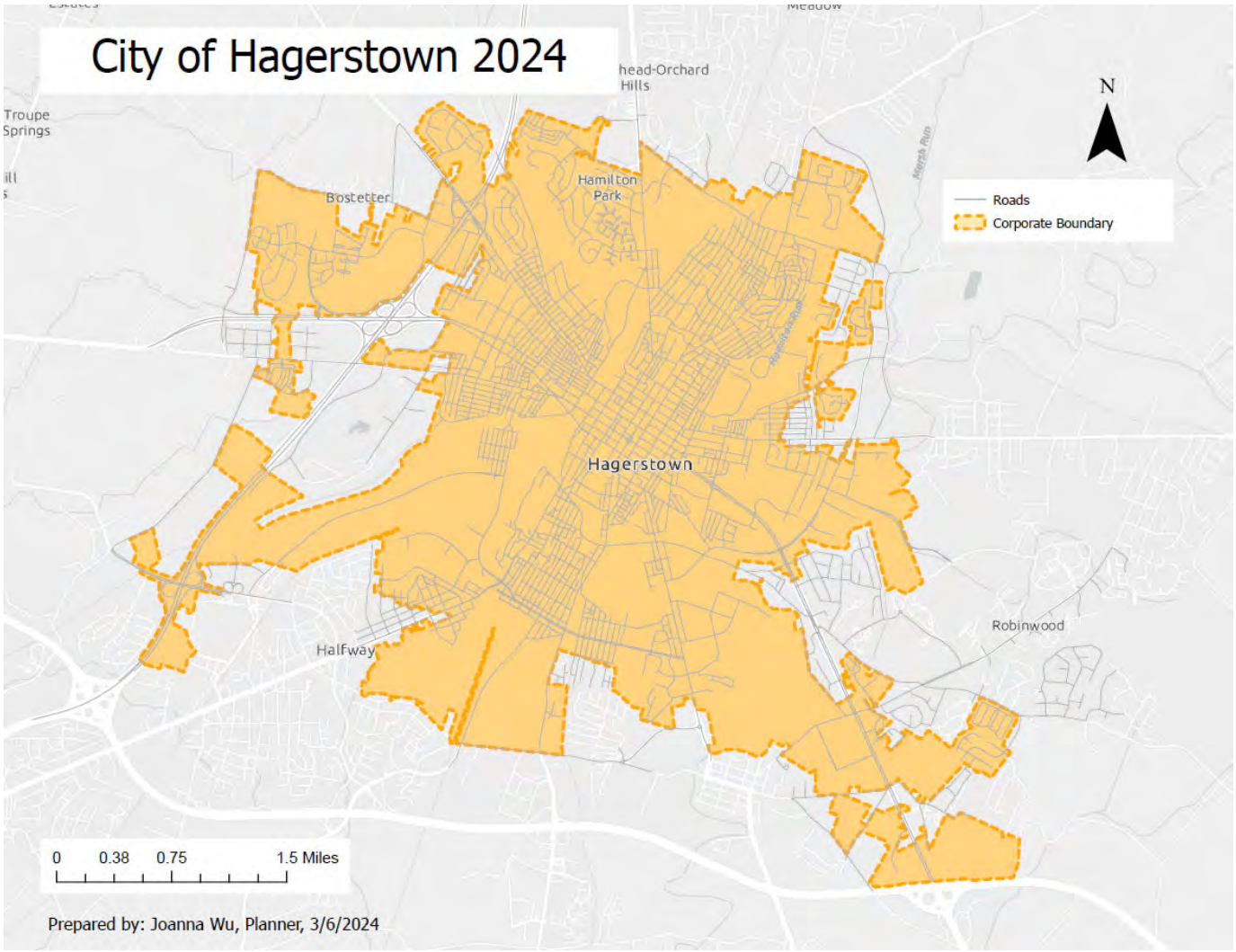
The City of Hagerstown and its community partners are proud to organize and host special events that bring people together from Hagerstown and the surrounding region. MDWK Music and Market celebrates the City's music heritage and features local musicians, artisan vendors, craft beer, and food trucks throughout the summer months. The annual Christkindl Markt is a weekend shopping experience 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 Middletown Valley Bank and The Maryland Theatre, and creates a mock midnight celebration for families who count down as a giant paper-mâché donut descends from the clock tower in Public Square.

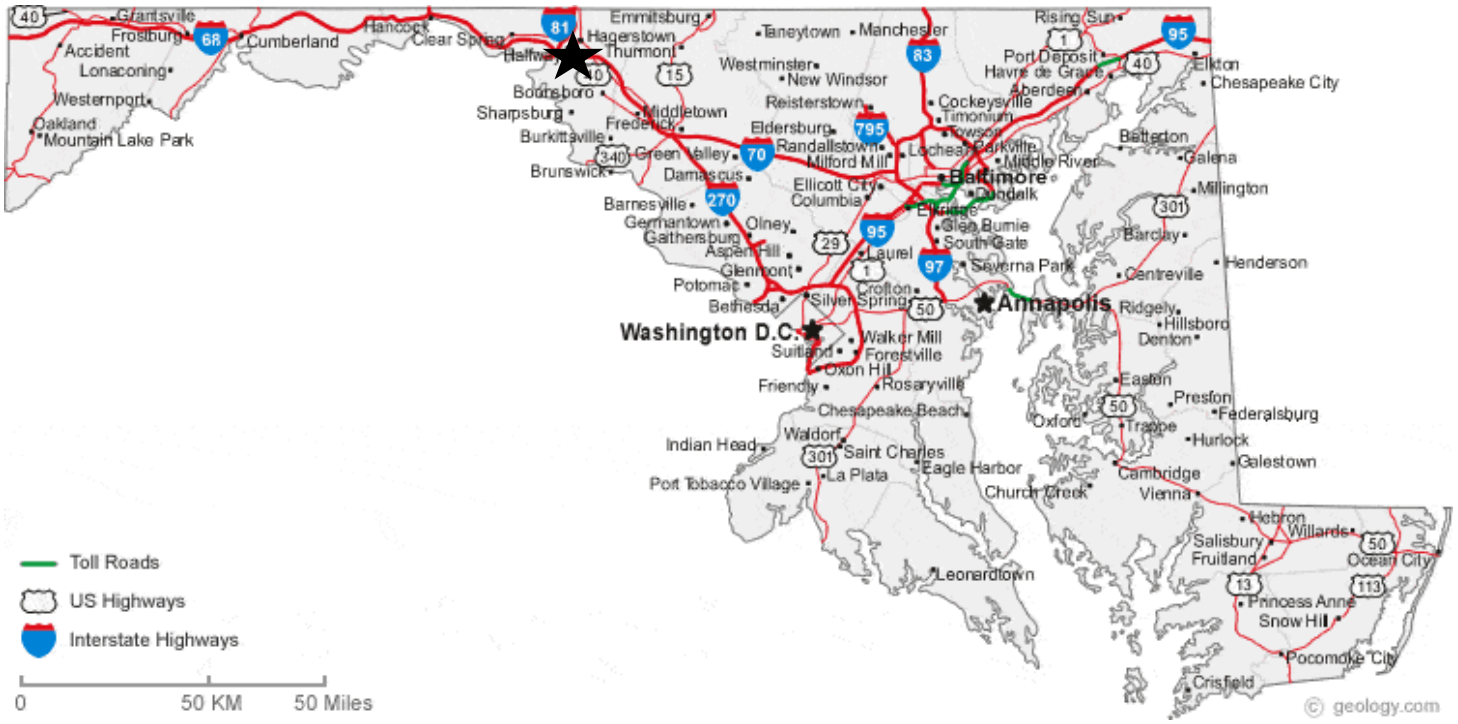
The Hagerstown Cultural Trail was added to the City park system in 2017 and it connects the downtown Arts & Entertainment District with City Park and the Museum of Fine Arts. The trail is one of eight catalyst projects outlined in the Community's City Center Plan, a 10-year roadmap for downtown development 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 was opened in FY 2022 to connect the trail to W. Washington Street through the new Hatter's Plaza. In FY 2024, a portion of the trail is relocating around the perimeter of the new Multi-use Sports and Events Facility with the entrance to the new facility to be via the trail.

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, developed a plan for a $69.5 million dollar Multi-use Sports and Events Facility in downtown Hagerstown which will open in the spring of 2024 in time for the first season of a new Atlantic League baseball team. The facility will also host 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 is constructing a $12 million 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 construct a new Hagerstown Field House for indoor turf and court sports. The groundbreaking was held for this $25 million dollar facility in mid-FY 2024 and is expected to open in mid-FY 2025. The Field House will fill a gap in our region for indoor sports and recreation, especially with the closing of the Frederick Indoor Sports Center in FY 2022.


City of Hagerstown 2024
N
Roads
Corporate Boundary
Hamilton Park
Bostetter
Hagerstown
Halfway
Robinwood
Troupe Springs
0 0.38 0.75 1.5 Miles
Prepared by: Joanna Wu, Planner, 3/6/2024


Grantsville
Frostburg
Accident
Lonaconing
Westernport
Oakland
Mountain Lake Park
Cumberland
Hancock
Clear Spring
Hagerstown
Thurmont
Emmitsburg
Taneytown
Manchester
Westminster
New Windsor
Boonsboro
Sharpsburg
Reisterstown
Frederick
Middletown
Burkittsville
Brunswick
Eldersburg
Randallstown
Green Valley
Damascus
Milford Mill
Lochearn
Barnesville
Ellicott City
Columbia
Germantown
Olney
Gaithersburg
Aspen Hill
Glenmont
Potomac
Bethesda
Silver Spring
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
Cockeysville
Timonium
Towson
Parkville
Middle River
Baltimore
Dundalk
Essex
Glen Burnie
South Gate
Severna Park
Laurel
Crofton
Annapolis
Rising Sun
Port Deposit
Havre de Grace
Aberdeen
Elkton
Chesapeake City
Betterton
Galena
Millington
Barclay
Centreville
Henderson
Ridgely
Hillsboro
Denton
Easton
Oxford
Trappe
Preston
Federalsburg
Hurlock
Galestown
Cambridge
Vienna
Hebron
Willards
Salisbury
Fruitland
Ocean City
Princess Anne
Snow Hill
Pocomoke City
Crisfield
Leonardtown
Toll Roads
US Highways
Interstate Highways
0
50 KM
50 Miles
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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)	12.895
Fire Department	
Number of Stations (4 volunteer, 1 City owned)	5
Number of Fire Hydrants (within City limits)	972
Responses to Fire calls	4,289
Average response time (in minutes)	4:05
Public fire education programs	37
Parks and Recreation	
Parks and Playgrounds (307 acres)	29
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)	60
Parking Facilities Department	
Number of lots	12
Number of Parking Spaces (metered or rented)	
Lots	514
Streets	345
Parking Decks:	2
Number of Parking Spaces	625
Number of Permit Holders	743
Police Department	
Parking ticket violations issued	12,654
Net parking fines	$ 137,386
Safe Speed Program citations issued annually	23,663
Calls for service	82,381
Alarm calls (included in above number)	1,658
Public Works	
Miles of paved streets and alleys	156.2
Number of traffic signals maintained	137

Population – per United States Census

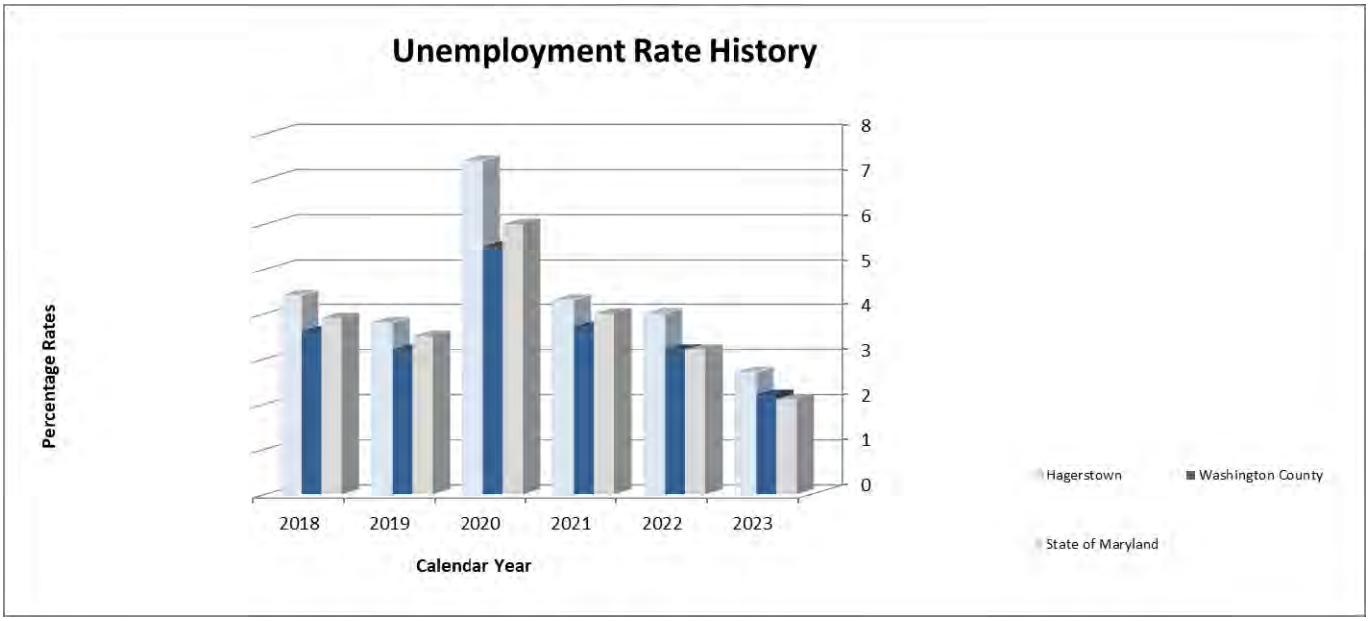
Fiscal Year	Population
1900	13,591
1910	16,507
1920	28,064
1930	30,861
1940	32,491
1950	36,260
1960	36,660
1970	35,852
1980	34,132
1990	35,445
2000	36,687
2010	39,996
2020	43,527

Electric Department	
Number of active accounts	17,570
Number of meters (in use)	17,648
Kilowatt hours purchased	314,998,054
Kilowatt hours sold	307,056,986
System peak demand-kilowatts	69,215
Number of substations – 34.5KV to 13.8KV	7
Water Department	
Number of active accounts-City	14,040
Number of active accounts-County	17,170
Total number of active accounts	31,210
Daily average productions in million gallons	
R.C. Willson Plant (365 days)	11.28
Wm. M. Breichner Plant (365 days)	0
Greatest consumption for a single day	12.9
Plant pumping capacity per day	20
Average daily metered consumption	7.839
Miles of water mains (estimate)	443
Wastewater Department	
Number of active accounts-City	13,628
Number of active accounts-County	3,141
Number of active accounts-District (JSA)	3,972
Number of active accounts-Total	20,741
Daily average of sewage treated (in million gallons)	5.26
Daily average plant capacity (in million gallons)	8
Number of City owned pumping stations	24
Miles of collection system-City owned	185

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

	2023			2014		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Washington County Public Schools	3,705	1	5.92%	2,970	1	4.45%
Meritus Health	2,740	2	4.38%	2,730	2	4.09%
FiServ	2,185	3	3.49%			
Volvo Powertrain NA (Mack Trucks, Inc.)	1,836	4	2.93%	1,350	6	2.02%
Amazon	1,500	5	2.40%			
FedEx Ground	900	6	1.44%			
The Bowman Group	830	7	1.33%	718	9	1.08%
Walmart	565	8	0.90%			
Arc of Washington County	550	9	0.88%			
Hagerstown Community College	545	10	0.87%	931	8	1.40%
Citi				2,700	3	4.05%
State of Maryland				2,568	4	3.85%
First Data Merchant Services				2,322	5	3.48%
Washington County Government				1,159	7	1.74%
Federal Government				705	10	1.06%
Total	**15,356**		**24.54%**	**18,153**		**27.22%**

Source: Principal Employers for Washington County MD provided by Maryland Department of Commerce
Total County employment for 2023 was 62,892 and 2014 was 66,772 supplied by U.S. Bureau of Labor Statistics.



Principal Property Taxpayers
Current Year and Nine Years Ago

	2023			2014		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Lowes Home Centers, Inc.	$ 30,124,400	1	0.99%	$ 23,061,390	2	0.84%
Board of Education	27,089,400	2	0.89%			
CR Hagerstown, LLC	24,238,400	3	0.80%			
RPAI Hagerstown LLC	20,614,200	4	0.68%			
Walmart Real Estate Business Trust	17,807,400	5	0.59%	20,591,200	3	0.75%
Suso 4 Stone House, LP	16,100,000	6	0.53%			
Nationwide Health Properties LLC	15,865,200	7	0.52%			
Hagerstown Plaza, LLC	15,257,100	8	0.50%	14,516,600	10	0.53%
Washco Centre at Antietam	15,079,000	9	0.50%			
Mill Street Realty LLC	14,421,400	10	0.47%			
Washington Real Estate				59,999,000	1	2.18%
OEKOS Stone House LLC				19,600,000	4	0.71%
I-81 Hollyhock LLC				18,900,000	5	0.69%
Verizon - Maryland				18,405,450	6	0.67%
Hagerstown Apartments (Limited) Partnership				17,999,700	7	0.65%
Sams Real Estate Business Trust				15,313,400	8	0.56%
FB Hagerstown, LLC				14,601,400	9	0.53%
Totals	**$ 196,596,500**		**6.47%**	**$ 222,988,140**		**8.11%**

Source: City of Hagerstown FY2023 Annual Comprehensive Financial Report

ORDINANCE No. O-24-07

ESTABLISHING THE TAX RATES
FISCAL YEAR JULY 1, 2024 TO JUNE 30, 2025
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, 2024 through June 30, 2025, is hereby established as follows:

A. All real property 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.

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, 2024 up to and including July 31, 2024, 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, 2024 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, 2024 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

Tekesha Martinez, Mayor

Donna K. Spickler
Donna Spickler, City Clerk

Date of Introduction: *May 7, 2024*
Date of Passage: *May 21, 2024*
Effective Date: *July 1, 2024*

O-24-07

ORDINANCE No. O-24-08

ESTABLISHING THE BUDGET FOR
FISCAL YEAR JULY 1, 2024 TO JUNE 30, 2025
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 7, 2024 after fifteen 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, 2024 and ending June 30, 2025, is hereby established as follows:

Funds	Proposed FY25 Budget	Mayor and Council Approved FY25 Budget
General Fund	$ 63,060,559	$ 63,060,559
Community Development Block Grant Fund	1,242,280	1,242,280
Special Revenue Funds	2,419,285	2,419,285
General/Capital Improvement Projects	27,393,522	27,393,522
Total Government Funds	**94,115,646**	**94,115,646**
Electric Fund	33,821,534	33,821,534
Water Fund	27,033,835	27,033,835
Wastewater Fund	33,412,466	33,412,466
Parking Fund	1,852,904	1,852,904
Golf Fund	822,305	822,305
Property Management Fund	537,755	537,755
Stormwater Fund	5,643,629	5,643,629
Total Enterprise Funds	**103,124,428**	**103,124,428**
Service & Trust Funds	12,467,849	12,467,849
Total Combined Uses of Funds	**$ 209,707,923**	**$ 209,707,923**

BE IT FURTHER ORDAINED that the effective date of the budget established herein is July 1, 2024 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

Tekesha Martinez, Mayor

(SEAL)

Donna K. Spickler
Donna Spickler, City Clerk

Date of Introduction: *May 7, 2024*
Date of Passage: *May 21, 2024*
Effective Date: *July 1, 2024*

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

O-24-08

Neighborhoods

City of Hagerstown

OVERVIEW
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City of Hagerstown, Maryland

City Administrator's Department

March 31, 2024

To the Honorable Mayor Tekesha Martinez and the members of the Hagerstown City Council,

The proposed FY25 City of Hagerstown comprehensive budget is submitted for your review and consideration. As we enter the final year of the Keller / Martinez administration, I am very happy and proud to state to the elected body that this budget will complete 100% of the objectives as set forth in the Mayor and Council's 2021 – 2024 strategic plan. The foresight and vision that the body developed in 2021 has proven solid through the test of a post-COVID economy. The objectives set forth have made this community prosperous, safer, vibrant, and resilient. Edward T McMahon, author of *Urban Memory in City Transitions, The Significance of Place in Mind* states "Growth is inevitable and desirable, but destruction of community character is not. The question is not whether your part of the world is going to change. The question is how.". We are indeed experiencing a growth in this community that has not been experienced in decades. That growth, however, does not come without its share of challenges to which your goals and objectives helped to define, and which staff worked hard to detail and address in accordance with your guidance. This FY25 budget sets the stage for the realization of the beginning of a successful journey through this transformation of our City into the next administration and for years to come.

Before going further, I again want to express my sincere appreciation to all City staff involved in the budget development process. All our management staff, most notably our Finance team, have again produced a budget that addresses the needs of the community and the strategic direction provided by this administration, of which you can be proud. Staff have also been able to accomplish this budget offering without the need for a tax rate increase. The FY25 budget is the first one in 3 years that must focus on revenue beyond those grants provided during the COVID crisis by the Federal government. Though to be considered a "normal" budget, it does position the City back to where the attention is paid to those revenues predominately generated through traditional channels such as property taxes, fees, fines, and debt offerings. We have been fortunate enough to have realized successful implementation of projects utilizing the $20.4 million in ARPA Recovery Act funding that provided a much-needed boost to our ability to enhance and introduce services for the taxpayer that otherwise would not have been possible. We are also fortunate to have been able to recognize staff for their commitment to the residents and visitors to the City during that volatile time in our City's history. We are confident that we will meet the December 31 federal deadline for allocation of all our ARPA funding and are appreciative to this administration for its diverse and productive funding of these mentioned and all of the projects benefiting from this program.

As stated, this budget reflects where the Mayor and City Council desired to go in terms of several key areas of the strategic plan and which we will now finalize. I will mention a couple here and expand upon all of them during the budget deliberation process. However, I want to reiterate that we are moving forward with the continuing growth of our community and expansion of City services <u>without a tax rate increase in FY25</u>.

To restate the vision and focus areas put forth and approved by the body in 2021, they are:

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

FOCUS AREAS:
Neighborhood Revitalization and 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
Economic Development through Sports Tourism
Miscellaneous Goals / Legislative Priorities

Staff have been incorporating the vision and focus areas into our daily work processes, including introductions of resolutions and ordinances, agenda setting, and in the development of this proposed budget. I have chosen a couple of focus areas to highlight and can expand on these and others as we go through the proposed budget deliberation cycle.

"Government's first duty and highest obligation is public safety."
Arnold Schwarzenegger

The City has taken great strides in ensuring the residents of and visitors to the City are safe. Arguably the most impactful project undertaken by the Hagerstown Police Department in the last decade has been the acquisition of 16 drones of various sizes and capabilities. These drones provided flexibility and access that neither officers nor vehicles had the ability to obtain. These drones single-handedly addressed and removed the nuisance of street bikes running rampant throughout urban streets, sending a message to those looking to illegally operate these vehicles within the City that there was no safe place for them to go.

We have also listened to the community over the past several years in their desire to provide an alternate response option to our law enforcement efforts. Alternative response units within law enforcement offer a myriad of benefits that complement traditional policing methods, fostering a more comprehensive and nuanced approach to public safety. Firstly, these units often specialize in addressing specific community needs, such as mental health crises, substance abuse issues, and homelessness. By deploying trained professionals equipped with expertise in these areas, alternative response units can de-escalate situations more effectively, reducing the likelihood of violence and promoting outcomes that prioritize individual well-being.

Moreover, these units help alleviate the burden on law enforcement officers by diverting non-violent or low-level incidents away from traditional policing channels. This not only allows police to focus on more serious crimes but also helps prevent unnecessary criminalization of individuals experiencing social or behavioral challenges. By offering tailored interventions, such as access to social services, mental health support, or substance abuse treatment, alternative response units address underlying issues that contribute to crime and public disorder, fostering long-term solutions and community resilience.

Additionally, alternative response units can enhance trust and collaboration between law enforcement agencies and the communities they serve. By engaging with residents in a non-coercive and supportive manner, these units help build positive relationships, increase communication, and promote mutual understanding. This can lead to greater community cooperation, improved reporting of crimes, and enhanced crime prevention efforts, ultimately contributing to safer and more inclusive neighborhoods.

Overall, alternative response units offer a multifaceted approach to law enforcement that prioritizes compassion, collaboration, and community-driven solutions. By embracing innovation and flexibility, these units have the potential to transform the landscape of public safety, fostering healthier, safer, and more resilient communities for all. This budget begins the building of this unit and hopeful the impacts are seen quickly.

"Good is the enemy of great."
Jim Collins

Many municipalities struggle with aging infrastructure such as roads, bridges, water systems, and sewer systems. Repair and maintenance costs can be substantial. This budget looks to pick back up on addressing the infrastructure work that was deferred either during the economic slowdown or the COVID era supply chain struggles which are slowing being resolved through the completion of projects utilizing ARPA funding, capital projects funding through the general fund, and utilities infrastructure upgrades funding through regular operations or external financing.

The City of Hagerstown Water and Wastewater departments manage and maintain one of the highest quality systems in the tri-state area. However, infrastructure that in areas is almost 100 years old is showing its wear and needs replacement. As stated above, these upgrades are extremely costly and will require years of planning and construction to mitigate and complete. This budget begins to address this issue through the proactive maintenance of our systems miles of transmission pipes and pump stations, as well as looking to the future with a master plan for expansion of our system to accommodate the increasing interest and development of lands in Hagerstown and Washington County.

This budget will also transfer from ARPA funding to general funding for a new position of Grants Administrator in our Accounting and Finance department. This position is imperative to help the City identify funding offered by State, Federal, and private foundations to supplement or complement internal City expenditures. The City has for too long, through the inability to focus more closely on this opportunity for funding, allowed sources available to municipalities to go unrecognized. We are hopeful that more intense scrutiny and application to agencies offering these grants will provide even more opportunities to accelerate our capital replacement programs.

"If there is no struggle, there is no progress."
Frederick Douglass

The City will face challenges financially to cover the rising costs of materials, health benefits, pension obligations and employee recruitment and retention. We are experiencing the same high cost and low availability of some materials as are being experienced in the private sector. Though doing the best we can to identify the low-cost options on these materials, you cannot sacrifice quality to maintain low pricing. To that end, our capital improvement plan took on an additional focus of realizing these materials and labor increases in prioritizing those projects that not only will provide the most benefit to the taxpayer but those that will be the most cost efficient to achieve. The ARPA funding that allowed us to pursue projects that had been either sidelined or cut completely is allocated and will expire on December 31, 2024, halfway through this fiscal year.

Of more significant impact to the budget is the rising cost of health insurance. Being a self-insured entity, the City has not raised the premiums for employees in over a decade. Hard decisions are going to have to be made to be able to cover the 16.7% increase in our health insurance costs, which would amount to a $1.2 million additional hit to our budget. Our employee health benefits have been historically a "Cadillac" style system for many years. However, our economic environment and overall health industry increases across the board will require unfortunately more diligent study during this budget year.

We also must work to shore up our Police & Fire Pension fund to ensure that the fund stays solvent for years to come. The City has historically funded 100% of the actuary's recommended employer contribution amount. The employee contribution is 9% with the elected body's approved increases to the City contribution rate covering the shortfall. This is unfortunately an unsustainable situation moving

forward, and we will work with our actuary to ensure that calculations are made that ensure adequate funding to get this pension system to a higher funded percentage over time. Again, this will require some difficult conversations and potentially unpopular outcomes. These decisions will only be made with the viability of the plan, and its benefit to the retiree in mind.

Our third challenge is in the recruitment and retention of staff. We are in an increasingly competitive job market in the post-COVID environment, and we must re-evaluate our pay structure and benefits strategies to ensure we are recruiting the best people we can and retaining the high-quality staff currently employed by the City. We have already begun doing some of this in FY24 with tweaks to our leave policies and compensation plans to retain and recruit a younger generation that may not look at public service as a profession. However, we must do more. This will involve a full evaluation of our pay strategy for both union and non-union personnel. We will also look at our inventory of part-time and seasonal positions and make determinations on viability and compensation given the changing job environment and the higher minimum wage that must be paid.

Though I do appreciate the fact that we have been able to handle budgets over the past several years without tax increases, I feel those days are numbered as we move through this economic environment in which we operate.

"It is hard to argue that housing is not a fundamental human need. Decent, affordable housing should be a basic right for everybody in this country. The reason is simple: without stable shelter, everything else falls apart."
Matthew Desmond, *Evicted: Poverty and Profit in the American City*

Many urban areas face a shortage of affordable housing, leading to issues of homelessness and housing insecurity. Municipalities must find ways to provide affordable housing options for residents. Through legislative means we have been able to streamline the process for the redemption of tax sale properties that are habitually returned to the City from the county as "no-bid" parcels and will continue to work on the movement of these parcels back on to the tax rolls to again have productive use for the community. We must work to provide assurances to our middle- and low-income residents and their families that they will have quality and safe housing stock from which to buy or rent. This involves working on housing programs through our DCED group as well as through the review and enforcement of housing codes. The City can no longer accept situations where disadvantaged or displaced residents have no alternative from which to live either temporarily or permanently that are not built or maintained to a level that provides a quality of life all people deserve. This budget addresses that through continuation of housing assistance programs and the full staffing of the Code Enforcement department.

The City must also step out of the box and look at innovative programs to house those less fortunate or living from place-to-place while providing them the opportunity to get the wrap around services they need to return to a normal living environment. In partnership with local social service agencies, one such program is that of a tiny house village. The focal point of a tiny village is usually the tiny houses themselves. These are small dwellings, typically ranging from a few hundred to a few thousand square feet, designed to maximize space efficiency while minimizing environmental impact. Many tiny villages prioritize sustainability by incorporating green building techniques, renewable energy sources (such as solar panels), and efficient use of resources like water and waste management systems. These villages would provide a safe place to live while also providing those services within the community that are necessary to re-establish active functioning within the community. It would also decrease the number of residents utilizing local hotels as their last, and usually most available and most dangerous, option to live.

"You don't become what you want, you become what you believe."
Oprah Winfrey

The quote above is fitting for this section of the message. The Hagerstown Fieldhouse and Meritus Park have been a vision of elected bodies of the City for decades. Through believing that these projects could be accomplished, and staying steadfast in that belief, reality has arrived. These two facilities, in conjunction with our Fairgrounds Park and Hagerstown Ice Rink, will establish Hagerstown as the "Hub City of Sports Tourism" in our region.

The Hagerstown Fieldhouse is a City project that will enable residents and visitors from our 5-state region to participate in indoor individual and team athletics such as soccer, basketball, volleyball, pickleball, and several other activities. It will fill a void in our region for the ability to have a 365 day a year athletic opportunity while also providing an economic and no strings attached option for our youth to participate.

Meritus Park will be the crown jewel of our downtown and provide tourism and economic development transformation to our City. Having a full-service conference and event facility such as Meritus Park, not to mention a high-quality professional baseball organization again in Hagerstown, will make Hagerstown a destination not just for a day but for an extended stay period. Both projects, as well as the expanded community event and festival calendar, will instill a vibrancy back to our community not seen in decades.

A vibrant community is one where residents actively engage with each other, participate in community events and activities, and feel a strong sense of belonging. Vibrant communities foster opportunities for social interaction through events, gatherings, clubs, and shared spaces. These interactions help build relationships, strengthen social networks, and create a sense of camaraderie among residents. Embracing cultural diversity enriches a community by bringing together people from different backgrounds, traditions, and perspectives. Celebrating cultural festivals, promoting multiculturalism, and supporting inclusive practices contribute to a vibrant community fabric.

A thriving local economy supports community vibrancy by providing job opportunities, supporting local businesses, and promoting entrepreneurship. Vibrant communities often have bustling main streets, farmers' markets, and artisanal shops that contribute to a sense of vitality and identity. Access to arts and cultural activities enhances community vibrancy by inspiring creativity, fostering expression, and creating shared experiences. Cultural institutions, public art installations, community theaters, and music venues contribute to a rich cultural landscape and serve as gathering points for residents. Residents of vibrant communities have a strong sense of pride in their neighborhood or town and feel connected to its history, traditions, and landmarks. Celebrating local heritage, preserving historic sites, and promoting community pride contribute to a sense of identity and belonging.

By nurturing these elements, communities can enhance their vibrancy and create environments where residents thrive socially, economically, culturally, and emotionally. These two projects, our expanded events calendar, and the economic development that will be generated by all of these and more will truly be transformational for Hagerstown and Washington County.

"Optimism isn't a belief that things will automatically get better; it's a conviction that we can make things better."
Melinda Gates

This administration should be proud of the accomplishments they have made during this term, especially given the added curveball of a post-COVID economic environment. The staff is proud to have been able to partner with you in this effort and appreciate your support throughout. As Mayor Martinez so aptly expressed, "Hagerstown is good ground", and the optimism that this community has as a whole in the future of our town is a direct result of your efforts, as well as those of former Mayor Keller and Councilman Bruchey, during this administration. The conviction that this community will be made better is one I am optimistic will continue into the next administration that will take a seat in the second half of FY25. I am hopeful that this budget will directly address and be a vehicle for the continued forward movement of this community.

HAGERSTOWN'S ASSESSABLE BASE AND PROPERTY TAX RATE

The 2024 Constant Yield Tax Rate notice from the State Department of Assessments and Taxation (SDAT) indicates a July 1, 2025 constant yield tax rate of $0.9410 per $100 for all real estate classifications. 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 real estate classifications. This simply means that the current estimates reflect an overall growth of 6.5% in assessed values will occur which would generate approximately $2.1M more in revenue than the current fiscal year if the tax rate remains the same.

FY25 is the second year of the triennial assessment period which means that real estate market values will be reassessed again in December 2025. New developments, renovations within the City's Enterprise Zone area, and annexations continue to play a vital role in the growth of the overall assessed base. As a result, the FY25 Proposed Budget includes a growth estimate of 6.9% instead of the 6.5% estimated by SDAT. 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 66.2% of current revenue sources in the FY25 Proposed Budget or 63.8% 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.

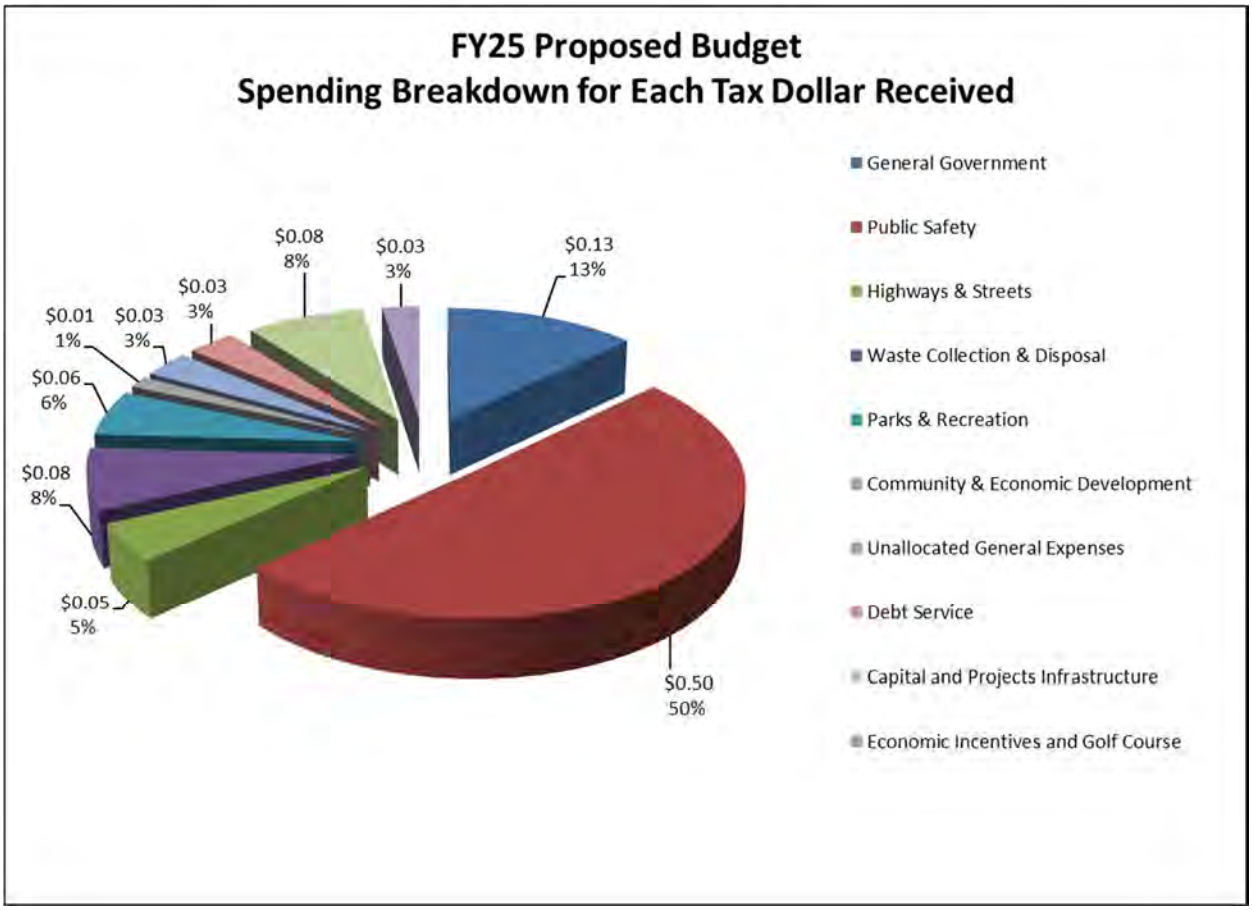
While property tax revenue is important to City operations, it impacts all citizens and business owners. The City strives to be fiscally prudent while balancing the needs of the surrounding community. The below charts reflect costs residential homeowners will pay on average based assessed home value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

Estimated Average Homeowner Tax Bill:

Current Home Values	**1.002** Annual Payment	**1.002** Monthly Average	**1% Assessed Value Change**	**1.002** Annual Payment Change	**1.002** Monthly Average Change
$ 75,000	$ 751.50	$ 62.63	$ 750	$ 7.52	$ 0.63
$ 100,000	$ 1,002.00	$ 83.50	$ 1,000	$ 10.02	$ 0.84
$ 125,000	$ 1,252.50	$ 104.38	$ 1,250	$ 12.53	$ 1.04
$ 150,000	$ 1,503.00	$ 125.25	$ 1,500	$ 15.03	$ 1.25
$ 200,000	$ 2,004.00	$ 167.00	$ 2,000	$ 20.04	$ 1.67
$ 250,000	$ 2,505.00	$ 208.75	$ 2,500	$ 25.05	$ 2.09
$ 300,000	$ 3,006.00	$ 250.50	$ 3,000	$ 30.06	$ 2.51

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

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; and accommodate annual debt service requirements. The chart below reflects a little more detail and specifics on how the City spends each tax dollar received:



AMERICAN RESCUE PLAN ACT OF 2021

The American Rescue Plan Act of 2021 (ARPA) 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 was received in June 2022. As of December 31, 2023, the City has spent $8.1M or 39.8% of ARPA funds. The funding must be spent or appropriated by December 2024. The chart below details total appropriations and spend as of March 31, 2024.

Funding Source: American Rescue Plan Act of 2021 (ARPA)	ARPA Expenditure Category	Capital Project Number	FY21, FY22 & FY23 Actual	FY24 Estimated Actual	FY25 Proposed Budget
General Fund					
Employee Premium Pay	Premium Pay	N/A: Operating	1,517,865	-	-
Accounting Grant Coordinator Position	Administrative	N/A: Operating	159,840	97,717	51,265
Police Body Worn Camera Maintenance Costs	Neg Econ Imp Pub Sect	N/A: Operating	217,644	174,265	174,265
Police Community Outreach Coordinator	Neg Econ Imp Pub Sect	N/A: Operating	77,225	94,393	50,750
Parks Hagerstown Fairgrounds PAL Roof	Revenue Replacement	N/A: Operating	424,332	-	-
FSU HUB@USMH Early Childhood Learning Program	Neg Econ Impact	N/A: Operating	20,250	-	-
Police: Drones	Neg Econ Imp Pub Sect	N/A: Operating	140,371	-	-
Trash Collection Totes	Revenue Replacement	N/A: Operating	38,014	961,986	-
Convention & Vistors Bureau (CVB)	Neg Econ Impact	N/A: Operating	104,381	20,969	-
Goodwill Homeless Quarantine Program	Public Health	N/A: Operating	13,150	-	-
Restaurant Ready Grant Program	Neg Econ Impact	N/A: Operating	-	234,573	-
Heart of the Art - Support Local Artists and Bands	Neg Econ Imp Pub Sect	N/A: Operating	1,400	23,600	-
Public Safety: Facility Emergency Equipment	Neg Econ Imp Pub Sect	N/A: Operating	-	117,841	-
Brothers United Who Care	Neg Econ Impact	N/A: Operating	-	25,000	-
ENVY Initiatives	Public Health	N/A: Operating	-	25,000	-
Economic Assistance for NonProfits - 19 Grants at $961,036	Neg Econ Impact	N/A: Operating	-	961,036	-
32 N Potomac Building: Acquisition	Public Health	45-C0854	800,522	-	-
32 N Potomac Building: Customer Service Payment Kiosk	Neg Econ Impact	45-C0854	-	57,781	-
32 N Potomac Building: Partial Funding Customer Lobby Renovation	Neg Econ Impact	45-C0854	440,327	884,673	-
City Hall Improvements: Elevator	Neg Econ Imp Pub Sect	45-C0326	11,300	1,158	579,322
Fire Ladder Truck: Partial Funding	Revenue Replacement	45-C0010	732,336	467,664	-
Fire Facilities: Natural Gas Generator	Revenue Replacement	45-C0870	-	132,533	-
Fire: Flashover Simulator	Neg Econ Imp Pub Sect	45-C0241	-	-	100,000
Fire: Community Risk Reduction Boards	Neg Econ Imp Pub Sect	45-C0871	-	-	150,000
Hagerstown Ice Rink: Partial Funding Air Quality and Condensation Unit	Public Health	45-C0843	190,425	-	-
Information Technology: 2-Factor Authentication Software	Neg Econ Imp Pub Sect	45-C0006	26,675	-	-
Information Technology: Citywide Software Office 365 Implementation (Telework)	Neg Econ Imp Pub Sect	45-C0006	81,937	79,957	-
Information Technology: Citywide Phone System Upgrade (Telework)	Revenue Replacement	45-C0006	-	-	75,000
Information Technology: Arctic Wolf Software (Cybersecurity)	Revenue Replacement	45-C0006	-	97,907	-
Parks: Wheaton Park Phase II Improvements	Neg Econ Imp Pub Sect	45-C0293	-	-	250,000
Parks: Hellane Park Fence	Neg Econ Imp Pub Sect	45-C0665	-	-	45,000
Police: Firing Range Security Gate and Improvements	Neg Econ Imp Pub Sect	45-C0226	23,900	12,659	40,000
Police: Operation Take Back Cameras	Neg Econ Impact	45-C0130	-	185,029	-
Police: Community Outreach Vehicle	Neg Econ Imp Pub Sect	45-C0129	-	43,200	-
Public Works/Parks: Backhoe	Revenue Replacement	45-C0570	128,414	-	-
Public Works Fuel Station Management and Tank Gauge System	Revenue Replacement	45-C0352	-	12,575	-
Public Works Vehicles: Trash Truck	Revenue Replacement	45-C0065	-	121,875	-
Engineering: Professional Court Extension: Partial Funding	Revenue Replacement	45-C0685	-	1,150,000	-
Engineering: Survey Grade RTK GPS Receiver	Revenue Replacement	45-C0132	-	-	13,000
Engineering: Traffic Signal Upgrades at Antietam Street & Summit Ave & Salem Ave & West Side Ave	Revenue Replacement	45-C0243	-	300,000	500,000
Engineering: Sidewalk Replacement Program	Revenue Replacement	45-C0458	-	-	135,000
Subtotal General Fund:			**5,150,307**	**6,283,391**	**2,163,602**
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	415,137	-	-
East End Pump Station #33: Funding for Construction of new Pump Station at Hebb R	Infrastructure	54-C0565	-	3,000,000	1,700,000
Pump Station #11 Generator Replacement	Revenue Replacement	54-C0352	-	40,927	-
Subtotal Wastewater Fund:			**630,437**	**3,040,927**	**1,700,000**
Parking, Golf, and Stormwater Funds:					
Employee Premium Pay	Premium Pay	N/A: Operating	32,295	-	-
32 N Potomac Building Acquisition (approved in FY22)	Public Health	56-ARP06	24,478	-	-
Hagerstown Field House: Stormwater modifications	Infrastructure	59-C0634	-	-	410,000
Subtotal Parking, Golf, and Stormwater Funds:			**56,773**	**-**	**410,000**
Total ARPA Funding Used			**6,225,057**	**9,324,318**	**4,273,602**

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	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual
Unassigned Fund Balance	12,378	12,563	16,679	15,574	18,383
Total Operating Expenditures	42,625	42,909	43,147	44,364	46,460
Percentage	**29.0%**	**29.3%**	**38.7%**	**35.1%**	**39.6%**
Number of Month Expenditures	**3.5**	**3.5**	**4.6**	**4.2**	**4.7**
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 FY25 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 $1.6M to fund a variety of needs across General Fund departments. As a result of infrastructure needs, bond capacity reserved for the Hagerstown Field House and the 3rd Parking Deck, and strong FB reserves, there is planned utilization of an additional $600.0K in the FY25 Budget. 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	FY25 Proposed Bud
Previously Approved and Reallocated Surpluses:		
City Hall	45-C0326	75,000
Steam Engine Museum	45-C0439	137,000
Consolidation of Public Safety Assets	45-C0687	500,000
Fire Facilities and Temporary Location	45-C0870	890,000
Subtotal Reallocated Use of FB Reserves:		**1,602,000**
Additional FB Reserves:		
Public Safety Technology Cameras	45-C0130	100,000
Public Safety Radios	45-C0849	500,000
Subtotal Additional FB Reserves:		**600,000**
Total General Fund FB Reserves Used		**2,202,000**

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 FY25 Proposed Budget:

City Administered and City Funded Incentive Programs	City Fund	FY25 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		185,000
Home Ownership Grant Program		165,000
Rental Property Rehab Grant Program		80,000
Façade Grant Program		45,000
Partners in Economic Progress (PEP)	**Economic Redevelopment**	
Propety owners & businesses in downtown CC-MU zoning district		131,500
Community Legacy	**Economic Redevelopment**	
Vacant White Elephant Buildings		200,000
Upper Floor Market Rate Housing Development		200,000
Vacant Store Fronts		100,000
Acquisition/Rehab of Blighted Buildings		75,000
Student Housing Rental Guarantee and New Student Housing projects	**Economic Redevelopment**	
USMH Housing rental guarantee		26,000
Single Family Rehab Loans & Rental Rehab Loans	**CDBG**	
Owner-occupied homeowners & investment owners of residential or mixed-use property city wide		33,000
Emergency Repair Grants	**CDBG**	
Owner-occupied homeowners city wide		105,000
Stormwater Management	**SWM**	
Large scale incentive projects		125,000
Total City Administered and City Funded Incentive Programs		**2,005,500**

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 FY25 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 2024 PROJECTED AND FISCAL YEAR 2025 BUDGET

	FISCAL YEAR 2024 PROJECTED ACTUAL					FISCAL YEAR 2025 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	$ -	$ 3,024	$ -	$ -	$ (3,024)	$ -	$ 2,000	$ -	$ -	$ (2,000)
Potterfield Pool	93,200	303,386	-	12,000	(222,186)	93,500	306,053	-	-	(212,553)
Hager House	4,802	58,770	12,500	15,500	(56,968)	4,800	59,639	100,000	200,000	(154,839)
Train Museum	6,028	37,010	-	14,574	(45,556)	3,550	41,263	633,000	793,000	(197,713)
Hagerstown Field House	-	-	601,643	12,592,812	(11,991,169)	-	-	3,525,000	12,090,000	(8,565,000)
All Other Parks*	92,919	2,091,422	740,285	971,072	(2,229,290)	86,357	2,330,393	1,010,500	1,651,000	(2,884,536)
Ice Rink	36,000	95,724	-	108,376	(168,100)	-	95,000	48,000	48,000	(95,000)
All Other Recreation	69,800	466,199	-	31,200	(427,599)	67,900	497,855	-	45,000	(474,955)
Events										
Public Functions	67,502	208,130	-	-	(140,628)	800	210,670	-	-	(209,870)
Recreation	18,154	94,000	-	-	(75,846)	15,600	95,000	-	-	(79,400)
Subtotal General Fund	**388,405**	**3,357,665**	**1,354,428**	**13,745,534**	**(15,360,366)**	**272,507**	**3,637,873**	**5,316,500**	**14,827,000**	**(12,875,866)**
Golf Fund:										
Golf Course	377,900	567,850	-	75,000	(264,950)	388,400	715,305	-	107,000	(433,905)
Subtotal Golf Fund	**377,900**	**567,850**	**-**	**75,000**	**(264,950)**	**388,400**	**715,305**	**-**	**107,000**	**(433,905)**
Parking Fund:										
Parking Decks	570,157	1,440,284	-	11,580,036	(12,450,163)	878,000	1,356,297	-	25,000	(503,297)
Parking Lots	312,140	300,703	-	-	11,437	280,740	299,250	-	10,000	(28,510)
All Other Parking Fund	551,338	108,172	-	10,000	433,166	167,002	162,357	-	-	4,645
Subtotal Parking Fund	**1,433,635**	**1,849,159**	**-**	**11,590,036**	**(12,005,560)**	**1,325,742**	**1,817,904**	**-**	**35,000**	**(527,162)**
Property Management Fund:										
Property Management	281,640	417,606	-	17,700	(153,666)	257,365	444,755	-	90,000	(277,390)
Burobox	(50)	3,500	-	-	(3,550)	-	3,000	-	-	(3,000)
Subtotal Property Management Fund	**281,590**	**421,106**	**-**	**17,700**	**(157,216)**	**257,365**	**447,755**	**-**	**90,000**	**(280,390)**
Total	**$ 2,481,530**	**$ 6,195,780**	**$ 1,354,428**	**$ 25,428,270**	**$ (27,788,092)**	**$ 2,244,014**	**$ 6,618,837**	**$ 5,316,500**	**$ 15,059,000**	**$ (14,117,323)**

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS

During FY24, 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 FY25 Budget decisions.

July 11, 2023	Discussion: 2023 Maryland Legislative Session Wrap-Up and Engagement Agreement with Compass Advocacy Reese Development – Water and Wastewater Service American Rescue Plan Act (ARPA) Quarterly Update and ARPA Nonprofit Funding Request Program Request for Extension to City Water and Wastewater Approval: TC Mid Atlantic Development V, LLC Downtown Event Grant Process
July 18, 2023	Discussion: 911 Center Memorandum of Understanding Field House Update Yiftee – Downtown Gift Card for Main Street Program 2023 Vintage Markets Annexation of 13-17 Western Maryland Parkway Proposed Invest Hagerstown/PEP Guidelines Update Review of Lease Holdover Extension for DLLR Tax Sale Properties Approvals: Revised Grant Agreement for Hagerstown Field House
July 25, 2023	Approvals: Annexation Plan for 13-17 Western Maryland Parkway Introduce Annexation Resolution for 13-17 Western Maryland Parkway Supplemental Lease Agreement with State for State Department of Assessments and Taxation (SDAT) Parking Snow Services Contract with Hartland Earthworks, LLC Memorandum of Understanding (MOU) with County Commissioners for 911 Center Compass Partners Contract Lease Holdover Extension with Maryland Department of Labor, Licensing, and Regulation, Division of Occupational Health TC Mid Atlantic Development V, LLC request for Water and Wastewater Reimburse the Washington County Narcotics Task Force for FY24 Purchase Equipment for Hagerstown Police Department City Wide Camera Expansion Apply for the BJAG- CRO/COAT OT Grant Accept Community Program Fund Grant Accept Maryland Criminal Intelligence Network Grant ARPA State and Local Fiscal Recovery Funds (SLFRF) Non-profit Funding Program
August 1, 2023	Discussion: Urban Tree Grant Program Advanced Metering Infrastructure Letter related to the Financial Incentive agreement for The Holly Project: 72 W. Washington Street

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

August 8, 2023	Discussion: Reallocation of Sumer Camp Funding for R. W. Johnson Community Center Hagerstown Field House Project Progress Update Citywide Trash and Recycling Collection Contract Design of Replacement Traffic Signals Wastewater Treatment Plant: Pelletizer Facility Operations Contract 2023-2024 Police Recruitment Grant Acceptance Approvals: Approve letter related to Financial Incentive Agreement for The Holly Project: 72 W. Washington Street Accept Police Recruitment Grant
August 15, 2023	Discussion: Cultural Trail Design Discussion and Maryland Stadium Authority Washington County Museum of Fine Arts Expansion Project Update Update on Reallocation of Summer Camp Funding for R. W. Johnson Community Center Advanced Metering Infrastructure Deployment Plan
August 22, 2023	Approvals: Reallocate Funding Previously Authorized for the Summer Camp Program Contract with Pay-By-Phone Technologies Addendum to Two Loan Agreements with the Washington County Historical Society, Inc. Agreement with Hagerstown/Eastern Panhandle Metropolitan Planning Organization (HEPMPO) to fund the Hagerstown SS4A Action Plan Funding for Advanced Metering Infrastructure Chesapeake Bay Trust Grant Contract for Trash and Recycling Collection Services Operations Professional Service Agreement for the Pelletizer Facility with New England Fertilizer Company
September 12, 2023	Discussion: Review of Draft County Comprehensive Plan 2040 Antietam Creek Alternate Source Water Supply
September 19, 2023	Discussion: Brighton Manor Stormwater Management Pond Project Update and Deadlines: 49 & 37 Jonathan Street – City Sprouts, LLC BuroBox: 60 W. Washington Street Opening Legislative Priorities Discussion for Maryland General Assembly 2024 Approvals: Introduce Ordinance for Conveyance of City Property and Granting a Temporary Construction Easement to the Board of County Commissioners on Crystal Falls Drive
September 26, 2023	Approvals: Conveyance of City Property and Granting a Temporary Construction Easement to the Board of County Commissioners on Crystal Falls Drive Quit Claim – Alley #2-82A Outgoing Loan Agreement with Washington County Historical Society Amendment to Memorandum of Understanding for School Resource Officers Extension of Invest Hagerstown City Center Redevelopment Grant for 49 and 37 Jonathan Street – City Sprouts, LLC

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

October 3, 2023	Discussion: Community Coalition 2023 Lobbying Review Invest Hagerstown & Partners in Economic Progress (PEP) Guidelines and Application updates Tax Sale Properties Antietam Creek – Alternate Water Supply Source
October 10, 2023	Discussion: Heart of the Civil War Heritage Area Funding Request Restoration of Deputy Fire Chief Position City's Legislative Priorities for 2024 Maryland General Assembly Councilmember Robert E. Bruchey, II resigned from the Council
October 17, 2023	Discussion: Purchase offer for 261 S. Prospect Street Hagerstown Field House: Award for Construction Contract Wholesale Power Services Agreement Municipal Utility Cybersecurity Program Hagerstown Police Department Grant Agreement with Washington County Health Department Contractual Part-time Police Officers
October 24, 2023	Approvals: Annexation of 13 & 17 Western Maryland Parkway Salt Utilization Agreement with Maryland State Highway Administration Authorizing the Sale of 261 S. Prospect Street $ 25,000 ARPA Funding to Support the Hagerstown Youth News Corps Internship Program Subrecipient Agreement between Hagerstown Police Department and Washington County Health Department MOU with Child Advocacy Center MOU with Department of Alcohol, Tobacco, and Firearms After School Program at the Parkside Community Center Addition of Contractual Part-time Police Officers Hagerstown Field House Contract Holiday Parking Hours Funding for a Community Coalition Lobbyist FY24 Invest Hagerstown and Partners in Economic Progress (PEP) Program Guidelines Changes FY24 City Funding Support for Heart
November 6, 2023	Meeting with Washington County Delegation
November 7, 2023	Discussion: Public Artwork: Hub City Garage FY25 Budget – Agency Contributions ARPA Allocations and Update ARPA Nonprofit Funding Recommendations
November 14, 2023	Discussion: Council Vacancy Fire Response Discussion Items for Joint Meeting with Washington County Commissioners Sponsorship Signage at Flying Boxcars Stadium Purchase Offer for 263 S. Prospect Street Request for Proposals for Upper Floor Housing Grant Program Request for Proposals for Strategic Properties Grant Program Invest Hagerstown City Center Redevelopment Grant Application – 105-107 N. Potomac Street ARPA Nonprofit Funding Recommendations Summit Avenue Railroad crossing Aviation Resources Delaware, Inc. (ARDI) Agreement for Community Water Tank MDE Funding: Wastewater Division Hagerstown Police Department Contractual Overtime

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

November 21, 2023	Approvals: Appointment of Councilmember Peter E. Perini, Sr. Authorizing the Sale of Property Located at 263 S. Prospect Street Public Art Agreement for Hub City Garage Revised Subrecipient Agreement for Hagerstown Youth News Corps Internship Program MOU for Washington County Police Academy Power Purchase and Sale Agreement with AEP Energy Partners, Inc. RFP for Strategic Properties Grant Program RFP for Upper Floor Housing Grant Program City Center Redevelopment Grant Application for 105-107 N. Potomac Street – Firehouse Rentals, LLC
December 5, 2023	Approval: Capital Grant Agreement for Field House Discussion: Maryland Theatre Krumpe's Donut Drop Sponsorship Water and Sewer Infrastructure Follow-Up Proposed Amendment to Water and Wastewater Policy Update of County Hazard Mitigation Plan FY24 Axon Respond Plus
December 12, 2023	Approvals: Adopt the 2023 Washington County Hazard Mitigation Plan as the City of Hagerstown's Plan Discussion: FY23 Annual Comprehensive Financial Report FY23 General Fund Surplus Allocation Program Open Space Annual Grant Program ARPA – Nonprofit Funding Recommendations Update for Three Additional Organizations ARPA Restaurant Ready Grant Recommendations ENVY ARPA Discussion Fuel Allowance for Sworn Police Officers and Crime Lab Scientists
December 19, 2023	Discussion: Hagerstown Field House – Award of Furniture, Fixtures, and Equipment Procurement Contract Approvals: Eighteen Non-profit ARPA Subrecipient Agreements Subrecipient Grant Agreement for ARPA Restaurant Ready Grant Program Supplementation Parking Lease Agreement No. 2 for Parking with the State of Maryland, Judiciary, District Court Little League Electricity Only User Agreement with Federal Little League of Hagerstown, Inc. Accept Offer of Dedication for Star Drive, Plateau Court, and Klick Way by Hillside Manor, LLC $ 35,366.00 of ARPA Funding to Support the Child and Adolescent Psychiatric Rehabilitation Program at The Mental Health Center of Western MD, Inc. FY25 Program Open Space Funding Application FY23 General Fund Surplus Allocations Amendment of the City's Water and Wastewater Policy ARPA Spending Plan for ENVY Initiative Amendment No. 1 to the Developer Agreement for the Hagerstown Field House to be located at 290 East Memorial Boulevard

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

January 9, 2024	Approval: Amending City Code, Chapter 33, Code of Ethics, and Chapter 35, Ethics Commission Discussion: City Park Concession Stand Lease Forgiveness Public Art Proposal for Remaining City-owned Land near Park Circle 2024 City of Hagerstown Event Sponsorship Packet
January 18, 2024	Discussion: Public Resources Organizing to End Crime Together (P.R.O.T.E.C.T) Annexation of Building 1 at 55 Oak Ridge Drive Annexation of I-70 Right of Way at 18320 Col. Henry K. Douglas Drive and Col. Henry K. Douglas Drive Right-of-Way Project Update of 51-53 W. Washington Street – Blackthorn Capitol Partners, LLC Request for Extension to Water/Wastewater Policy Approval to Patton Hagerstown, LLC Lease Holdover for Department of Labor, Licensing, and Regulation (DLLR)
January 30, 2024	Approvals: Annexation Plan for 55 Oak Ridge Drive, Building 1 Annexation Resolution for 55 Oak Ridge Drive, Building 1 Annexation Plan for I-70 Right-of-Way, 18320 & 18306 Col. Henry K. Douglas Drive Annexation Resolution for I-70 Right-of-Way, 18320 & 18306 Col. Henry K. Douglas Drive Lease Renewal with WLR Property Management – 25 E. Franklin St. Operation of Hillside Manor Pump Station License Agreement with Ellsworth Properties, LLC for Public Art Patton Hagerstown, LLC Request for Extension of Approval of Water under the City's Water & Wastewater Policy Lease Holdover Extension – Department of Labor, Licensing, and Regulation (DLLR) Amending Invest Hagerstown Grant – 51-53 W. Washington St. Increase Pool Management Contract Amount for 2024 Season Lease Forgiveness - Concession Agreement with Nena's Curbside Café
February 6, 2024	Approval: Memorandum of Understanding for Public Resources Organizing to End Crime Together (P.R.O.T.E.C.T) Discussion: Update on Development Activity Blaine Properties, LP Annexation Legislative Bills Update
February 13, 2024	Discussion: Maryland Heritage Area (MHAA) Grants FY25 for Hager House Visitors' Center Retail Electric Rates FY25-FY27 Pavement Preservation Program
February 20, 2024	Discussion: Housing Authority Merger FY25 Downtown Event Grant Process Approval to Submit Application for FY24 Maryland SOLE Grant ARPA Allocations and Update Heavens Heights Homes, LLC Annexation Circuit Court Location Transient Housing Update Field House Operations Lease Agreement

MAYOR AND COUNCIL FISCAL WORK SESSIONS AND DISCUSSIONS (CONTINUED)

February 27, 2024	Approvals: Annexation of Blaine Properties, LP Acquisition of Property – Hillside Manor Pump Station Introduce Ordinance for Conveyance of Pump Station 30 Lot Property Approve Annexation Plan – Heavens Heights Homes, LLC Introduce Annexation Resolution – Heavens Heights Homes, LLC Addendum to Agreement with Sierra Nevada Corporation Enforce Lease Agreement with DairyOne Terminate User Agreement with American Little League Terminate User Agreement with West End Little League New User Agreement with Hub City Little League Lease Agreement with ESM Hagerstown, LLC for Operation and Maintenance of Hagerstown Field House Terminate the Purchase Agreement for Property on Washington Street and Wakefield Road from Calvary Grace Brethren Church Memorandum of Understanding with State Highway Administration for Intersection Improvements at Potomac Street and Baltimore Street Conversion of Records Specialist Position from Part-Time to Full-Time City-Wide Mowing Contract for 2024 Final FY25 and Draft FY26 and FY27 Pavement Preservation Street Lists
March 5, 2024	State of the City

EMPLOYEE WAGE ADJUSTMENT HISTORY AND FY25 PROPOSED

The following chart reflects the wage adjustments authorized by Mayor and Council through previous Fiscal Years back to FY21. It provides a good history of the City's employee pay adjustments.

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
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 $12.50/hr effective 1/1/22
FY23	**Non-Union:** 3% COLA; one step increase effective on anniversary date **IBEW 307:** Step on employee's anniversary date; 7% COLA for line workers; 3% COLA for all others **AFSCME 1540:** 3% plus step on employee's anniversary date **AFSCME 3373:** Step on employee's anniversary date; step 2-5 varies; average 21% COLA **IAFF 1605:** Step on employee's anniversary date; FAO: step 2-15 varies, 10% average; FF: eliminate step 4-15, step 1-3 13% average; DFM: step 6-15 varies, 5% average; Captain: added steps 14-15, Step 1-11 7% average Minimum wage increased to $13.25/hr effective 1/1/23
FY24	**Non-Union:** 3% COLA, one step increase effective on anniversary date **IBEW 307:** One step on employee's anniversary date; 3% COLA **AFSCME 1540:** One step on employee's anniversary date; 3% increase **AFSCME 3373:** One step on employee's anniversary, Step 16 added for 20 years' service; 14% COLA for step1 **IAFF 1605:** One step on employee's anniversary date; FAO: step 2-15 varies, 8% average; FF: step 1-3, 6% average; DFM: step 4-9, 4% average; Captain: step 6-12 & 14, 3% average Minimum wage increased to $14.00/hr effective 1/1/24
FY25	**Non-Union:** Proposed 3% COLA, one step increase effective on anniversary date, proposed adjustment of 1.5% to Step 14 **IBEW 307:** Pending negotiations, current contract expires June 30, 2024 **AFSCME 1540:** One step on employee's anniversary date; 3% increase **AFSCME 3373:** One step on employee's anniversary, Steps 5-15 and 20 only varies, 2.5% average **IAFF 1605:** One step on employee's anniversary date; FAO: Steps 3-15, 2.4% average; FF: Steps 1-3, 2.2% average; DFM/LTs: Steps 4-15, 3.3% average; Captain: Steps 6-12 and 14-15, 1.4% average Minimum wage increased to $15.00/hr effective 1/1/24

HIGHLIGHTS OF FY25 PROPOSED BUDGET

The following information included in this section of this budget message provides a summary of the key assumptions and highlights of this FY25 Proposed Budget. These highlights explain the most significant topics and assumptions needed in preparing a balanced FY25 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 FY25 Proposed Budget includes 442 funded full-time positions with 307 in the General Fund and 135 in other funds and operations. Additionally, there are 47 unfunded positions with 35 unfunded in the General Fund and 12 unfunded in other funds and operations. The changes in staffing in the General Fund include: 2 full-time civilians for Police Watch Center and eliminating 2 part-time civilian positions; fund 1 full-time Fire Deputy Chief position; creation of 4 sworn part-time officers in Police; proposed conversion of 2 part-time sworn officers to 1 new full-time civilian Alternative Response Team (ART) in Police. The full-time changes have been previously approved by Mayor & Council through February 2024 except for the proposed conversion of 2 part-time for new ART position. While there were no changes to the total staffing count, two ARPA funded positions were scheduled to end on December 31, 2024. Over the next few months, staff will be recommending maintaining those positions (Accounting Grant Coordinator and Police Community Liaison) into the future. A schedule of City staffing for all of our operations along with a five-year history appears later in this Section on pages 30-31.

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 FY25 for three of the City's bargaining units: AFSCME 3373, AFSCME 1540, and IAFF 1605. The IBEW 307 contract was negotiated and approved through FY24 and is pending current negotiations. At the time of budget preparation, the proposed budget includes overall salary enhancement amounts for all full-time staff and includes mandated state minimum wage. A history of wages since FY21 is included in the summary appearing in this Section on Page 18. General Fund employee and retiree benefits detail information is included on Page 9 of Section 6. Due to current high claim trends and an offset of savings in plan changes, it is anticipated that total health costs will be 14.9% more than FY24 estimated actual and 7.6% more than FY24 Budget. The city's consultant for benefits, CBIZ, estimates that overall health insurance will be 19.9% more than current year experience. While the city has absorbed all amounts that could not be achieved through mutually agreeable health plan savings over the last thirteen years, the employees' premium costs have not changed since July 2010 due to collective bargaining contract language. Additionally, the contribution to City Police and Fire Pension will increase to 16% of base salary; which reflects an overall growth of 14.2%. 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 $8.5M, which is a 9.1% growth over the FY24 Budget. In total, pension, health and dental insurance costs for all non-General Fund employees and retirees are $3.5M 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 11.97%, which is an increase of 5.7% over FY24. 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 36 of Section 1. The City plans to issue a new GO bond for the Hagerstown Field House and simultaneously refund the $10.6M Bond Anticipation Note (BAN) on HUB Parking Garage. After the anticipated bond issues in FY25, the City will remain within its 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 FY25 Budget:

Fund	Total FY25 Operating Expenses	Total FY25 Annual Debt Service Expenses	Percent
General Fund	63,061	2,068	3.3%
Electric Fund	29,661	26	0.1%
Water Fund	18,971	2,081	11.0%
Wastewater Fund	17,217	1,636	9.5%
Parking Fund*	1,818	10,960	602.9%
Property Management Fund	448	9	2.1%
Stormwater Management Fund	1,474	57	3.8%
Subtotal of Funds:	**132,650**	**16,838**	**12.7%**

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 MDE bond issues or loans will be needed in FY25 for Water and Wastewater projects. There is one anticipated GO bond issue in FY25 in the General Fund. Total loan and bond issues are reflected below:

Fund	Departments	Project #	Amount
General	Engineering	45-C0041	6,290,795
Enterprise	Water	52-C0167	500,000
Enterprise	Water	52-C0274	2,000,000
Enterprise	Water	52-C0877	250,000
Enterprise	Wastewater	54-C0584	1,500,000
Total FY25 Proposed Bond Financing			**10,540,795**

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 16.

4. **Overview of Capital Improvement Projects (CIP)**: The City's total Capital Improvement Program budget for FY25 at $59.3M is 12.0% lower than the $67.5M in the FY24 Revised Budget. The CIP Section 7 presents comprehensive descriptions of major project needs for FY25 through FY29. 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. **FY25 General Fund Revenues and Expenditures:** The Proposed General Fund revenue of $63.1M for FY25 represents an increase of $2.0M or 3.3% over the FY24 Budget. The largest revenue source in the General Fund is total property tax revenue at $40.3M or 63.8% of all current revenue. Likewise, the Proposed FY25 Budget reflects an increase of $2.0M or 3.3% in General Fund expenditures for a total of $63.1M. The key factors for these increases are summarized in this budget message on subsequent pages 38-40 in this Section. The three largest components of the $63.1M in expenditures are: wages and benefits at $38.6 or 61.2% of total and an increase of 7.1% over FY24 Budget; contracted services at $7.8M or 12.3% of total and an increase of 19.1% over FY24 Budget; and materials, supplies, and utilities at $2.8M or 4.5% of total which is an increase in expenditures of 12.9% over FY24 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

FY25 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 FY25. On page 3 of Section 6, the General Fund reflects a lack of sufficient resources to cover the future projected cost of wages, benefits, debt service, and other operational and capital expenditures in FY26 and beyond. The current projections show a shortfall of $6.9M for FY26 with varying 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):** Despite almost full restoration of historical HUR funding in FY24, future amounts remain in question due to State legislation budget forecasts. Assuming that HUR funding will remain at the FY23 levels, $125.0K of the total $1.5M 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 pages 18-19. 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, 2024

	Total	Yearly Change	Over FY09	One-Time Allotments	Annual Allocation	Yearly Change	Over FY09
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%
FY22 Actual	1,836,144.34	6%	-3%	-	1,836,144.34	6%	-3%
FY23 Actual	1,816,084.86	-1%	-4%	-	1,816,084.86	-1%	-4%
Estimated FY24 based on 9/8/23 memo							
FY24 Projected Annual allotment	2,218,737.00	22%	17%		2,218,737.00	22%	17%
Preliminary Estimated FY25 budget based on 9/8/23 memo							
FY25 Preliminary Budget	1,760,000.00	-21%	-7%	-	1,760,000.00	-21%	-7%

8. **Public Safety:** Public Safety is defined to include several areas within the City. The total dollars spent in Public Safety are significant and utilize a large percentage of every tax dollar. In total, it is expected that all of Public Safety will comprise 50.3% of all total operating expense in the current FY24 and will be 50.5% of all total operating expense in the proposed FY25 budget. The chart below reflects not only the operating costs but also the capital project needs and staffing needs of this component within the City.

CITY OF HAGERSTOWN
PUBLIC SAFETY SCHEDULE
FY24 PROJECTED AND FY25 BUDGET

	FISCAL YEAR 2024 PROJECTED ACTUAL						FISCAL YEAR 2025 PROPOSED BUDGET					
DESCRIPTION	DIRECT REVENUE	DIRECT OPERATING EXPENSE	FUNDING FOR CAPITAL BY EXTERNAL PARTIES	CAPITAL EXPENSES	TOTAL	TOTAL FUNDED FULL-TIME POSITIONS	DIRECT REVENUE	DIRECT OPERATING EXPENSE	FUNDING FOR CAPITAL BY EXTERNAL PARTIES	CAPITAL EXPENSES	TOTAL	TOTAL FUNDED FULL-TIME POSITIONS
General Fund:												
Police Department	$ 3,341,993	$16,652,038	$ 316,979	$1,227,370	$(14,220,436)	109.00	$ 3,302,151	$17,914,495	$ 80,000	$1,161,200	$(15,693,544)	112.00
Fire Department	373,534	10,506,595	2,215,197	3,172,624	(11,090,488)	78.00	274,350	11,373,554	250,000	4,590,000	(15,439,204)	79.00
Code Administration	2,418,565	1,747,200	-	53,890	617,475	17.00	1,798,100	1,897,715	-	35,000	(134,615)	17.00
Signal Department	53,244	494,476	15,000	48,912	(475,144)	6.50	52,500	632,730	-	53,000	(633,230)	6.00
Subtotal Public Safety	**6,187,336**	**29,400,309**	**2,547,176**	**4,502,796**	**(25,168,593)**	**210.50**	**5,427,101**	**31,818,494**	**330,000**	**5,839,200**	**(31,900,593)**	**214.00**
Total Public Safety	**$ 6,187,336**	**$29,400,309**	**$ 2,547,176**	**$4,502,796**	**$(25,168,593)**	**210.50**	**$ 5,427,101**	**$31,818,494**	**$ 330,000**	**$5,839,200**	**$(31,900,593)**	**214.00**
Total General Fund	**$60,055,636**	**$58,982,807**				**305.85**	**$62,444,168**	**$62,436,558**				**303.10**
% Public Safety	**10.30%**	**49.85%**				**68.82%**	**8.69%**	**50.96%**				**70.60%**

9. **Important Supplemental Factors:** There are factors and items that impact the City and community that are or are not included in this FY25 budget:
    a. American Rescue Plan Act of 2021 – The City was awarded $20.4M through the American Rescue Plan Act of 2021 which was received in two deposits over two years. 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 8. FY25 includes $9.1M in ARPA expenditures across all funds. It is anticipated that all ARPA funding will be expended or obligated by December 31, 2024 as required.
    b. General Fund Agency Contributions – A summary of the proposed General Fund appropriations for agency funding appears on page 65 of Section 2. In accordance with the General Fund Agency Funding Policy; the Proposed FY25 Budget includes $205K in funding for City support of community agencies from the General Fund. With the $195K across eight core agencies, the FY25 funding proration as proposed is the same as current FY24 totals. This leaves $10K as unspecified for any miscellaneous requests that Mayor & Council may receive.
    c. Ice Rink – The current contract with HIAAA, the operating manager of the ice rink, expires in June 2024. 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 FY29 for this possibility to be funded primarily by others. A more immediate need has been identified and included in FY26 to replace the ice making system. Subsequent to the budget preparation, discussions have occurred on the timing of the ice making system which may lead to more immediate agenda items on the future of the Ice Rink.
    d. Meritus Park – There is no specific funding included in the five-year projections for the City to fund toward the construction of the new Meritus Park as the State of Maryland has awarded approximately $70M in funding to private organizations to build and manage. However, a 3rd parking deck is included as the City's contribution toward this initiative. It is estimated that Meritus Park will open for the beginning of the new minor league baseball season in May 2024 with the opening of HUB Parking Garage planned for July 2024.

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 FY25 represents 46.2% or $27.4M of the total $59.3M. 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 CIP fund balance use for multiple projects as reflected in the chart below:

Funding Sources	Amount	Percent
Prior Bond Prceeds	6,290,795	23.0%
Contributions, PEG Fees, & Reforestation Funds	82,000	0.3%
Facilities Rent	36,000	0.1%
Fund Balance Use: CIP Fund	6,504,705	23.7%
Fund Balance Use: General Fund	2,202,000	8.0%
ARPA Grant	1,887,322	6.9%
Other Grants	5,373,500	19.6%
HUR	1,635,000	6.0%
Transfers from Other City Funds (Pay-go)	3,382,200	12.3%
Total Funding Sources for General Fund CIPs	**27,393,522**	**100.0%**

Similarly, a breakdown on the spending of this $27.4M by General Fund department is outlined below with specific details to follow in Section 7:

Spend by Department	Amount	Percent
Engineering	15,648,000	57.1%
Fire	4,590,000	16.8%
Information Technology	1,590,000	5.8%
Parks & Recreation	2,737,000	10.0%
Planning & Code Administration	35,000	0.1%
Police	1,161,200	4.2%
Public Works	1,632,322	6.0%
Total Capital Spend by Department:	**27,393,522**	**100.0%**

11. **Hagerstown Field House (CIP45-C0041):** The Hagerstown Field House project started in FY22 with business plan concepts and market feasibility. Eastern Sports Management, the city's partner, conducted several public session meetings as well as interviewed various community stakeholders. This project will be 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 Hagerstown Field House is anticipated to be open at the end of calendar 2024. The total project costs overall including demolition of prior baseball stadium, all preliminary work and studies, engineering drawings, construction ($19.3M) of the new facility, and sports package including all fixture and equipment ($4.4M) is estimated at approximately $26.2M. The chart below provides an overview of the current funding sources to cover this entire project.

Hagerstown Field House	Amount
State of Maryland Capital Grants and SDF Grant Funding	3,750,000
State Highway User Revenue	300,000
Washington County Hotel/Motel and Donation in lieu of 911 Funding	1,466,890
Eastern Sports Management Funding over 20 Years (*Future City Bond Issue*)	7,000,000
ARPA Funds: Stormwater Portion of Project	410,000
City Various Local Funding	4,098,311
City Future Bond Issue	8,948,653
Potential Program Open Space	*225,000*
Total Project Funding Sources	**26,198,854**

12. **Fire Department Capital Project Highlights (CIP45-C0010, CIP45-C0849, CIP45-C0870):** To address fire facility and deployment needs, several individual projects are included in the FY25 Proposed Budget for the Fire Department. These three specific projects total $3.5M or 12.6% of the total project costs for the General Fund. Each of these projects provides opportunities to consolidate administrative staff, command staff, purchase of vehicles and apparatus, and necessary county radio infrastructure upgrades for the department. These projects can be explored independently and separately.

13. **Vehicles:** Overall, the FY25 Budget includes $2.5M for vehicle replacements which represents 9.3% 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 10-12. The chart below summarizes the total amount for vehicles each General Fund department has included in the FY25 Budget:

General Fund Departments	Amount	Percent
Vehicles:		
Fire	1,225,000	48.1%
Parks & Recreation	126,000	4.9%
Planning & Code Amdinistration	35,000	1.4%
Police	611,200	24.0%
Public Works	550,000	21.6%
Subtotal Vehicles:	**2,547,200**	**100.0%**
Grand Total All General Fund CIPs	**27,393,522**	**9.3%**

Other Governmental Fund Highlights:

14. **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 FY25 it is anticipated the CDBG grant entitlement will be $780.0K; which is a <0.1%> decrease from FY24. A history of the City's Entitlement Funding is shown on page 6 of Section 4 and reflects an allocation of growth from FY19 levels. Total CDBG expenditures are projected to be $1.2M in FY25, funded by a combination of new and carry over entitlement funds of $1.1M plus $165.0K in program income. These projected expenditures include: $290.0K for Public Facilities and Improvements; $140.0K to support Public Services; $222.0K in Housing Rehab Projects; $50.0K in Commercial & Industrial Improvements; and $400.3K for overall administration and demolition. A summary of CDBG revenues and expenditures appears on page 5 with more detailed information on pages 6-8.

15. **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 FY25, it is expected that expenditures will be $1.8M. Of the total expenditures, $132K for PEP program rent payments; $575K for various Community Legacy Grant initiatives; $975K combined for Invest Hagerstown incentives; and the remaining $82.6K for general incentives and overall administration. 11850 Indian Lane was sold in August 2023. More detailed information of this Fund is found on pages 10-12.

Enterprise/Business-Type Fund Highlights:

16. **Utility Rates:** A five-year cost rate study is currently in process with the City's consultant for the Water and Wastewater funds. The Water Fund FY25 Proposed Budget includes an average increase of 0.5%. A rate increase of 14.0% is included for FY26, FY27, and FY28 and 3.0% for FY29. The Wastewater Fund FY25 Proposed Budget includes an annual rate increase of 13.0% is anticipated for three years and is included in projections for FY2025/26 through FY2027/28 followed by 3% for FY2028/29. A contract for wholesale energy with AEP Energy Partners was negotiated in FY24 effective June 1, 2024 through December 31, 2026 with a rate of $54.05 per megawatt hour. For all three of our utilities, our customers enjoy some of the lowest service charges in our region.

17. **Electric Fund Projects and Equipment:** The capital projects and equipment purchases are summarized in Section 7 page 31 and total $3.3M for the Electric Fund in FY25. Key purchases and projects include the following: 50-C0090 Electric Vehicles $470.0K; Meter Replacement $1.5M; System Reconductoring $206.5K, and various smaller projects planned. Electric Fund Revenues, Grants, and Private Contributions will provide the funding for all projects included in the FY25 Budget.

18. **Water Fund Capital Projects and Equipment:** In FY25, $8.1M is included for Water Fund capital projects and equipment. These expenditures are summarized beginning on page 34 of Section 7. Key purchases and projects include the following: CIP 52-C0117 Vehicles for $440.0K; CIP 52-C0166 Willson Treatment Plant for $1.7M; CIP 52-C0168 Edgemont Reservoir Improvements for $250.0K; CIP 52-C0274 Mack Water Tank for $2.7M; CIP 52-C0322 Risk and Resiliency/Security $100.0K; CIP 52-C0653 Water Distribution System Meter Program for $575.0K; Willson Transmission Mains for $700.0K; and CIP 52-C0709 Distribution System Rehab – Main Replacement for $420.0K. Water Fund Revenue, Bond Financing, and Private Contributions will fund all projects in FY25.

19. **Water Fund – MDE Loans:** There are several larger, potential projects in the Water Fund that have received initial approval by the Maryland Department of the Environment (MDE) for loan funding. These projects include the Edgemont Reservoir or potential second source of supply, the RCW Transmission Main Project, and the Mack Tank Replacement.

20. **Wastewater Fund Capital Projects and Equipment:** In FY25, $16.2M is included for Wastewater Fund capital projects and equipment and is summarized on page 36 of Section 7. Key purchases and projects include the following: CIP 54-C0004 Vehicles for $369.6K; continuation of CIP 54-C0565 East End Pump Station #33 for $2.9M; and CIP 54-C0574 Pump Station #13 Reconstruction for $2.7M. A combination of ARPA Grant Funding, Bond Financing, Private Contributions, Grants, and Wastewater Fund Revenue will fund all projects.

21. **Hub City Garage (CIP 56-C0173) and Parking Fund Operations:** Due to anticipated construction of a new privately owned Meritus Park in downtown and in conjunction with Mayor & Council's Strategic Plan, the construction of a third parking deck is underway with an expected opening in July 2024. 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 $10.6M Third Parking Deck are included in Section 7 on page 160.
    Several factors 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. Rates for parking decks and parking lots were last approved on July 1, 2021. While no rate increases are reflected separately for FY25, rates are being reviewed to determine overall pricing strategy for rates in the two parking decks and the new HUB City Garage.

22. **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 FY25 Proposed Total Expenditures of $447.8K and Total Revenues of $257.4K. Beginning in FY25, there will be three properties remaining in this fund and only two of those buildings have tenants (Elizabeth Hager Center and 60 West Washington Street). There are also anticipated capital projects that total $90.0K in the FY25 Budget which includes improvements to Elizabeth Hager Center, 60 W Washington Street, and 309 Valley Road. More detailed assumptions through FY29 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 FY25 and beyond, which would mean an increased need for considering contributions from the General Fund.

23. **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 FY25 Proposed Budget projections include revenue from a stormwater utility fee that was effective March 1, 2021. The current rate that became effective January 1, 2023 is $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 45. There are also current operating expenses reflected in the Stormwater Protection Fund for service costs related to stormwater activity.
    a. Stormwater Operating Expenses - $1.5M in FY25 budget in Section 3 on page 43
    b. Stormwater Capital Expenses - $4.2M in FY25 budget in Section 7, pages 14, 45 and 46 in summary

COMBINED USES OF FUNDS
FY25 BUDGET BY FUND

The Proposed FY25 Budget includes $209.7M in expenditures for all of the City's funds. The City's largest operating fund, the General Fund, is projected at $63.1M for the coming year, a 3.3% increase over FY24. Utility operations for next year include $33.8M for the Electric Fund, $27.0M for the Water Fund, and $33.4M for the Wastewater Fund. The City's General Capital Improvement Fund for next year is proposed at $27.4M. The Parking Fund's Budget is $1.9M and the Community Development Block Grant Fund totals $1.2M. These represent Hagerstown's major operating and capital funds. Other Special Revenue funds totaling $2.4M, along with Service and Trust Funds totaling $12.5M, 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.

2024/2025 BUDGET BY FUND

	Revised Budget 2023/2024	Proposed Budget 2024/2025	Increase / (Decrease)	Percent Change
General Fund	$ 61,046,448	$ 63,060,559	$ 2,014,111	3.3%
Community Dev. Block Grant Fund	2,209,198	1,242,280	(966,918)	-43.8%
Special Revenue Funds	4,034,372	2,419,285	(1,615,087)	-40.0%
General/Capital Improvement Projects	34,502,464	27,393,522	(7,108,942)	-20.6%
Total Government-type Funds	101,792,482	94,115,646	(7,676,836)	-7.5%
Electric Fund	32,054,817	33,821,534	1,766,717	5.5%
Water Fund	26,320,830	27,033,835	713,005	2.7%
Wastewater Fund	24,998,930	33,412,466	8,413,536	33.7%
Parking Fund	11,981,732	1,852,904	(10,128,828)	-84.5%
Golf Fund	687,869	822,305	134,436	19.5%
Property Management Fund	631,232	537,755	(93,477)	-14.8%
Stormwater Fund	3,975,019	5,643,629	1,668,610	42.0%
Total Enterprise-type Funds	100,650,429	103,124,428	2,473,999	2.5%
Service & Trust Funds	11,998,082	12,467,849	469,767	3.9%
Total Combined Uses of Funds	**$ 214,440,993**	**$ 209,707,923**	**$ (4,733,070)**	**-2.2%**

COMBINED STATEMENT OF REVENUES AND EXPENDITURES

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE (ALL FUNDS)
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES BY TYPE					
Taxes-Property, Income & Other	$ 44,294,266	$ 45,559,844	$ 47,080,767	$ 48,743,757	7.0%
Charges for Services	69,567,759	72,234,906	68,522,180	77,746,489	7.6%
Licenses and Permits	2,566,286	2,389,300	2,940,400	2,356,000	-1.4%
Fines and Forfeitures	1,279,170	1,291,150	1,341,900	1,343,650	4.1%
Other Governmental	6,561,104	23,610,137	17,203,097	16,641,952	-29.5%
Other / Transfers In	34,709,170	40,746,482	42,989,275	33,819,910	-17.0%
Total Current Revenues	**$ 158,977,755**	**$ 185,831,819**	**$ 180,077,619**	**$ 180,651,758**	**-2.8%**
EXPENDITURES BY DEPARTMENT					
General Government	$ 6,944,200	$ 7,560,843	$ 7,497,217	$ 8,112,355	7.3%
Public Safety	27,336,020	29,901,259	29,400,309	31,818,494	6.4%
Highways & Streets	2,280,600	2,850,679	2,815,468	3,059,008	7.3%
Waste Collection & Disposal	3,232,599	4,502,535	4,529,304	4,875,807	8.3%
Parks and Recreation	2,801,935	3,259,829	3,158,935	3,566,102	9.4%
Community & Economic Development	647,562	779,259	796,161	911,328	16.9%
Community Development Block Grant	1,140,274	2,209,198	2,199,692	1,242,280	-43.8%
Special Revenue Funds	2,667,730	4,034,372	3,680,364	2,419,285	-40.0%
Enterprise Funds	61,353,390	100,650,429	87,097,499	103,124,428	2.5%
Capital Improvement Projects Fund	10,368,417	34,502,464	28,221,619	27,393,522	-20.6%
Service and Trust Funds	12,241,440	11,998,082	11,774,175	12,467,849	3.9%
Non-Departmental General Fund	8,563,171	12,192,044	10,221,509	10,717,465	-12.1%
Total Expenditures	**$ 139,577,338**	**$ 214,440,993**	**$ 191,392,252**	**$ 209,707,923**	**-2.2%**

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

COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2024/25

	GOVERNMENTAL FUND TYPES	ENTERPRISE FUND TYPES	SERVICE AND TRUST FUNDS	COMBINED TOTALS
REVENUES				
Property Taxes	$ 40,262,277	$ -	$ -	$ 40,262,277
Income and Other Taxes	8,481,480	-	-	8,481,480
Licenses and Permits	2,356,000	-	-	2,356,000
Intergovernmental Revenues and Grants	10,456,952	6,185,000	-	16,641,952
Charges for Current Services	5,750,209	61,979,755	10,540,390	78,270,354
Fines and Forteitures	1,127,650	-	-	1,127,650
Administrative Allocation Revenues	1,997,500	-	-	1,997,500
Program Income	191,000	-	-	191,000
Premium on Bonds	-	8,247	-	8,247
Interest on Investments	1,389,725	2,450,800	80,800	3,921,325
Miscellaneous/Other General Revenues	417,405	3,683,425	1,126,276	5,227,106
TOTAL REVENUES	**$ 72,430,198**	**$ 74,307,227**	**$ 11,747,466**	**$ 158,484,891**
EXPENDITURES				
General Government	25,350,355	-	-	25,350,355
Public Safety	37,657,694	-	-	37,657,694
Highways and Streets	4,638,330	-	-	4,638,330
Waste Collection and Disposal	4,875,807	-	-	4,875,807
Parks and Recreation	6,303,102	-	-	6,303,102
Economic and Community Development	911,328	-	-	911,328
Unallocated General Expense	2,046,025	-	-	2,046,025
Debt Service - Principal and Interest	2,067,653	14,770,168	-	16,837,821
Operating Expenses	3,661,565	69,063,766	12,467,849	85,193,180
TOTAL EXPENDITURES	**87,511,859**	**83,833,934**	**12,467,849**	**183,813,642**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**(15,081,661)**	**(9,526,707)**	**(720,383)**	**(25,328,751)**
OTHER FINANCING SOURCES(USES)				
Add Back Depreciation	-	9,807,000	-	9,807,000
Bond Financing Proceeds	-	10,600,000	-	10,600,000
Bond Proceeds - Future Issues	-	-	-	-
Prior Bond Proceeds	6,290,795	-	-	6,290,795
Change in Restricted Cash	-	-	-	-
Developer Contributions	-	-	-	-
MDE Bond Financing	-	4,250,000	-	4,250,000
Operating Transfers from Other Funds	1,428,667	150,000	-	1,578,667
Capital Transfers from Other Funds	3,382,200	-	-	3,382,200
Capital Projects Transfers from General Fund Balance	2,202,000	-	-	2,202,000
Appropriated Use of Fund Balance	8,706,705	-	-	8,706,705
Non-Cash Developer Contributions	-	(686,125)	-	(686,125)
General Fund Balance Transfers (to) Capital Projects	(2,202,000)	-	-	(2,202,000)
Capital Transfers (to) Other Funds	(2,823,120)	(309,080)	-	(3,132,200)
Operating Transfers (to) Other Funds	(1,578,667)	-	-	(1,578,667)
Capital Outlay	-	(32,820,072)	-	(32,820,072)
TOTAL OTHER FINANCING SOURCES (USES)	**15,406,580**	**(9,008,277)**	**-**	**6,398,303**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ 324,919**	**$ (18,534,984)**	**$ (720,383)**	**$ (18,930,448)**
Beginning Fund Balance	**$ 34,113,733**	**$ 200,209,046**	**$ 6,764,076**	**$ 241,086,855**
Less Appropriated Use of Fund Balance	(8,706,705)	-	-	(8,706,705)
Ending Fund Balance	**$ 25,731,947**	**$ 204,368,417**	**$ 6,043,693**	**$ 236,144,057**

(Cash Basis)

STAFFING CHARTS

STAFFING SCHEDULE
DETAIL OF UNFUNDED FULL-TIME POSITIONS
FISCAL YEAR 2024/25

Department / Description	Proposed Unfunded
Parks & Recreation	
Parks Maintenance Worker I-III	4.00
Department Total	**4.00**
Fire Department	
Firefighter	3.00
Fire Training Captain	1.00
Fire Public Safety Educator	1.00
Department Total	**5.00**
Human Resources	
HR Coordinator	1.00
Department Total	**1.00**
Police Department	
Officers	21.00
Department Total	**21.00**
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	**35.00**
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	**47.00**

STAFFING SCHEDULE (FULL-TIME AND PART-TIME POSITIONS ONLY)
FIVE YEAR COMPARISON - AUTHORIZED POSITION COUNT
FISCAL YEARS 2020/21 THROUGH 2024/25

DEPARTMENT	2020/21			2021/22			2022/23			2023/24			2024/25		
	FULL-TIME	UNFUNDED	PART-TIME	FULL-TIME	UNFUNDED	PART-TIME	FULL-TIME	UNFUNDED	PART-TIME	FULL-TIME	UNFUNDED	PART-TIME	FULL-TIME	UNFUNDED	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	-	-	1.34	-	-
Community & Economic Development	6.85	-	1.28	6.15	-	2.00	6.15	-	2.00	6.30	-	-	6.30	-	-
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	6.85	-	1.28	6.15	-	2.00	6.15	-	2.00	6.30	-	-	6.30	-	-
Planning & Code Administration	20.00		2.00	20.00		1.00	21.00		-	21.00		-	21.00		-
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	20.00	-	2.00	20.00	-	1.00	21.00	-	-	21.00	-	-	21.00	-	-
Finance	8.40		-	8.00		-	9.00		-	9.00		-	9.00		-
Support Services & Billing	9.00		3.00	9.00		3.00	10.00		3.00	10.00		1.00	10.00		3.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	17.40	-	3.00	17.00	-	3.00	19.00	-	3.00	19.00	-	1.00	19.00	-	3.00
Information Technology &	6.00	-	-	6.00	-	-	6.00	-	-	6.00	-	-	6.00	-	-
Communications	2.00		2.50	2.00	-	2.50	2.00	-	2.50	2.00		2.00	2.00		2.00
Community Engagement	-	-	-	-	-	-	-	-	-	1.00		1.00	1.00		1.00
**Included Support Services until FY21															
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	8.00	-	2.50	8.00	-	2.50	8.00	-	2.50	9.00	-	3.00	9.00	-	3.00
Human Resources	5.00	-	4.00	4.00	1.00	4.00	4.00	1.00	4.00	4.00	1.00	3.00	4.00	1.00	3.00
Engineering & Parks Division	26.27	4.00	7.28	24.75	4.00	7.28									
Engineering (Without Parks)							10.24	-	1.00	10.44	-	1.00	10.55	-	2.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	26.27	4.00	7.28	24.75	4.00	7.28	10.24	-	1.00	10.44	-	1.00	10.55	-	2.00
Police Sworn	112.00	-	-	104.00	8.00	-	97.00	15.00	-	91.00	21.00	-	91.00	21.00	2.00
Police Administrative/Civilian	16.00	-	13.00	16.00	-	12.00	16.00	-	14.00	18.00	-	12.00	21.00	-	9.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	128.00	-	13.00	120.00	8.00	12.00	113.00	15.00	14.00	109.00	21.00	12.00	112.00	21.00	11.00
Fire	78.00	6.00	-	78.00	6.00	-	78.00	6.00	1.00	78.00	6.00	1.00	79.00	5.00	1.00
Unfunded Positions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions	78.00	6.00	-	78.00	6.00	-	78.00	6.00	1.00	78.00	6.00	1.00	79.00	5.00	1.00
Public Works	24.95	4.00	-	24.95	4.00	-	24.85	4.00	-	25.80	4.00	-	24.90	4.00	1.00
Stormwater (Gen Fund Operations)	*3.86*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parks & Recreation							15.86	4.00	8.00	15.06	4.00	7.00	15.06	4.00	6.25
Unfunded Positions	-	-	-	-	-	-	-		-	-		-	-		-
Total Funded Positions	28.81	4.00	-	24.95	4.00	-	40.71	8.00	8.00	40.86	8.00	7.00	39.96	8.00	7.25
Total General Fund	**321.33**	**14.00**	**33.56**	**305.85**	**23.00**	**32.28**	**303.10**	**30.00**	**36.00**	**300.60**	**36.00**	**28.00**	**303.81**	**35.00**	**30.25**
Unfunded Total - General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions-General Fund	**321.33**	**14.00**	**33.56**	**305.85**	**23.00**	**32.28**	**303.10**	**30.00**	**36.00**	**300.60**	**36.00**	**28.00**	**303.81**	**35.00**	**30.25**
Electric	29.96	5.00	-	28.85	6.00	-	28.85	6.00	-	29.85	6.00	-	28.85	6.00	-
Unfunded Positions		-	-		-	-		-	-		-	-		-	-
Total Funded Positions	29.96	5.00	-	28.85	6.00	-	28.85	6.00	-	29.85	6.00	-	28.85	6.00	-
Water	48.67	4.00	-	50.60	4.00	-	49.60	4.00	-	51.10	4.00	-	52.10	4.00	-
Unfunded Positions		-			-			-			-			-	
Total Funded Positions	48.67	4.00	-	50.60	4.00	-	49.60	4.00	-	51.10	4.00	-	52.10	4.00	-
Wastewater	46.95	2.00	-	45.55	2.00	-	46.55	2.00	-	44.05	2.00	-	44.05	2.00	-
Unfunded Positions		-	-		-	-		-	-		-	-		-	-
Total Funded Positions	46.95	2.00	-	45.55	2.00	-	46.55	2.00	-	44.05	2.00	-	44.05	2.00	-
Stormwater (Enterprise Fund)	-	-	-	5.36	-	-	4.11	-	-	4.01	-	-	3.90	-	-
Golf Course	2.24	-	1.72	2.24	-	1.72	2.24	-	1.00	2.24	-	2.00	2.24	-	2.75
Parking	2.80	-	9.00	2.80	-	9.00	2.80	-	9.00	2.90	-	10.00	3.30	-	11.00
Property Management	0.90	-	0.72	0.90	-	-	0.90	-	-	0.55	-	-	1.05	-	-
Community Dev Block Grant	2.00	-	-	2.70	-	-	2.70	-	-	2.70	-	-	2.70	-	-
Business Revolving Loan Fund	0.15	-	-	0.15	-	-	0.15	-	-	-	-	-	-	-	-
City-wide Staffing Levels	**455.00**	**25.00**	**45.00**	**445.00**	**35.00**	**43.00**	**441.00**	**42.00**	**46.00**	**438.00**	**48.00**	**40.00**	**442.00**	**47.00**	**44.00**
Unfunded Total - City-wide	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Funded Positions - City-wide	**455.00**	**25.00**	**45.00**	**445.00**	**35.00**	**43.00**	**441.00**	**42.00**	**46.00**	**438.00**	**48.00**	**40.00**	**442.00**	**47.00**	**44.00**
General & Oth Govt Operations	**117.48**	**8.00**	**20.56**	**110.70**	**9.00**	**20.28**	**114.95**	**9.00**	**21.00**	**116.30**	**9.00**	**15.00**	**115.51**	**9.00**	**18.25**
Public Safety: (Police & Fire Only)	**206.00**	**6.00**	**13.00**	**198.00**	**14.00**	**12.00**	**191.00**	**21.00**	**15.00**	**187.00**	**27.00**	**13.00**	**191.00**	**26.00**	**12.00**
Enterprise Funds	**131.52**	**11.00**	**11.44**	**136.30**	**12.00**	**10.72**	**135.05**	**12.00**	**10.00**	**134.70**	**12.00**	**12.00**	**135.49**	**12.00**	**13.75**

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
FY22: 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)
FY23: Transitioned/moved Community Engagement from Economic Development umbrella.
FY24 FT Changes: M&C approved during FY23 (1 PT to 1 FT in Econ Develop; 1 PT to 1 FT in Police; 1 new FT temp ARPA Comm Liaison in Police; Unfund 6 vacant sworn positions in Police)
FY25 FT Changes: M&C approved during FY24 (2 FT Civilian in HPD for Watch Center; 1 FT in Fire for Deputy Fire Chief)
FY25 FT Changes not yet approved by M&C: Convert 2 PT sworn officers to 1 FT Alternative Response Team (ART) - new proposed program

GOVERNMENTAL FUNDS - COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2024/2025

	GENERAL	SPECIAL REVENUE	CAPITAL IMPROVEMENT FUNDS	TOTAL
REVENUES				
Property Taxes	$ 40,262,277	$ -	$ -	$ 40,262,277
Income and Other Taxes	6,846,480	-	1,635,000	8,481,480
Licenses and Permits	2,356,000	-	-	2,356,000
Intergovernmental Revenues and Grants	970,397	2,225,733	7,260,822	10,456,952
Charges for Current Services	5,750,209	-	-	5,750,209
Fines and Forfeitures	1,127,650	-	-	1,127,650
Administrative Allocation Revenues	1,997,500	-	-	1,997,500
Program Income	-	191,000	-	191,000
Reforestation Fees	-	-	-	-
Interest on Investments	1,255,000	34,725	100,000	1,389,725
Miscellaneous/Other General Revenues	298,155	1,250	118,000	417,405
TOTAL REVENUES	**60,863,668**	**2,452,708**	**9,113,822**	**72,430,198**
EXPENDITURES				
General Government	8,112,355	-	17,238,000	25,350,355
Public Safety	31,818,494	-	5,839,200	37,657,694
Highways and Streets	3,059,008	-	1,579,322	4,638,330
Waste Collection and Disposal	4,875,807	-	-	4,875,807
Parks and Recreation	3,566,102	-	2,737,000	6,303,102
Economic and Community Development	911,328	-	-	911,328
Unallocated General Expense	2,046,025	-	-	2,046,025
Debt Service - Principal and Interest	2,067,653	-	-	2,067,653
Operating Expenses	-	3,661,565	-	3,661,565
TOTAL EXPENDITURES	**56,456,772**	**3,661,565**	**27,393,522**	**87,511,859**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**4,406,896**	**(1,208,857)**	**(18,279,700)**	**(15,081,661)**
OTHER FINANCING SOURCES(USES)				
Operating Transfers from Other Funds	-	1,428,667	-	1,428,667
Capital Transfers from Other Funds	-	-	3,382,200	3,382,200
Operating Transfers (to) Other Funds	(1,578,667)	-	-	(1,578,667)
Capital Transfers (to) Other Funds	(2,823,120)	-	-	(2,823,120)
Prior Bond Proceeds	-	-	6,290,795	6,290,795
Appropriated Use of Fund Balance	2,202,000	-	6,504,705	8,706,705
Capital Projects Transfers from General Fund Balance	-	-	2,202,000	2,202,000
General Fund Balance Transfers (to) Capital Projects	(2,202,000)	-	-	(2,202,000)
TOTAL OTHER FINANCING SOURCES (USES)	**(4,401,787)**	**1,428,667**	**18,379,700**	**15,406,580**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	$ 5,109	$ 219,810	$ 100,000	$ 324,919
Beginning Fund Balance	**$ 22,514,138**	**$ 3,132,114**	**$ 8,467,481**	**$ 34,113,733**
Less Appropriated Use of Fund Balance	(2,202,000)	-	(6,504,705)	(8,706,705)
Ending Fund Balance	**$ 20,317,247**	**$ 3,351,924**	**$ 2,062,776**	**$ 25,731,947**
DETAIL OF ENDING FUND BALANCES:				
Nonspendable	$ 350,000	$ -	$ -	350,000
Restricted	-	1,327,694	-	1,327,694
Assigned	1,000,000	2,024,230	2,062,776	5,087,006
Unassigned	18,967,247	-	-	18,967,247
Ending Fund Balance	**$ 20,317,247**	**$ 3,351,924**	**$ 2,062,776**	**$ 25,731,947**

SOURCES OF FY25 GENERAL FUND REVENUE

The Proposed General Fund revenue of $63.1M for FY25 represents a 3.3% increase compared to the FY24 Budget. The primary reasons for this increase in General Fund revenue are: $2.6M growth in Property Tax Revenue as a result of an estimated 6.9% growth in assessed values, $1.0M or 17.3% growth in Income & Other Taxes resulting from current trends in State Income Tax and Admissions and Amusement, $1.2M growth in Charges for Services driven by planned trash rate increase, and growing interest from current market rates and cash balance in Unallocated Revenues. There are offsetting decreases in Intergovernmental Revenues from final utilization of ARPA funding being expended and Appropriated Use of Fund Balance for capital infrastructure needs.

The following table illustrates the change in the sources of General Fund Revenues from Revised Budget FY24 to Proposed Budget FY25.

Sources of General Fund Revenue Growth			
FY 24/25 General Fund Budgeted Revenues	**$**	**63,065,668**	
FY 23/24 General Fund Budgeted Revenues	**$**	**61,048,572**	
Revenue Growth (Decrease)		**2,017,096**	**3.3% Increase**
	Sources		
Property Tax Revenue		2,615,977	
Income & Other Taxes		1,012,023	
Licenses & Permits		(33,300)	
Intergovenmental Revenues		(1,352,209)	
Charges for Current Services		1,282,323	
Fine & Forfeitures		(22,500)	
Unallocated Revenues		984,707	
Transfers From Other Funds		(41,925)	
Appropriated Use of Fund Balance		(2,428,000)	
Total	**$**	**2,017,096**	

EXPENDITURES OF FY25 GENERAL FUND RESOURCES

The change in the Proposed General Fund Budget for expenditures in FY25 totals $2.0M representing an 3.3% increase in expenditures from the revised FY24 Budget of $61.0M. The following table illustrates the changes in the use of General Fund budget resources by category of expenditure from FY24 to FY25. The total General Fund expenditure increase is primarily a result of the following: Wages & Benefits; Contracted Services; and Capital Expenditures.

Uses of General Fund Revenue Growth

FY 24/25 General Fund Budgeted Expenditures	**$**	**63,060,559**	
FY 23/24 General Fund Budgeted Expenditures		**61,046,448**	
Expenditure Growth (Decrease)		**2,014,111**	**3.3% Increase**
	Uses		
Wage & Benefits		2,564,177	
Wage & Overhead Allocations		(105,619)	
Contracted Services		1,248,881	
Materials, Supplies & Utilities		(570,843)	
Insurance		35,758	
Capital Expenditures		702,784	
Debt Service		181,039	
Transfers To Other Funds		188,109	
Other Expenditures		197,825	
Fund Balance Transfer		(2,428,000)	
Total	**$**	**2,014,111**	

GENERAL FUND CAPITAL INVESTMENT

The following table summarizes our history of General Fund capital investment since FY08.

Fiscal Year	Capital Outlay	Approriation To CIP Fund	GF Fund Balance Transfer to CIP	Total
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
2021/2022	135,646	1,496,819	4,026,730	5,659,195
2022/2023	199,986	3,175,447	840,000	4,215,432
Estimated Actual:				
2023/2024	290,545	2,471,279	3,230,748	5,992,572
Proposed Budget:				
2024/2025	357,565	2,823,120	2,202,000	5,382,685
2025/2026	359,565	9,849,500	-	10,209,065
2026/2027	379,565	4,063,650	-	4,443,215
2027/2028	384,565	4,149,750	-	4,534,315
2028/2029	394,565	2,869,250	-	3,263,815

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 FY25 above includes the use of General Fund Balance reserves to maintain levels needed for capital improvement projects.

BONDED DEBT OUTSTANDING

In current FY24, the budget included a grand total of $19.3M in GO bond issues for General Fund to help fund the construction of the Hagerstown Field House. Likewise, there was a total of $2.5M in MDE loans for Water Fund projects: $2.0M to replace Mack Tank and $0.5M toward Edgemont Reservoir project. Now, it is anticipated that there will be no bonds issued in FY24.

Due to timing constraints, the FY25 Proposed Budget includes the following GO bond issues: $15.9M General Fund supported bond issue to fund the construction of the Hagerstown Field House and a refunding for the Parking Fund of $10.6M for the Short-term BAN loans for the HUB City Garage.

In addition, the FY25 Proposed Budget includes a $500.0K MDE Loan in the Water Fund for a transmission mains extension project; a $2.0M MDE Loan in the Water Fund to replace the Mack Tank; a $250.0K MDE Loan in the Water Fund for improvements to Water Zone #5; and a $1.5M MDE Loan in the Wastewater Fund for plant equipment upgrades. 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 FY14. 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 general tax supported funds.

Fiscal Year	Total Bonded Debt	General Tax Supported	Self-Supporting Enterprise
2013/2014	66,322,847	15,168,166	51,154,681
2014/2015	75,417,227	18,093,422	57,323,805
2015/2016	70,939,759	16,621,899	54,317,860
2016/2017	73,754,525	20,398,887	53,355,638
2017/2018	69,769,925	19,902,356	49,867,569
2018/2019	68,050,106	21,109,308	46,940,798
2019/2020	61,980,642	18,840,748	43,139,894
2020/2021	56,911,953	16,617,257	40,294,696
2021/2022	51,841,424	14,885,822	36,955,602
2022/2023	58,129,559	13,755,890	44,373,669
2023/2024 Estimated Actual	53,726,006	12,588,179	41,137,827
2024/2025 Proposed Budget	69,462,724	27,328,302	42,134,422
12 Year Increase in Outstanding Debt	**$ 3,139,877**	**$ 12,160,136**	**$ (9,020,259)**

Finally, the City may continue to experience both direct and indirect impacts from 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 FY25 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
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	2,934,391	0.51%	342	4.40%
2022/2023	3,052,635	0.45%	315	2.88%
2023/2024 Estimated Actual	3,272,954	0.38%	288	2.71%
2024/2025 Proposed Budget	3,461,397	0.79%	625	3.40%
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 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Property Tax Revenue	$ 37,646,300	$ 38,256,010	$ 40,262,277	6.9%
Income & Other Taxes	5,834,457	6,740,670	6,846,480	17.3%
Licenses & Permits	2,389,300	2,940,400	2,356,000	-1.4%
Intergovernmental Revenues	2,322,606	2,251,628	970,397	-58.2%
Charges for Current Services	4,467,886	4,566,157	5,750,209	28.7%
Fines & Forfeitures	1,150,150	1,123,100	1,127,650	-2.0%
Administrative Allocation Revenues	1,997,500	1,997,500	1,997,500	0.0%
Contributions & Donations	33,278	37,395	30,965	-7.0%
Interest on Investments	310,000	1,975,000	1,255,000	304.8%
Other Unallocated General Revenues	225,170	275,851	267,190	18.7%
Transfers from Other Funds	41,925	41,925	-	-100.0%
Appropriated Use of Fund Balance	4,630,000	-	2,202,000	-52.4%
Total Current Revenue	**$ 61,048,572**	**$ 60,205,636**	**$ 63,065,668**	**3.3%**

1. Overall Property Tax revenue is estimated to increase from FY24 Budget to FY25 Proposed Budget by $2.6M or 6.9% 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 real property. A second factor is a projected 6.9% growth based on trends in our assessed values in the second 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 66.2% excluding Transfers from Other Funds and Appropriated Use of Fund Balance and 63.8% when including these other funding sources.

2. Intergovernmental Revenues are expected to decrease by $1.4M or 58.2% compared to FY24 Budget due to American Rescue Plan Act funding being utilized and expended through December 2024.

3. In total, Charges for Current Services is anticipated to increase as a result of trash rate increases associated with new trash contract being passed to customers. The quarterly rates will increase from $55 to $73.

4. Interest on Investments are projected to increase overall by $945.0K or 304.8%. This is primarily the result of the Federal Reserve Board increasing interest rates and maintaining consistent cash balances.

5. Appropriated Use of Fund Balance reflects a total request of $2.2M to be utilized from prior years' General Fund balance for a variety of purposes. This represents a decrease of <$2.4M> over FY24 Budget amounts. This total reflects $1.6M in previously approved reserve balance utilization for projects that were delayed. It also includes $600.0K in additional reserves utilization beyond previously approved amounts from FY23 General Fund surplus. 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 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Police	$ 16,786,484	$ 16,652,038	$ 17,914,495	6.7%
Fire	10,668,770	10,506,595	11,373,554	6.6%
Subtotal Public Safety	**27,455,254**	**27,158,633**	**29,288,049**	**6.7%**
Mayor & Council	248,363	217,493	208,858	-15.9%
City Administrator	253,473	249,386	261,069	3.0%
City Clerk	186,354	170,003	190,364	2.2%
Legal Counsel	276,000	281,000	281,000	1.8%
Community Engagement & Farmers Market	425,751	429,153	432,543	1.6%
Communications	296,776	287,762	302,978	2.1%
Finance	1,038,909	1,040,274	1,078,627	3.8%
Information Technology	1,356,824	1,321,438	1,624,461	19.7%
Support Services, Billing & Treasurer	570,002	695,067	647,721	13.6%
Planning & Code Administration	2,307,980	2,226,486	2,436,209	5.6%
City Hall & Annex	347,497	374,139	400,712	15.3%
Engineering & Construction	1,393,581	1,262,581	1,421,807	2.0%
Human Resources	672,068	690,659	723,721	7.7%
Highways, Streets, & Signal Department	3,483,949	3,309,944	3,691,738	6.0%
Waste Collection & Disposal	4,502,535	4,529,304	4,875,807	8.3%
Parks and Recreation	3,259,829	3,157,911	3,566,102	9.4%
Economic & Community Development	779,259	796,161	911,328	16.9%
Retiree Benefits	1,664,540	1,510,025	1,656,025	-0.5%
Contributions to Other Agencies	205,000	205,000	205,000	0.0%
Debt Service	1,886,613	1,628,899	2,067,653	9.6%
Capital Transfers to Other Funds	2,226,279	2,246,279	2,823,120	26.8%
Fund Balance Transfers	4,630,000	3,230,748	2,202,000	-52.4%
Unallocated Expenses/Transfers*	1,579,612	1,400,558	1,763,667	11.7%
Total General Fund	**$ 61,046,448**	**$ 58,418,903**	**$ 63,060,559**	**3.3%**

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

1. Police is anticipated to be $1.1M or 6.7% higher than the FY24 budget. Salaries, benefits, and overtime represent $1.1M of this due to negotiated salary increases for staff, corresponding employer benefit increases, and 3 new full-time positions. In addition, there is an increase in fire arms and body armor with an offsetting decrease for 911 costs to the County.

2. Fire is anticipated to be $704.8K or 6.6% higher than the FY24 budget. Salaries, benefits, and overtime represent $539.8K of the increase due to a negotiated contract and the restoration of a Fire Deputy Fire Chief position. All other categories increased as well.

3. The FY25 Proposed Budget for Information Technology is estimated to be $267.6K or 19.7% higher than FY24 Budget. This increase is due to increasing costs for much needed software and security.

4. The FY25 Proposed Budget for Waste Collection and disposal is estimated to be $373.3K or 8.3% higher than FY24 Budget. This increase is due to new trash totes purchased for City customers using ARPA funding and anticipated increases when the trash services contract expires.

5. The FY25 Proposed Budget for Unallocated Expenses reflects an increase of $184.1K or 11.7%. The primary growth is due to increasing transfers to the Golf Course Fund and Economic Redevelopment Funds plus including a small amount for contingency purposes.

EXPENDITURES BY TYPE

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

	Revised Budget 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Salaries and Wages	$ 24,751,537	$ 24,563,137	$ 26,404,338	6.7%
Employee Benefits	11,279,186	10,794,454	12,190,562	8.1%
Total Wages and Benefits	**36,030,723**	**35,357,591**	**38,594,900**	**7.1%**
Wage & Overhead Allocations	(1,593,068)	(1,171,124)	(1,689,687)	6.1%
Contracted Services	6,526,388	6,517,525	7,775,269	19.1%
Materials, Supplies & Utilities	3,419,101	3,415,723	2,848,258	-16.7%
Insurance	365,433	372,324	401,191	9.8%
Advertising & Printing	221,828	204,048	200,685	-9.5%
Rentals	90,526	100,622	177,071	95.6%
Maintenance & Repairs	2,022,684	1,953,032	2,282,921	12.9%
Vehicle Expenditures	967,765	976,176	1,057,147	9.2%
Professional Development	239,134	211,914	281,440	17.7%
Communication Expenditures	419,154	288,964	433,835	3.5%
Other General Expenditures	1,226,618	754,355	1,118,524	-8.8%
Unallocated General Expenditures	725,089	650,724	550,000	-24.1%
Debt Service	1,886,614	1,628,899	2,067,653	9.6%
Capital Outlay - Non CIP	251,622	290,545	357,565	42.1%
Operating Transfers to Other Funds	1,390,558	1,390,558	1,578,667	13.5%
Capital Transfers to Other Funds	2,226,279	2,246,279	2,823,120	26.8%
Fund Balance Transfer to CIP Fund	4,630,000	3,230,748	2,202,000	-52.4%
Total All Expenditures	**$ 61,046,448**	**$ 58,418,903**	**$ 63,060,559**	**3.3%**

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

1. The $2.6M or 7.1% increase in Total Wages & Benefits reflects salary enhancements for all employee groups including minimum wage increases impacting part-time and seasonal staff. Contracts for collective bargaining groups are in place through June 2025 for AFSCME 1540, AFSCME 3373, and IAFF 1605. Overtime and associated employer benefit costs are anticipated to grow. At a combined total of $38.6M, General Fund Wages & Benefits represent 61.2% of the total annual operating expenditures for FY25 Proposed Budget and is the largest component of all General Fund expenditures.

2. Contracted Services reflects an increase of $1.2M or 19.1% higher than current budget. The largest growing costs is for a new trash contract and credit card fees based on current trends with smaller offsetting decreases in a grant funded professional consultant study, contractual staffing, and ground services.

3. Materials, Supplies & Utilities is projected to decrease <$570.8K> or <16.7%> as a result of a large FY24 purchase of trash totes for all city residents that will be funded with ARPA monies. Most other areas are increasing to include fire volunteer incentives, pool chemicals, electric costs, and various supplies.

4. Professional Development is projected to increase $42.3K or 17.7% as staff participates in more in-person trainings and conferences to strengthen skills needed within the City.

5. The $181.0K or 9.6% increase in Debt Service reflects a significant new bond issue in FY24 to help fund the Hagerstown Field House while continuing to pay all outstanding annual debt service costs.

ENTERPRISE FUNDS

ELECTRIC FUND

	Revised Budget 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Operating Revenues	$ 27,392,490	$ 22,477,450	$ 29,035,850	6.0%
Operating Expenses	27,738,383	23,875,579	29,573,245	6.6%
Operating Income (Loss)	**(345,893)**	**(1,398,129)**	**(537,395)**	**55.4%**
Non-Operating Revenues (Expenses)	42,616	220,616	221,131	418.9%
Gain (Loss) on Fixed Asset Disposal	(15,000)	(15,000)	(15,000)	0.0%
Transfers from (to) Other Funds	(8,200)	(8,200)	(65,920)	703.9%
Capital Contributions & Grants	661,700	739,309	311,125	-53.0%
Increase (Decrease) in Retained Earnings	**335,223**	**(461,404)**	**(86,059)**	**-125.7%**
Add Back Depreciation	1,058,000	1,001,000	1,097,000	3.7%
Capital Outlay/Fixed Assets	(4,285,850)	(2,846,348)	(4,160,500)	-2.9%
Principal Payments on Long-Term Debt	(18,521)	(18,521)	(19,536)	5.5%
Non-Cash Developer Contributions	(380,000)	(457,609)	(186,125)	-51.0%
Net Surplus (Deficit)	**$ (3,291,148)**	**$ (2,782,882)**	**$ (3,355,220)**	**1.9%**

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

1. Electric rate increases have been projected for FY25. The proposed budget reflects a wholesale power supply contract effective June 1, 2024 through December 31, 2026 with AEP Energy Partners at a rate of $54.05 per megawatt hour (MWh).

2. Electric revenue shows an overall 6.0% increase which reflects the continuation of current FY24 customer trends and usage as well as a few new large commercial accounts anticipated.

3. Non-Operating Revenues are expected to increase by 418.9% or $178.5K as a result of higher market rates for Interest Earned .

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

1. Purchased power costs are projected to be higher by 6.7% or $1.4M compared to FY24 Budget and reflects the charge per megawatt hour (MWh) of $54.05 which went into effect on June 1, 2024 and higher utilization trends as experienced in FY24.

2. Depreciation expense from FY24 Budget to FY25 Proposed Budget includes an increase of 3.7% or $39.0K due to increasing infrastructure projects over prior levels.

3. Capital outlay totals for fixed assets are expected to decrease by <$125.4K> to total $4.2M. The Capital Improvement Program, Section 7, provides details on all the Electric Fund projects anticipated for FY25 beginning on page 110.

4. Annual debt service expenditures are expected to increase by 5.5% or $1.0K. 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 2023/2024	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Operating Revenues	$ 14,262,872	$ 14,300,506	$ 14,400,500	1.0%
Operating Expenses	17,980,294	16,018,540	18,558,863	3.2%
Operating Income (Loss)	**(3,717,422)**	**(1,718,034)**	**(4,158,363)**	**11.9%**
Non-Operating Revenues (Expenses)	(171,305)	1,062,047	1,062,620	-720.3%
Transfers from (to) Other Funds	(8,200)	(8,200)	(65,920)	703.9%
Capital Contributions & Grants	2,552,600	2,750,000	750,000	-70.6%
Increase (Decrease) in Retained Earnings	**(1,344,327)**	**2,085,813**	**(2,411,663)**	**79.4%**
Add Back Depreciation	4,144,000	4,014,000	4,229,000	2.1%
Capital Outlay/Fixed Assets	(7,956,859)	(3,695,000)	(8,062,500)	1.3%
Principal Payments on Long-Term Debt	(1,721,015)	(1,721,015)	(1,734,848)	0.8%
Non-Cash Developer Contributions	(300,000)	(250,000)	(250,000)	0.0%
MDE Bond Financing	2,500,000	-	2,750,000	10.0%
MDE Loan Forgiveness	(1,500,000)	(1,500,000)	-	-100.0%
Net Surplus (Deficit)	**$ (6,178,201)**	**$ (1,066,202)**	**$ (5,480,011)**	**-11.3%**

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

1. A new cost rate study is currently in process with the City's consultant. The FY25 Proposed Budget includes an average increase of 0.5%. A rate increase of 14.0% is included for FY26, FY27, and FY28 and 3.0% for FY29. 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 FY25 Proposed Budget includes an increase of 3.2% or $578.6K for total operating expenses. The FY25 Budget includes approved salary enhancements. The current AFSCME 1540 union contract is effective through June 2025. In addition, other primary increases are for drastically rising chemical costs and increases in depreciation due to the planned infrastructure upgrades. The increases are reflected within the Water Fund division as follows: an increase of $67.9K in Transmission & Distribution; an increase in Depreciation of $$85.0K; and an increase of $1.8M in General & Administrative Expenses.

2. Capital Contributions and Benefit Charges are expected to remain decrease <70.6%> or <$1.8M> in FY25 primarily due to MDE Loan Forgiveness and grants received in FY24.

3. Capital outlay totals for fixed assets are estimated to increase by 1.3% or $105.6K. Projects include Mack Water Tank Replacement, Edgemont Reservoir Improvements, Willson Treatment Plant Improvements, and Distribution System Rehabilitation and Main Replacement in the FY25 Proposed Budget figures. In future years, Willson Transmission Mains has $42.8M budgeted for a construction period which continues through FY29; and the Antietam Creek Intake and Water Plant has $29.0M budgeted for design and construction through FY28. The Capital Improvement Program, Section 7, provides details on all the Water Fund projects anticipated for FY25 Budget beginning on page 132.

4. Annual debt service expenditures are expected to increase slightly as reflected in the Principal Payments on Long-Term Debt line above. A $2.8M MDE loan for FY25 planned improvements is anticipated.

WASTEWATER FUND

	Revised Budget 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Operating Revenues	$ 14,078,500	$ 14,946,000	$ 15,359,200	9.1%
Operating Expenses	15,457,375	14,925,790	16,927,057	9.5%
Operating Income (Loss)	**(1,378,875)**	**20,210**	**(1,567,857)**	**13.7%**
Non-Operating Revenues (Expenses)	(220,309)	309,691	644,656	-392.6%
Gain (Loss) on Fixed Asset Disposal	1,500	-	1,500	0.0%
Transfers from (to) Other Funds	(8,200)	(8,200)	(65,920)	703.9%
Capital Contributions & Grants	7,210,480	3,810,480	5,670,000	-21.4%
Increase (Decrease) in Retained Earnings	**5,604,596**	**4,132,181**	**4,682,379**	**-16.5%**
Add Back Depreciation	3,334,000	3,279,000	3,609,000	8.2%
Capital Outlay/Fixed Assets	(9,293,973)	(7,850,927)	(16,195,072)	74.3%
Principal Payments on Long-Term Debt	(1,412,058)	(1,412,058)	(1,411,922)	0.0%
Non-Cash Developer Contributions	(150,000)	(100,000)	(250,000)	66.7%
MDE Bond Financing	-	-	1,500,000	100.0%
Net Surplus (Deficit)	**$ (1,917,435)**	**$ (1,951,804)**	**$ (8,065,615)**	**320.6%**

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

1. A new cost study is currently in process with the City's consultant. The FY25 Proposed Budget includes an average increase of 3.0%. A rate increase of 13.0% is included for FY26, FY27, and FY28 and 3.0% for FY29. The service rate increase is part of a multi-year plan to offset increasing debt service costs, rising depreciation expense, and decreasing capital contributions. Overall total operating revenues reflect an increase of 9.1% or $1.3M in the chart above.

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

1. The FY25 Proposed Budget includes an overall increase of 9.5% or $1.5M for total operating expenses. The FY25 Budget includes approved salary enhancements. The current AFSCME 1540 union contract is effective through June 2025. The other primary reasons for this total increase are an increase in all categories including: plant expenses, laboratory expenses, chemicals, collections, and administrative costs.

2. Capital Contributions & Grants are projected to decrease by <21.4%> or <$1.5M> due to a reallocation of American Rescue Plan Act (ARPA) funding utilized for Capital Improvement Projects. Increases in MDE grants for Pump Station #13 and WWT Plant Equipment offset the ARPA decreases.

3. Capital outlay totals for fixed assets are projected to increase by 74.3% or $6.9M. 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 the FY25 Budget beginning on page 146.

4. A $1.5M MDE Loan for plant equipment upgrades is anticipated for the Wastewater Fund in the FY25 Proposed Budget. Annual debt service expenditures are expected to decrease slightly as reflected in the Principal Payments on Long-Term Debt line above for payment of current outstanding obligations.

PARKING FUND

	Revised Budget 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Operating Revenues	$ 923,640	$ 1,001,372	$ 1,276,940	38.3%
Operating Expenses	1,139,461	1,311,888	1,480,512	29.9%
Operating Income (Loss)	**(215,821)**	**(310,516)**	**(203,572)**	**-5.7%**
Non-Operating Revenues (Expenses)	(511,931)	(100,320)	(277,270)	-45.8%
Transfers from (to) Other Funds	495,312	495,312	(11,320)	-102.3%
Increase (Decrease) in Retained Earnings	**(232,440)**	**84,476**	**(492,162)**	**111.7%**
Add Back Depreciation	263,000	523,900	526,400	100.2%
Capital Outlay/Fixed Assets	(10,305,000)	(11,590,036)	(35,000)	-99.7%
Principal Payments on Long-Term Debt	(32,634)	(32,634)	(10,633,835)	32485.1%
Bond Proceeds	-	-	10,600,000	0.0%
Net Surplus (Deficit)	**$ (10,307,074)**	**$ (11,014,294)**	**$ (34,597)**	**-99.7%**

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

1. Parking rates were last increased for the parking decks and parking lots by Mayor & Council on July 1, 2021. While no rate increases are reflected separately for FY25, rates are being reviewed to determine overall pricing strategy for rates in the two parking decks and the new HUB City Garage. Current parking deck rates in University District and A&E 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.

2. Operating revenues are anticipated to increase by 38.3% or $353.3K from FY24 Budget to FY25 Budget. This is primarily due to the opening of the Hub City Garage and the increase in revenue it is expected to bring in.

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

1. Total operating expenses in the FY25 Proposed Budget reflects an increase of 29.9% or $341.1K. The primary reasons for this increase are the costs associated with opening the Hub City Garage. salary costs, minimum wage increases, benefit increases, and contracted services for new parking deck design. The current AFSCME 1540 union contract is effective through June 2025.

2. Principal Payments on Long-Term Debt will increase $10.6M in FY25 as the Bond Anticipation Note (BAN) for the Hub City Garage is refunded. Bond Proceeds include $10.6M for the issuance of a GO Bond for the construction of the Hub City Garage which is expected to be completed at the end of FY24.

3. Non-Operating Expenses are projected to decrease <45.8%> or <$234.7K> due to a decrease in bond interest expense related to the Hub City Garage.

4. Capital outlay totals for fixed assets are projected to decrease by $10.3M due to the completion of the construction of the Hub City Garage. The Capital Improvement Program, Section 7, provides details on all the Parking Fund projects anticipated for FY25 beginning on page 160.

GOLF COURSE FUND

	Revised Budget 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Operating Revenues	$ 335,400	$ 362,900	$ 378,400	12.8%
Operating Expenses	612,869	567,850	715,305	16.7%
Operating Income (Loss)	**(277,469)**	**(204,950)**	**(336,905)**	**21.4%**
Non-Operating Revenues (Expenses)	3,650	15,000	10,000	174.0%
Transfers from (to) Other Funds	250,000	250,000	150,000	-40.0%
Increase (Decrease) in Retained Earnings	**(23,819)**	**60,050**	**(176,905)**	**0.0%**
Add Back Depreciation	65,900	52,700	74,100	12.4%
Capital Outlay/Fixed Assets	(75,000)	(75,000)	(107,000)	42.7%
Net Surplus (Deficit)	**$ (32,919)**	**$ 37,750**	**$(209,805)**	**537.3%**

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 12.8% or $43.0K from FY24 Budget to FY25 Proposed Budget due to increases in Greens Fees and Sponsorship revenue. The current FY24 trends are higher than FY24 Budget levels and it is anticipated that FY25 will improve slightly more. The last rate adjustments for the Golf Course happened on January 1, 2021.

2. The operating expenses in the FY25 Budget are 16.7% or $102.4K higher than FY24 Budget. An allocation shift for part-time staff between the Golf and Parks department is planned for FY25. The FY25 Budget does include salary enhancements for full-time employees as the current AFSCME 1540 union contract is effective through June 2025.

3. Transfers from Other Funds is projected to decrease by <40.0%> or <$100.0K> due to a decrease in the General Fund subsidy to $150.0K necessary to help offset the expenses and project costs.

4. Capital outlay totals for fixed assets are expected to increase from FY24 Budget to FY25 Budget. The Capital Improvement Program, Section 7, provides details on the Golf Fund project anticipated for FY25 on page 164.

PROPERTY MANAGEMENT FUND

	Revised Budget 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Operating Revenues	$ 472,337	$ 255,440	$ 231,165	-51.1%
Operating Expenses	407,704	417,628	444,404	9.0%
Operating Income (Loss)	**64,633**	**(162,188)**	**(213,239)**	**-429.9%**
Non-Operating Revenues (Expenses)	2,672	22,672	22,849	755.1%
Increase (Decrease) in Retained Earnings	**67,305**	**(139,516)**	**(190,390)**	**-382.9%**
Add Back Depreciation	108,300	105,200	111,200	2.7%
Capital Outlay/Fixed Assets	(220,000)	(17,700)	(90,000)	-59.1%
Principal Payments on Long-Term Debt	(5,992)	(5,992)	(6,036)	0.7%
Net Surplus (Deficit)	**$ (50,387)**	**$ (58,008)**	**$ (175,226)**	**247.8%**

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 decrease by <51.1%> or <$241.2K> due to rental income loss as Community & Economic Development prepares to move from the Elizabeth Hager Center to a newly purchased City building not held by Property Management Fund. In addition, several tenants have vacated rental properties.

2. Total operating expenses in the FY25 Proposed Budget reflect an overall increase of 9.0% or $102.4K compared to the FY24 Budget primarily due to increases in personnel expenses.

3. Non-Operating Revenues (Expenses) are projected to increase by 755.1% or $20.2K from FY24 Budget to FY25 Proposed Budget as a result of an increase interest revenue and maintaining current cash balance.

4. Capital outlay totals for fixed assets are projected to decrease by <59.1%> or <$130.0K> as a result of normal improvements for FY25. The Capital Improvement Program, Section 7, provides details on the various Property Management Fund projects anticipated for FY25 Budget beginning on page 166.

STORMWATER PROTECTION FUND

	Revised Budget 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
Operating Revenues	$ 3,292,000	$3,416,000	$ 3,295,000	0.1%
Operating Expenses	1,334,654	1,132,858	1,355,880	1.6%
Operating Income (Loss)	**1,957,346**	**2,283,142**	**1,939,120**	**-0.9%**
Non-Operating Revenues (Expenses)	6,435	173,435	175,051	2620.3%
Transfers from (to) Other Funds	-	-	(100,000)	100.0%
Capital Contributions & Grants	740,000	136,640	820,000	10.8%
Increase (Decrease) in Retained Earnings	**2,703,781**	**2,593,217**	**2,834,171**	**4.8%**
Add Back Depreciation	138,900	109,000	160,300	15.4%
Capital Outlay/Fixed Assets	(2,621,000)	(1,563,700)	(4,170,000)	59.1%
Principal Payments on Long-Term Debt	(37,374)	(37,374)	(38,981)	4.3%
Net Surplus (Deficit)	**$ 184,307**	**$1,101,143**	**$ (1,214,510)**	**-759.0%**

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

1. The annual Stormwater rate extended through June 2024 is $36.00 per 1000 square feet of impervious surface. A new cost rate plan is currently being calculated by a third-party consultant to adequately cover the future costs associated with this fund and programs.

2. Operating revenues are projected to increase 0.1% or $3.0K in FY25 due to maintaining the current customer base. Non-operating revenues are expected to increase as a result of interest income increasing due to a growing cash balance.

3. Total operating expenses in the FY25 Proposed Budget are anticipated to increase by 1.6% or $21.2K compared to the FY24 Budget due to increases in infrastructure maintenance.

4. Depreciation expense is projected to increase by 15.4% or $21.4K from FY24 Budget to FY25 Proposed Budget due to investment in infrastructure in the fund.

5. Capital outlay totals for fixed assets are projected to increase by 59.1% or $1.5M as a result of a stream restoration, retrofits of existing flood-control stormwater facilities, and normal improvements for FY25. The Capital Improvement Program, Section 7, provides details on the various Stormwater Protection Fund projects anticipated for FY25 Budget beginning on page 169.

SPECIAL REVENUE FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

	Revised Budget 2023/24	Estimated Actual 2023/24	Proposed Budget 2024/25	Percent Change
CDBG Grant Revenues	$ 1,329,630	$ 824,382	$ 1,106,156	-16.8%
Program Income	445,075	578,075	165,075	-62.9%
Total Operating Revenues	**1,774,705**	**1,402,457**	**1,271,231**	**-28.4%**
Commercial/Industrial Improvements	50,000	60,000	50,000	0.0%
Clearance & Demolition	75,000	-	100,000	33.3%
Public Facilities & Improvements	782,788	783,448	290,000	-63.0%
Public Services	231,771	211,771	140,000	-39.6%
Contra Principal Payments	70,000	200,000	140,000	100.0%
Cost of Properties Held for Resale	542,940	542,940	-	-100.0%
Housing Rehab	212,500	229,482	222,000	4.5%
Program Administration	84,896	85,821	92,839	9.4%
Administration	159,303	86,230	207,441	30.2%
Total Operating Expenditures	**2,209,198**	**2,199,692**	**1,242,280**	**-43.8%**
Net Change in Fund Balance	**$ (434,493)**	**$ (797,235)**	**$ 28,951**	**-106.7%**

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

1. Total Revenues reflect an overall decrease of <$503.5K> or <28.4%> from FY24 Budget. This is a result of a decrease in the use of Entitlement monies by <$223.5K> or <16.8%> and from a decrease in program income by <$280.0K> or <62.9%> as it returns to normal levels compared to FY24. 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. Administration is projected to increase by $48.1K or 30.2% for FY25 Budget primarily due to $50.0K budgeted for an updated Consolidated Plan.

2. Public Services are projected to decrease by <$91.8K> or <39.6%> in FY25 due to returning to normal levels in FY24 and final utilization of the one-time CDBG CARES funding.

3. Public Facilities & Improvements are projected to decrease by <$492.8K> or <63.0%> in FY25 due to the completion of large projects being completed in FY24.

4. Cost of Properties Held for Resale is expected to decrease by <$542.9K> or <100.0%> in FY25 due to the one-time sale of 261/263 South Prospect Street in FY24.

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 13 – November 20, 2023	Department review meetings for 1st Quarter FY24 financial operating results
November 30, 2023	First Public Hearing on Community Development Block Grant funding needs
January 2 – January 23, 2024	Department budget requests and start of review meetings between Department Directors and Budget Committee
February 1, 2024	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, 2024	City Administrator's Proposed Budget submitted to Mayor and City Council
April 2 – May 14, 2024	Mayor and City Council review of Proposed Budget and Capital Improvement Program
May 7, 2024	Second Public Hearing on Community Development Block Grant funding needs
May 7, 2024	Introduction of Ordinances: FY25 Budget and Property Tax Rates
May 7, 2024	Public Hearing on FY25 Budget and Capital Improvement Program; Public Hearing on property tax rates
May 14, 2024	Adoption of Ordinances: FY25 Budget and Property Tax Rates

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 Heidi Herman, Senior Financial 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 FY25 Budget. The staff and I look forward to reviewing this proposed budget with you.

Respectfully Submitted,

Scott A. Nicewarner

Scott Nicewarner, City Administrator

Organizational Structure

City of Hagerstown Elected Officials

Mayor
Tekesha
Martinez

Councilmember
Kristin B.
Aleshire

Councilmember
Tiara
Burnett

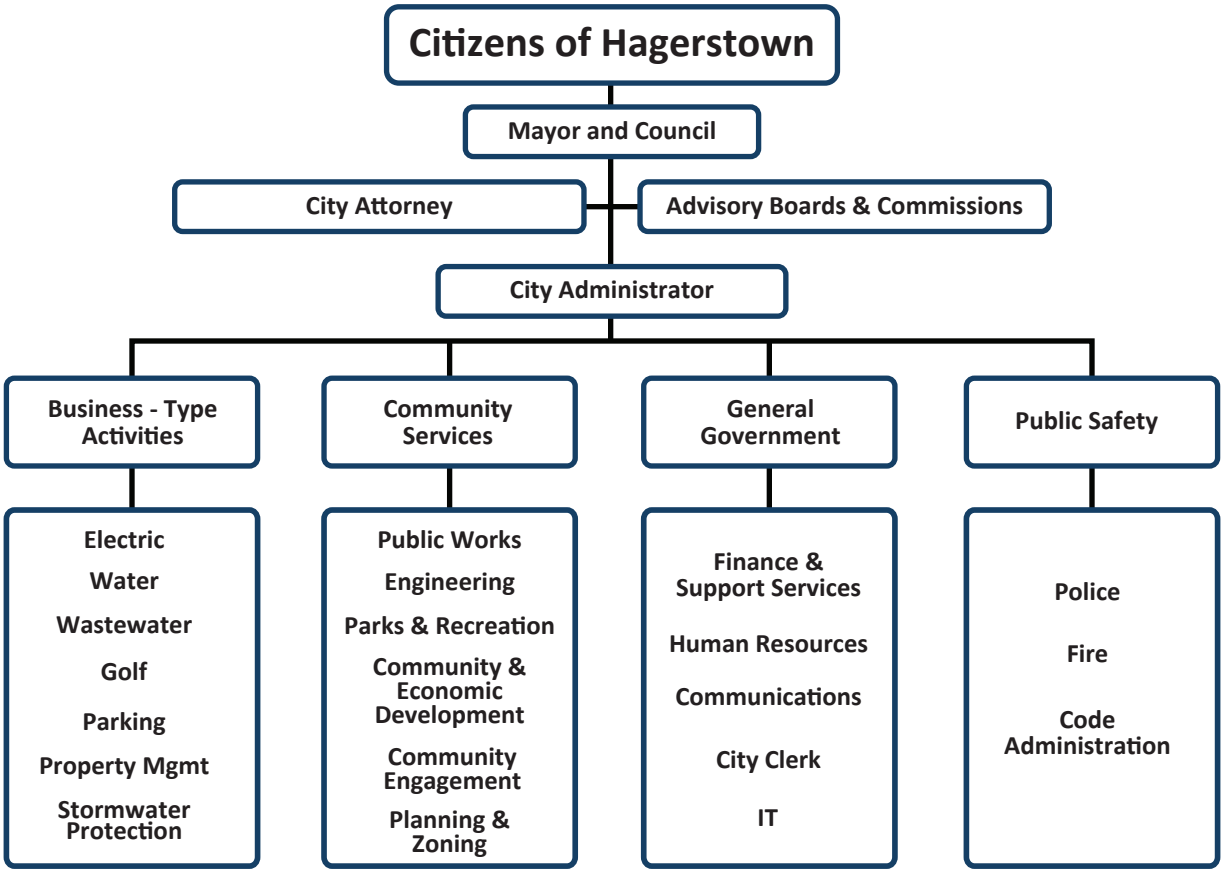
Councilmember
Shelley
McIntire

Councilmember
Peter E.
Perini, Sr.

Councilmember
Matthew J.
Schindler

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
Registration/Elections	General	Governmental	Section 2
City Administrator	General	Governmental	Section 2
City Clerk	General	Governmental	Section 2
Community Engagement	General	Governmental	Section 2
Legal	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
Communications	General	Governmental	Section 2
Planning	General	Governmental	Section 2
Code Administration	General	Governmental	Section 2
Community & Economic Development	General	Governmental	Section 2
City Engineer	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
City Hall	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 Protection	Stormwater Protection 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

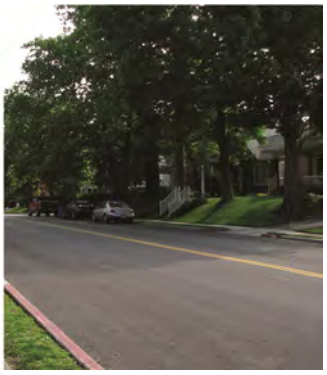
The City of Hagerstown ensures that all who live, work, and play in the City of Hagerstown will be healthy and safe.

- 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.

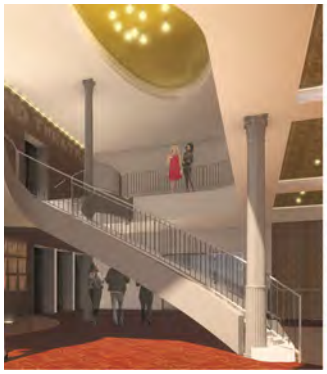


ECONOMIC DEVELOPMENT

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 2024

The Mayor and City Council took office in November 2020 and approved new Goals and Priorities in 2021 that will set the foundation to be built upon during the remaining years of this Administration. The current vision statement: *The City of Hagerstown will inspire an inclusive, business-friendly, and sustainable community with clean, safe and vibrant neighborhoods.* This is the 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 previous years, and may be carried into future years. 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 here, solidify the team's commitment to the City's vision statement.

CITY CLERK

- Continue working to create retention schedules that reflect current Department/Division organization.
- Research Maryland State Archives and Federal government regulations regarding document retention.
- Create outline of databases for specific documents for ease in locating records.

COMMUNITY ENGAGEMENT

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

- Host an Arts and Music Festival within the district
- Offer professional development opportunities for local artists
- Continue to develop new public arts projects
- Apply and receive grant funding for arts and entertainment programming
- Increase corporate sponsorship and volunteer base

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, engage business owners, hold various types of events downtown, and encourage organizations to host their events downtown.
- Establish key community partnerships for involvement in events and initiatives.

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: MDWK Music & Market, artisan markets, HAGERFEST Arts & Music Festival, Thunder in the Square, Mummer's Parade, downtown Tree Lighting, Holly Fest, 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 outdoor, seasonal Historic City Farmers' Market and explore related opportunities.

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 (2014-2024). In 2024, 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 Downtown. 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 economic development, community development, incentive programs and property rehabilitation.

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.
- **Youth Engagement.** Support and grow the initiatives and activities of the Hagerstown Youth 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.

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.** Support the City's Hagerstown Field House project. 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.

- **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.

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 upgrade the bank reconciliation process. This new service will increase efficiency within the department.

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 a text and email communication system that will interface with our current Utility Billing system to provide real time information to our customers/ This will provide citizens with information on power outages, water outages, potential interruption of service, and any other pertinent information.

Implement New Utility Billing and Customer Service Software. Implement a new Utility Billing Software and Customer Service software in FY2025. This will be more user-friendly with quicker access to links in order to meet the needs of customers through the continuing changes the pandemic brought in a more efficient manner. The implementation of a new Billing and CIS Software that will integrate with our online payment portal, InvoiceCloud will provide many additional features for our customers.

Customer Service and Utility Billing Relocation. Customer Service and the Utility Billing operation is scheduled to move their new location, the former M & T Bank building on North Potomac Street, in FY25. This move will offer a drive-up window and a better area inside to assist customers. There will also be an option to accept payments off site in a retail location for customer convenience. There will also be an outside Customer Kiosk. This will offer after hours convenience for our customers to pay bills and check balances.

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

- Continue to plan staffing and service needs for all components of the Hagerstown Fire Department to include both career and volunteer staff.
- Enhance and expand the existing community risk reduction efforts for citizen and neighborhood safety through the addition of staffing to the Fire Marshal's Office.
- Develop a volunteer apprenticeship program to accelerate, improve, and expand recruiting efforts for a more diverse, equitable, and inclusive workforce that mirrors the community we serve.
- Amend the City Charter for the HFD to officially assume responsibility for the elements of an all-hazard mission to include hazardous materials, technical rescue, and prehospital emergency medical services.
- Develop policy and procedure updates for the Fire Marshal Office; fully implement an in-service inspection and pre-planning program for non-sprinklered, commercial buildings using Insurance Service Office (ISO) criteria and dedicate resources to the rental housing and hotel/motel inspection program in concert with existing PCAD programs.
- Implementation of a GIS partnership with City Engineering to identify service demands and assist with planning for standard of cover needs and fire department services.
- Enhanced use of the records management system to document personnel and company training, as well as department service delivery.
- Temporarily relocate all HFD resources from 25 West Church Street, identify a permanent location for HFD Headquarters, and begin planning for construction of the new facility.
- Continue to implement the multi-year renovations and improvement CIP projects to expand our training capabilities at the Bowman Avenue Training Center.

- Implement scenario-based incident command training for all command personnel using simulation software programs.

- Continue fire apparatus replacement on a predetermined, regular schedule to take into consideration the extended industry production timelines and to include additions of specialty support apparatus to meet the HFD all-hazard mission.

- Continue to enhance and expand joint efforts with the six volunteer fire companies of the HFD for the integration of resources that benefit all who live, work, and invest in the City of Hagerstown to foster sustainable and safe neighborhoods.

HUMAN RESOURCES

Oversight of Collective Bargaining Agreements. Human Resources will provide oversight of all four of the City's Collective Bargaining Units for FY2024. The IBEW contract expires on June 30, 2024 and staff will be negotiating the updates.

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 the 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 the 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 prior to FY24. Unfortunately, we have received a difficult increase projection again for FY25. Human Resources will continue working with the Health Care Committee to explore options to minimize the financial and human impacts of this increase. Human Resources will host a Benefits Fair for employees, retirees, and their dependents to provide education about the various benefits plans available prior to launching online open enrollment scheduled for May. We will work to meet various Affordable Care Act requirements for reporting healthcare coverage for employees, retirees and dependents as required by law. We will be focusing on additional ways of engagement to make such events more accessible to all. 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 on-going. 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. Staff will work with IT for the integration of 15 new proximity time clocks, with the purchase of key fobs that can be utilized to grant employees access into the new system. The fobs provide a means for dual uses as they provide employees door access to secure areas and time management, with an eye on reducing costs.

Training. Human Resources will continue utilizing Kantola Training Solutions for a variety of offerings for the 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. We will continue to strengthen our relationship with Hagerstown Community College to ensure our employees receive high-quality Commercial Driver's License training.

Compensation. With three of the four bargaining units having completed contracts and the IBEW contract in negotiations, there will be greater pressure on the compensation system. This will continue to be a primary focus as we move into future fiscal years.

Employee Recognition. In FY2023-24, staff continued to work on our employee recognition programs including the HIP Award Program. In FY2025, HR will continue to focus on ways to recognize our employees. Staff will work with City Administration to host quarterly events for 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 and 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 online) to maintain our required training levels in critical areas.

The City is in the last year of our third-party contract for workers' compensation administration and will work with our broker to secure a new five-year contract.

Recruitment. Staff will look for new ideas to reach a broader, diverse, and well-rounded candidate pool along with new ways to speed up the recruitment process.

INFORMATION TECHNOLOGY

Network Infrastructure Analysis/Upgrade. Staff is consistently reviewing and analyzing of our current network infrastructure, providing recommendations for upgrading of equipment to newer/current hardware technologies as well as continuing a project to increase the operating standard of City network capacity throughput from 1G to 10G. Network connectivity is also being provided to our newest building locations, such as 32N Potomac Street and the new City Parking Deck.

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.

Security Software. City is continuing to implement real-time IT security software that monitors our various endpoints and alerts staff when potential threats are detected. These discrepancies can then be addressed as soon as they are discovered.

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 continued integration into the Office 365 common suite of productivity products.

City Financial System. Staff will continue to work with our software vendor to upgrade the City's financial system (MUNIS) to more current versions, allowing for additional functionality and to increase operational efficiency of services. The City is also exploring a completely new financial software system, which, if adopted, would be implemented over the next two years.

Evidence Barcoding System. Teams are working with vendor partners to implement systems to simplify and streamline the handling of police evidence for various active and historical casework.

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:

- Creating, managing, and disseminating messaging proactively in an effort to provide context, accuracy, transparency, and understanding for and to the public.

- Replacing antiquated video equipment with new equipment that will enable the department to fully tap into today's ever-changing technology in order 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, and departmental staff to increase community engagement and the City's marketability by promoting a unified vision, visibility, and voice through local and regional media outlets, our website, cable channel, and social media platforms.

ENGINEERING DEPARTMENT

- Support the construction and opening of the $70 million *Hagerstown Multi-Use Sports and Events Facility* in downtown. Staff will assist the Maryland Stadium Authority on the Cultural Trail relocation, neighborhood outreach, and logistics affecting City infrastructure.

- Per the Strategic Plan and in partnership with *Eastern Sports Management*, complete construction of a $25 million, 117,000 square foot indoor sports "Field House" at the former municipal stadium site.

- Per the Strategic Plan, complete construction of a $12 million third parking deck at 50 West Antietam Street. The deck is projected to be five levels and hold 397 spaces.

- Per the Strategic Plan, construction of the $2 million renovation 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, construct the second phase of the "Wheaton Park Master Improvement Plan", including a stage and a natural play area.

- Per the Strategic Plan, implement projects to clean and treat stormwater including the North High pond retrofit, Ice and Sports Complex stormwater retrofit, and design the Hamilton Run restoration adjacent Northern Avenue. 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 former City-owned landfill off of Resh Road.

- Complete improvement projects including: renovations to Locomotive #202, installation of a safety beacon on Hagers Crossing Drive near Jonathan Hager Elementary School, design of improvements to the Hager House Visitors' Center, Antietam Creek access at Mt. Aetna Road, installation of sidewalks along Security Road, and improvements at the Burnap parking lot at City Park.

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

PLANNING & CODE ADMINISTRATION

Neighborhood Revitalization and Sustainability

1. Get Bighted Structures back on Tax Roll - clear liens on No Bid, Tax Sale properties and purchase tax certificates; implement plans for demo and/or transfer of 25 properties to others.

2. Demolition of Blighted Properties - put out RFP for demolition contractors on retainer; implement plan to demolish priority blighted properties.

3. Inspection of Never-Inspected Rental Units - continue efforts to finish inspections of rental units which for a variety of reasons have never been inspected in the Rental Facilities program.

4. Improve PCAD policies and laws to protect neighborhoods
    a. Expand abatement ordinance or enact new ordinance for untagged/inoperable motor vehicles, graffiti, and hazard trees.
    b. Amend Property Maintenance Code, Plumbing Code, and Mechanical Code to add provisions suggested as a result of Transient Housing inspections.
    c. Hire contractor to identify short-term rental properties (Airbnb, VRBO, etc.) since these properties are required to be licensed in the Transient Housing program.
    d. Update Billboard Ordinance.
    e. Process 2024 LMC Amendments which will include zoning considerations to facilitate matching of zoning with annexations and other issues of priority.
    f. Update HDC's design review guidelines.

5. Develop partnerships to create a public housing plan and diversify housing balance - use CHOICE Neighborhoods grant project to inform the update to the Housing Element of Comprehensive Plan. State mandate for Comp Plans to include affordable housing assessment and recommendations.

6. Educate property owners about minimum property maintenance standards - conduct community enhancement survey of properties not in a license program to help property owners understand minimum property maintenance code requirements and why they are important.

Public Safety

1. Support the manpower needs of City Police, Fire, Code and Public Works department - continue discussions on need for expanded staffing on the Permit inspection team and Planning's development review team to help cover for heavy workloads and absent inspectors, thus ensuring maintenance of high level of customer service satisfaction.
2. Clear homeless camps from public property - staff will utilize blight funds to remove homeless camps on City-owned property adjoining Antietam Creek which were discovered using drone technology, including an un-approved "BMX course."

Economic Development

1. Update of Community's City Center Plan - participate with DCED on the update to this plan.
2. Review of pre-annexation agreements and continue to explore new annexation opportunities - annex building one at 55 Oak Ridge Drive; annex State land adjoining the 55 Oak Ridge Drive annexation; complete annexation of the Blaine Properties annexation of 2023; annex Heavens Heights Homes LLC

annexation petitioned by current owner; and annex pre-annexation agreement properties as they become contiguous to the city boundaries.

Innovative & Progressive Government

1. High focus on customer service innovations to enhance the customer service experience - continue scanning development plans and plats for ease of PIA administration and to include on City's GIS web page.

POLICE DEPARTMENT

Expansion of Public Safety Technologies. We will continue to enhance surveillance capabilities by (1) broadening our camera network footprint throughout the downtown area, Maryland Avenue, and city parks, (2) grow our innovative Unmanned Aircraft System (drone) program, and (3) expand our civilian-supported watch center enabling us to proactively address crime prevention, emergency response, and public safety concerns more effectively.

Expansion of a robust camera system across strategic locations throughout the city, including areas of Fairgrounds and City Parks, Maryland Avenue, alleyways, and egress points throughout downtown. This expansion will employ state-of-the-art video analytics, enabling our officers to monitor real-time footage, identify potential threats, and respond swiftly to incidents. The camera system will act as a force multiplier, allowing us to extend our surveillance reach and improve situational awareness without significantly increasing manpower.

Continued growth of our current Watch Center as we move to turn it into a "real time crime" watch center that would be staffed 24/7. The existing watch center, which was started in 2020, has already absorbed over 35% of the call volume from our patrol units. Allowing them to transition from "radio reactive" enforcement to proactive policing as they monitor in real time advanced technologies such as gunshot detection warning systems, group gathering analytics, stationary license plate readers, and Axon tools (body cameras, and Tasers will enhance our overall response to situations and ensure the safety of our police officers and the community.

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 as well as 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, and as manpower allows, we will continue to expand the program into more neighborhoods.

Downtown Patrols. Taking into account lessons learned from other law enforcement partners, HPD will develop plans to expand downtown patrols during city events and other activities (i.e., events at the new stadium) that generate large crowds to ensure the safety and security of all participants.

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 The utilization of state of the art Virtual reality training technology is moving our agency ahead of most in the state and region. Additional training utilizing this tool will focus on community expectations of policing in today's world, to include de-escalation, implicit bias, and modern policing tactics.

Recruitment & Retention. Like all other law enforcement agencies, we are faced with challenges in hiring and retention. HPD must continually scan our market and workforce for trends that affect our workforce. We will also continue to focus on identifying non-salary based factors that make the department an attractive place to work.

PUBLIC WORKS

Hub City Garage. The City's third parking garage will open in July 2024. Parking system offices will be relocating to this location at 50 West Antietam Street. Staff will begin to operate this new 398 parking space garage in conjunction with the existing 2 parking decks, parking lots, and street parking.

Meritus Park Parking Challenges. The new Meritus Park ballpark located at 50 West Baltimore Street will open in May of 2024. This will present parking challenges for staff with residential parking and parking in general even with the opening of the Hub City Garage. Our goal is to find practical solutions for adequate parking and manage complaints from the residents along the boundaries of the ballpark.

Customer Service Building. Construction began in 2023 on the remodeling of 32 North Potomac Street (former M&T Bank) that will house the Billing and Community & Economic Development operations. The building will be open by the Summer of 2024. Staff will begin long-term maintenance operations for the interior and exterior of the property including custodial services.

City Hall Renovations. Plans are being finalized for the renovations to the first floor of City Hall that will include a meeting room for 103 people, new restrooms, and a new TV studio. The work cannot begin until Customer Service relocates to 32 North Potomac Street. The work will also include an emergency generator to service the Information Technology server room and HVAC equipment.

Memorial Blvd. and Potomac St. Traffic Control. Complete upgrades to the traffic signals at West Memorial Boulevard and South Potomac Street. The current control system consists of loop wires and 1 camera. The entire system will be replaced with traffic cameras to control traffic flow.

Memorial Blvd. and Eastern Blvd. Traffic Control. Complete upgrades to the traffic signals at West Memorial Boulevard and Eastern Boulevard. Traffic control cameras will be installed to increase efficiencies to traffic flow given the construction of the new Hagerstown Field House at 290 East Memorial Boulevard.

City Hall Elevator Replacement. One of two elevators has completely failed at City Hall being beyond repair due to age. This elevator will almost be completely replaced with new components and hardware. This project was delayed due to elevator vendor issues and supply chain delays. The work is to be completed by December 2024.

Downtown Events. The Recreation Division of Public Works has been tasked with assisting with downtown events whether created in-house or by private parties. Staff will continue assisting current events and creating new events downtown to provide leisurely experiences while promoting the downtown. The Main Street program and City events are now part of the City Administrator's responsibilities under the Community Engagement Officer. Public Works will also assist with the logistics of these events as well.

Citywide Park Improvements. Work to complete the reconstruction of multiple pedestrian bridges (City Park), additions to the Christmas lighting (City Park), step repairs (Fairgrounds Park), roof replacement (Hager Park), trellis repairs (Pangborn Park), roof replacement of the Fairgrounds Concession Stand to name a few.

Hagerstown Field House. Plans are to open the Hagerstown Field House by December 2024. This 117,000 square foot facility will be operated by Eastern Sports Management (ESM) in partnership with the City. This amenity will become part of the Parks system, operated by ESM, and maintained by Parks. Staff will need to learn the facility to keep the building in good operating condition.

Potterfield Pool. The concession stand has been closed for the summer of 2024. This is due to an inability to make the stand financially viable. Staff are working to install vending machines and find food truck providers for this season. Staff will continue to evaluate the concession operations for future years.

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, those looking for a more active lifestyle can enjoy programs like Zumba, golfing, and

soccer. The City also teams up with the YMCA for youth soccer and the Hagerstown Fairgrounds Softball Association for youth and adult softball leagues and tournaments.

The Greens at Hamilton Run. A stream restoration project began in December of 2023 at The Greens at Hamilton Run Golf Course. The project restores an original stream bed across Hole No. 2. Work is to be completed by May 2024. Staff's goal is to operate the golf course around the stream work as it continues to mend as players will not be able to use portions of the course. The course was closed during construction with a goal to open the course on or about May 1, 2024.

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, 378 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.

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 Blvd., in neighborhoods, and along Antietam Creek.

Fleet Operations. The Central Maintenance Garage (CMG) provides fleet management for all City departments. A new supervisor was hired late in 2023 to manage the operations. The goal is to provide superior service to the City departments.

UTILITIES DEPARTMENT

ELECTRIC

System Safety and Reliability. The safety of Light Department employees and City residents is our highest priority and is accomplished by continuous review of work practices, regulations, and training related to high voltage electrical systems. System coordination and reliability studies are ongoing along with the implementation of equipment upgrades to improve the duration and response time during emergency situations.

Customer Service. Staff continue to enhance and automate the work management tracking and accounting processes. The Department continues to maintain a warehouse to ensure all essential parts and equipment are available to efficiently respond to outages and customer service requests. The electric revenue meter replacement program is scheduled to begin with a pilot project during the summer of 2024. The new devices will provide for real-time reads, automated disconnection/reconnection, and real-time voltage/outage detection.

Rate Structure & Revenue. With a projected deficit in FY25, professional services have been contracted to perform a cost-of-service analysis and rate design. The anticipated schedule to file at the Maryland Public Service Commission is by the end of April 2024. The combination of revenue losses, wholesale power supply rates, and wage and benefit increases will force the Department to continue to extend the life of our existing assets as required until a rate increase is approved.

Wholesale Power. The wholesale contract with Energy Harbor will expire on May 31, 2024. A new wholesale purchase power contract with AEP Energy Partners will begin June 1, 2024, with energy delivery terms through December 31, 2026, at $54.05 per MWh plus the administration of the State's renewable energy requirements. A 30.6% increase in customers' bills is anticipated as a result. Staff continues to gather information utilizing consultants, legal counsel, and trade data regarding distributed generation resources to offset the renewable energy standards and/or quantity of purchase power delivered. Any purchase power savings realized will be passed through to the customer base.

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 to 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 31,000 meters.

Water Production Upgrades. Staff are working with Hazen & Sawyer, Black and Veatch, and the MDE to identify a second potable water source on the Antietam Creek – if approved, a new intake will be established and well as the construction of a new potable water treatment plant. The Zone 5 Water System Study will be completed in early FY25 with implementation of improvements beginning in FY26.

Distribution System Upgrades. The Water Division will continue to budget for rehabilitation and main replacement projects utilizing data from the leak detection program. The initial phase of the water transmission main project will begin in late FY24 – this work will include the planning, design, and construction to replace one or both 24" transmission mains at the RC Willson WTP to Fenton Avenue. Work will continue in FY25 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 the existing rate model remains current. This work will include the implementation of a new tariff schedule for FY25-FY27.

WASTEWATER

Wastewater Plant Upgrades. Staff is working with Black and Veatch on the planning and design for improvements at the WWTP – the initial Phase 1 of this project is estimated to cost $20-million. 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. Staff has requested additional funding through the Maryland Department of the Environment Clean Water Act Program for Phase 2 of the WWTP Improvement Project which is estimated to cost an additional $40-million.

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.
Construction is underway for the relocation of Pump Station 9 to address capacity and aging infrastructure concerns. Work is also underway to rebuild Pump Station 13.

Wastewater Five Year Rate Model. Staff will continue to manage the financial operations of the Wastewater Division to ensure the existing rate model remains current. This work will include the implementation of a new tariff schedule for FY25-FY27.

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 continue 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 12.75 square miles; its population is 43,701 according to the most recent 2022 census population estimate.

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

The City Administrator serves as the chief administrative officer of the City and is responsible to the Council for the administration of all City affairs. The 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:

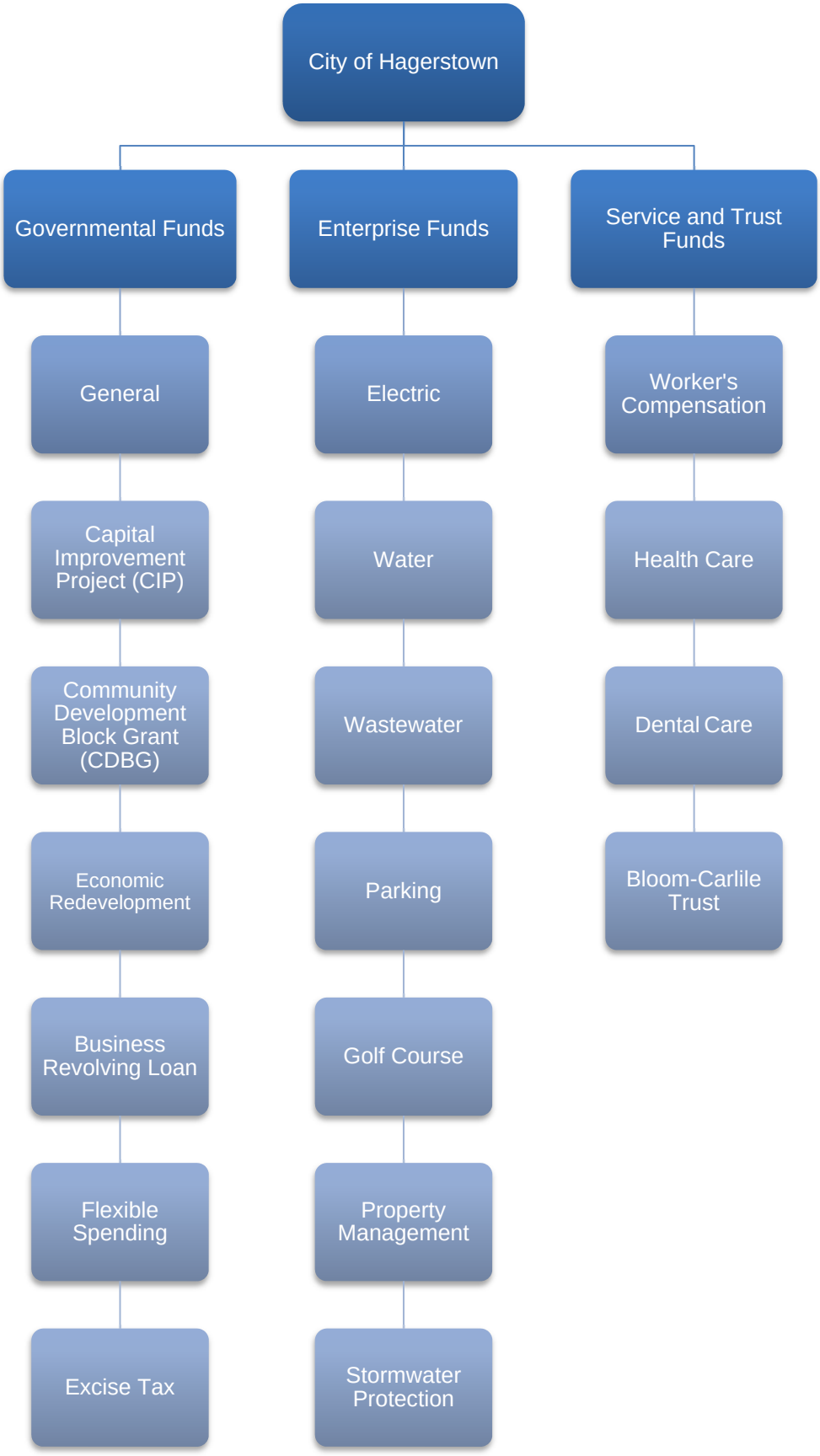
Trust Funds - These funds are used to account for assets held by the City in a trustee capacity. The Bloom-Carlile Trust Fund operates as a Trust Fund.

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

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Public Safety

City of Hagerstown

GENERAL FUND
SECTION 2

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STATEMENT OF REVENUE,EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES BY TYPE					
Property Taxes	$ 36,004,233	$ 37,646,300	$ 38,256,010	$ 40,262,277	6.9%
Income and Other Taxes	6,608,048	5,834,457	6,740,670	6,846,480	17.3%
Licenses and Permits	2,566,286	2,389,300	2,940,400	2,356,000	-1.4%
Intergovernmental Revenues	1,087,802	2,322,606	2,251,628	970,397	-58.2%
Charges for Current Services	3,703,406	4,467,886	4,566,157	5,750,209	28.7%
Fines and Forfeitures	969,494	1,150,150	1,123,100	1,127,650	-2.0%
Unallocated General Revenues	3,509,342	2,565,948	4,285,746	3,550,655	38.4%
Transfers from Other Funds	684,375	41,925	41,925	-	-100.0%
Appropriated Use of Fund Balance	-	4,630,000	-	2,202,000	-52.4%
Total Current Revenues	**$ 55,132,986**	**$ 61,048,572**	**$ 60,205,636**	**$ 63,065,668**	**3.3%**
EXPENDITURES BY DEPARTMENT					
0101001-Council	131,804	153,778	137,780	131,293	-14.6%
0101002-Mayor	86,984	94,585	79,713	77,565	-18.0%
0103001-City Administrator	249,825	253,473	249,386	261,069	3.0%
0103002-City Clerk	169,645	186,354	170,003	190,364	2.2%
0103004-Legal Counsel	228,291	276,000	281,000	281,000	1.8%
0103005-Community Engagement	377,768	425,751	428,129	432,543	1.6%
0103006-Communications	285,258	296,776	287,762	302,978	2.1%
0107001-Finance & Accounting	1,060,368	1,038,909	1,040,274	1,078,627	3.8%
0107200-Information Technology	1,265,620	1,356,824	1,321,438	1,624,461	19.7%
0107201/203-Customer Services/Billing & Treasurer	657,240	570,002	695,067	647,721	13.6%
0109001-Planning	416,342	484,445	473,286	527,694	8.9%
0109002-Annexation	(8,607)	10,800	6,000	10,800	0.0%
0109003-City Hall	263,070	318,847	350,089	340,412	6.8%
0109004-Engineering & Construction	1,122,243	1,393,581	1,262,581	1,421,807	2.0%
0109005-Human Resources	620,106	672,068	690,659	723,721	7.7%
0124010-City Hall Annex*	18,243	28,650	24,050	60,300	110.5%
Total General Government	6,944,200	7,560,843	7,497,217	8,112,355	7.3%
0110XXX-Police Department	15,591,217	16,786,484	16,652,038	17,914,495	6.7%
0112001-Fire Department	9,764,870	10,668,770	10,506,595	11,373,554	6.6%
0114001-Code Administration	1,477,891	1,812,735	1,747,200	1,897,715	4.7%
0116XXX-Signal Department	502,042	633,270	494,476	632,730	-0.1%
Total Public Safety	27,336,020	29,901,259	29,400,309	31,818,494	6.4%
0121001-Snow Removal	61,921	386,100	385,000	386,100	0.0%
0123XXX-Gas Station & Maint Garage	708,777	712,058	650,590	718,650	0.9%
0124001-PW & Street Operations	1,381,594	1,621,441	1,639,362	1,790,521	10.4%
0124008-Central Equipment Building	128,308	131,080	140,516	163,737	24.9%
Total Highways & Streets	2,280,600	2,850,679	2,815,468	3,059,008	7.3%
0130001-Waste Collection & Disposal	3,232,599	4,502,535	4,529,304	4,875,807	8.3%
0140001-Department of Recreation	587,537	669,127	655,923	687,855	2.8%
0140202-Swimming Pools	248,375	229,359	303,386	306,053	33.4%
0140204-Farmers Market	12,798	-	1,024	-	0.0%
0140401-Municipal Stadium	8,704	11,311	11,400	37,100	228.0%
0140402-Hager House	52,041	52,709	58,770	59,639	13.1%
0140403-Train Museum	24,671	58,355	37,010	41,263	-29.3%
0140406-Ice Rink	-	-	-	103,800	100.0%
0145XXX-City Parks	1,867,809	2,238,968	2,091,422	2,330,392	4.1%
Total Culture & Recreation	2,801,935	3,259,829	3,158,935	3,566,102	9.4%

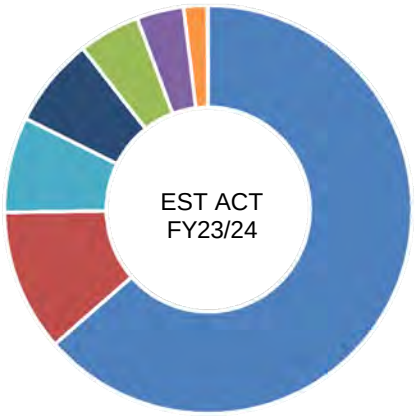
STATEMENT OF REVENUE,EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2024/2025

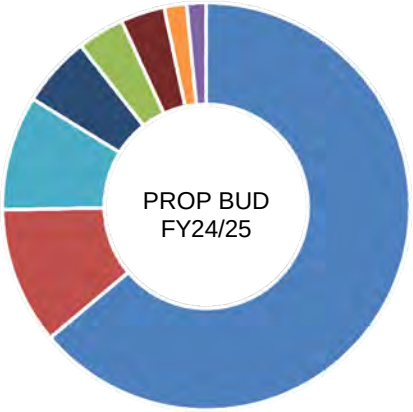
ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
0150001-Community & Economic Development	647,562	779,259	796,161	911,328	16.9%
0160001-Retiree Benefits	1,444,594	1,664,540	1,510,025	1,656,025	-0.5%
0166001-Contributions-Other Agencies	202,200	205,000	205,000	205,000	0.0%
0162001-Inventory Adjustments	1,070	10,000	10,000	10,000	0.0%
0168001-Contingency	-	179,054	-	175,000	-2.3%
Total Unallocated General Expenses	1,647,864	2,058,594	1,725,025	2,046,025	-0.6%
0190001-Debt Service-Principal	1,105,691	1,143,469	1,143,470	1,185,636	3.7%
0191001-Debt Service-Interest & Issuance Costs	463,453	743,144	485,429	882,017	18.7%
Total Debt Service	1,569,144	1,886,613	1,628,899	2,067,653	9.6%
0195001-Operating Transfers to Other Funds	1,330,716	1,390,558	1,390,558	1,578,667	13.5%
0195002-Capital Transfers to CIP & Other Funds	3,175,447	2,226,279	2,246,279	2,823,120	26.8%
0195002-Fund Balance Transfer for CIP Projects	840,000	4,630,000	3,230,748	2,202,000	-52.4%
Total Transfers to All Other Funds	5,346,163	8,246,837	6,867,585	6,603,787	-19.9%
Total Expenditures & Transfers	**$ 51,806,087**	**$ 61,046,448**	**$ 58,418,903**	**$ 63,060,559**	**3.3%**
Excess (Deficiency) of Revenues over Expenditures	**$ 3,326,899**	**$ 2,124**	**$ 1,786,733**	**$ 5,109**	
Beginning Fund Balance	**$ 17,400,506**	**$ 20,727,405**	**$ 20,727,405**	**$ 22,514,138**	
Less Budgeted Use of Fund Balance	-	(4,630,000)	-	$ (2,202,000)	
Ending Fund Balance	**$ 20,727,405**	**$ 16,099,529**	**$ 22,514,138**	**$ 20,317,247**	
Detail of Ending Fund Balance					
Nonspendable	$ 847,316	$ 350,000	$ 350,000	$ 350,000	
Committed	-	-	-	-	
Assigned	1,496,681	1,000,000	1,000,000	1,000,000	
Unassigned	18,383,408	14,749,529	21,164,138	18,967,247	
Ending Fund Balance	$ 20,727,405	$ 16,099,529	$ 22,514,138	$ 20,317,247	
Unassigned Fund Balances as: % of Operating Budget Less Transfers to All Other Funds	39.6%	27.9%	41.1%	33.6%	
Number of Months Expenditures	4.7	3.4	4.9	4.0	

*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 FY25 VS EST ACTUAL FY24
FISCAL YEAR 2024/2025

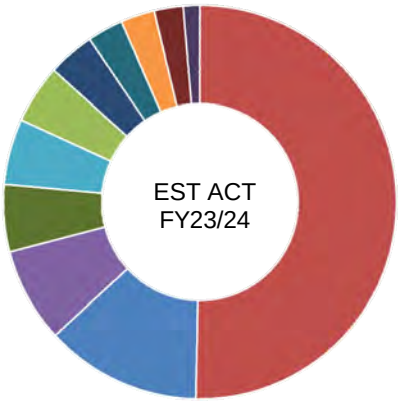
GENERAL FUND REVENUES

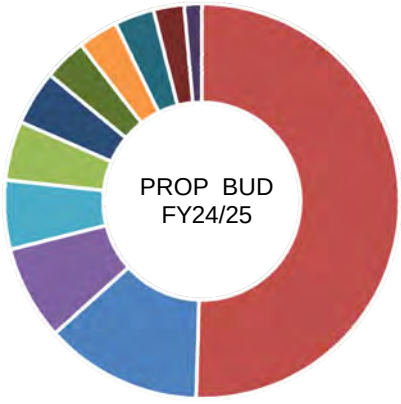




	Est Act FY23/24	Prop Bud FY24/25
Property Taxes	$ 38,256,010	$ 40,262,277
Income & Other Taxes	6,740,670	6,846,480
Charges for Current Services	4,566,157	5,750,209
Unallocated General Revenues	4,285,746	3,550,655
Licenses and Permits	2,940,400	2,356,000
Appropriated Use of Fund Balance	-	2,202,000
Fines and Forfeitures	1,123,100	1,127,650
Intergovernmental Revenues	2,251,628	970,397
Transfers from Other Funds	41,925	-

GENERAL FUND EXPENDITURES





	Est Act FY23/24	Prop Bud FY24/25
Public Safety	$ 29,400,309	$ 31,818,494
General Government	7,497,217	8,112,355
Waste Collection	4,529,304	4,875,807
Parks and Recreation	3,158,935	3,566,102
Capital Transfers	2,246,279	2,823,120
Highways & Streets	2,815,468	3,059,008
Fund Balance Transfers	3,230,748	2,202,000
Debt Service	1,628,899	2,067,653
Unallocated Expenses	1,725,025	2,046,025
Operating Transfers	1,390,558	1,578,667
Comm & Econ Development	796,161	911,328

CATEGORY OF EXPENDITURES
Fiscal Year 2024/2025

Where Does Your Money Go?

General Government*
$8,112,355

Unallocated/Debt Service Expenses
$4,113,678

Waste Collection
$4,875,807

Highways & Streets
$3,059,008

Transfer to Other Funds
$6,603,787

Community & Economic Development
$911,328

Parks & Recreation
$3,566,102

Public Safety
$31,818,494

Total Proposed FY25 Budget Expenditures $63,060,559

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

REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
CURRENT REVENUES					
Property Taxes	$ 36,004,233	$ 37,646,300	$ 38,256,010	$ 40,262,277	6.9%
Income and Other Taxes	6,608,048	5,834,457	6,740,670	6,846,480	17.3%
Licenses and Permits	2,566,286	2,389,300	2,940,400	2,356,000	-1.4%
Intergovernmental Revenues	1,087,802	2,322,606	2,251,628	970,397	-58.2%
Charges for Current Services	3,703,406	4,467,886	4,566,157	5,750,209	28.7%
Fines and Forfeitures	969,494	1,150,150	1,123,100	1,127,650	-2.0%
Unallocated General Revenues	3,509,342	2,565,948	4,285,746	3,550,655	38.4%
Total Current Revenues	**$ 54,448,611**	**$ 56,376,647**	**$ 60,163,711**	**$ 60,863,668**	**8.0%**
OTHER FINANCING SOURCES					
Transfers from Other Funds	684,375	41,925	41,925	-	100.0%
Appropriated Fund Balance to CIP Fund:Capital Expenditures	-	4,630,000	-	2,202,000	-52.4%
Total Other Financing Sources	**$ 684,375**	**$ 4,671,925**	**$ 41,925**	**$ 2,202,000**	**-52.9%**
Total Ending Revenues and Other Financing Sources	**$ 55,132,986**	**$ 61,048,572**	**$ 60,205,636**	**$ 63,065,668**	**3.3%**

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 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*
Actual 2021/2022: All	2,934	4.3%	1.002	32,000	4.7%	1.002	0.823	0.112	1.937
Actual 2021/2022: Apts	*245*	*1.4%*	*1.032*	*2,530*	*1.4%*	*1.032*	*0.823*	*0.112*	*1.967*
Actual 2022/2023: All	3,053	4.0%	1.002	33,282	4.0%	1.002	0.803	0.112	1.917
Actual 2022/2023: Apts	*250*	*1.8%*	*1.032*	*2,577*	*1.8%*	*1.032*	*0.803*	*0.112*	*1.947*
Estimated 2023/2024: All	3,273	7.2%	1.002	35,525	6.7%	1.002	0.803	0.112	1.917
Proposed 2024/2025: All	3,461	5.8% **	1.002	37,496 **	5.5%	1.002	0.803	0.112	1.917

*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 2024 Constant Yield Notice memos reflect a combined expected real property assessed value of 3,362 which is an increase of 6.5% compared to current levels. The City chart above assumes a slightly lower average assessable base value which includes personal property values. In addition, the chart above reflects the average value for all of FY24 and not just the value estimated to be on July 1.

***In addition, the City eliminated the two tier real estate tax rate for all Apartment classifications in FY24. 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	**$ 330,000**
Each penny on the personal property tax rate generates additional revenue of	**$ 19,000**

PROPERTY TAXES - PROPOSED REVENUES
FISCAL YEAR 2024/2025

DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
Current Year Levy	$ 33,282,408	$ 34,857,000	$ 35,524,916	$ 37,495,967	7.6%
Interest on Delinquent Taxes	55,755	150,000	75,000	100,000	-33.3%
Prior Years' Levy-Net	(94,150)	(100,000)	(100,000)	(100,000)	0.0%
Payment in Lieu of Taxes	2,795,203	2,799,300	2,801,462	2,806,310	0.3%
Tax Discounts & Credits Allowed	(34,983)	(60,000)	(45,368)	(40,000)	-33.3%
Total Property Taxes	**$ 36,004,233**	**$ 37,646,300**	**$ 38,256,010**	**$ 40,262,277**	**6.9%**

Revenues from property taxes are based on assessments established by the State Department of Assessment and Taxation. The real estate tax rate for FY24 was $1.002 per $100 of assessed value. The business personal property rate was $2.505 per $100 of assessed value in FY24.

FY25 is the second year of the City's triennial reassessment period. The February 2024 Constant Yield Tax Rate Certification memo reflects a combined increase in real estate assessed values of 6.5% which represents a $2.1M increase in real estate revenue for FY25 if no changes are made to the tax rate. The real estate property constant yield rate certified by the State for FY25, that would generate the same dollar amount of gross real tax revenues (before local property tax credits), is $0.9410 per $100 of assessed value for all real property which is less than the City's current FY25 tax rates. The proposed budget for FY25 includes the following: an estimated overall growth of 6.9% 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

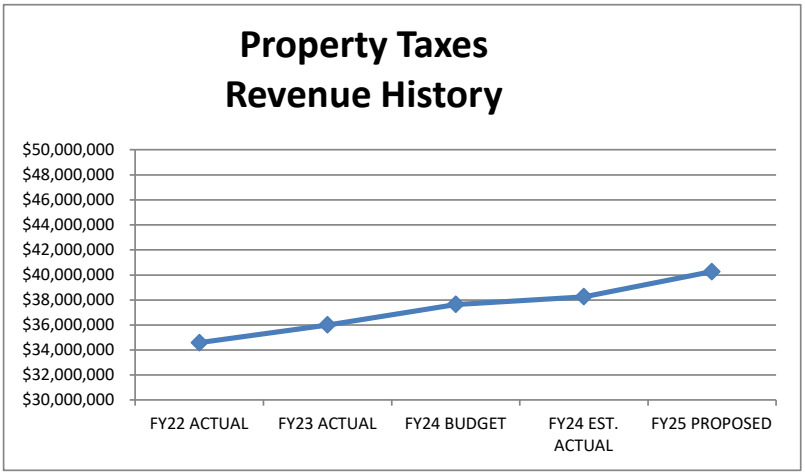
Adopted FY24 to Estimated Actual FY24

The estimated actual property tax revenues for FY24 when compared with the FY24 budget is expected be about 1.6% or $609.7K higher than originally budgeted. This increase is mostly the result of current year levy, payment in lieu of taxes, and tax discounts and credits allowed being higher than budgeted by a total of $684.7K. This is offset by $75.0K in decreases from lower than expected revenues from interest on delinquent taxes. 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 impact that started in FY20, makes it difficult to determine in FY24 new normal annual amount as previously delayed filings are becoming current.

Adopted FY24 to Proposed FY25

Overall, the proposed property tax revenue for FY25 is expected to increase by 6.9% or $2.6M when compared to the FY24 budget. The FY25 proposed budget includes estimated growth of 6.9% in overall assessable base values based on market value increases, development of several warehouse facilities, and annexations. Corporate personal property tax revenue is estimated to contribute $439.5K or 10.3% of the overall growth with anticipation that new warehouse growth tenants will also increase overall personal property values.

This primary revenue source helps to fund various expenditures including: existing services provided to the community, economic incentives to businesses, annual debt service requirements, and employees' salaries and benefits. This funding source is vital to the City's future sustainability and growth. FY25 is the second year of City's triennial reassessment cycle.



INCOME AND OTHER TAXES - PROPOSED REVENUES
FISCAL YEAR 2024/2025

DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
Income Tax	$ 4,150,983	$ 3,500,000	$ 4,000,000	$ 4,200,000	20.0%
Admissions & Amusement Tax	259,537	300,000	547,000	457,000	52.3%
Financial Corporations	34,214	34,214	34,214	34,214	0.0%
Enterprise Zone Tax Credits	524,709	538,000	543,213	571,266	6.2%
Sales Tax - Cannabis	-	-	48,000	64,000	100.0%
Room Tax - Tourism Promotions	329,753	250,000	290,000	325,000	30.0%
Police Protection	1,096,485	1,000,000	1,066,000	1,000,000	0.0%
State Aid For Fire Service	78,267	77,593	77,593	70,000	-9.8%
Highway User Revenues	134,100	134,650	134,650	125,000	-7.2%
Total Income and Other Taxes	**$ 6,608,048**	**$ 5,834,457**	**$ 6,740,670**	**$ 6,846,480**	**17.3%**

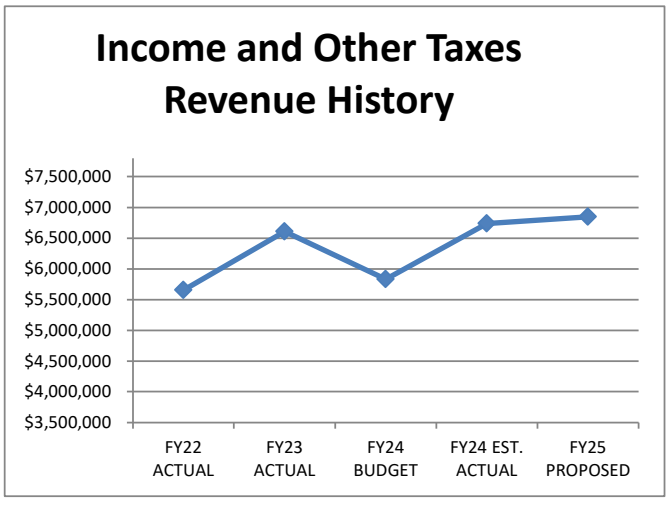
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

When compared to the FY24 adopted budget, FY24 estimated actual revenues are anticipated to be 15.5% or $906.2K higher. The largest increase of $500.0K is in income taxes which the withholding rates are established by the County government. Despite a reduction in percentage withheld established by the County, new trends reflect growth over original estimates. Room tax (hote/motel) is expected to increase by a total of $40.0K to reflect more than average pre-COVID amounts with the opening of several new hotels. It is anticipated that admissions and amusement taxes will increase by 82.3% or $247.0K in FY24 estimated actuals due to an increase in events and public functions. Sales tax on cannabis is expected to be $48.0K higher than FY24 budget due to new laws established in the state for selling cannabis which provides this as a new income stream not originally aniticipated.

Adopted FY24 to Proposed FY25

Overall, the proposed budget for FY25 income & other taxes revenue is expected to increase by 17.3% or $1.0M over the FY24 budget. This increase is driven by increases in most revenue categories except the following which are expected to remain level with FY24 budget: financial corporations, state aid for fire service, and highway user revenues. The growth in income taxes is estimated to continue to reflect the trend from the past three years. Adminssions and Amusement tax is anticipated to continue current year trends and increase when the new Hagerstown Field House opens. Sales tax on cannabis is expected to be $64.0K higher than FY24 budget due to new laws established in the state for selling cannabis.



As the current graph indicates, FY24 estimated actuals are more in line with FY23 actuals and are expected to continue. The primary growth from FY25 budget is a result of better than anticipated Income Tax and Admissions & Amusement Tax.

LICENSES & PERMITS - PROPOSED REVENUES
FISCAL YEAR 2024/2025

DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
Traders Licenses	$ 104,372	$ 95,000	$ 95,000	$ 95,000	0.0%
Vendor Permits from City Clerk	2,375	1,600	2,000	1,900	18.8%
Cable TV Franchise Fee	298,774	280,000	258,000	258,000	-7.9%
General Construction Permits	122,182	25,000	35,000	25,000	0.0%
Street Digging Permits	17,070	30,000	38,000	30,000	0.0%
Curbs, Sidewalks, & Driveways	465	500	300	500	0.0%
Stormwater Management Permits	64,383	35,000	10,000	35,000	0.0%
Grading Permits	78,291	25,000	20,000	25,000	0.0%
Right of Way Permits	6,352	4,000	6,000	4,000	0.0%
Building Permits (Fire)	181,916	200,000	175,000	200,000	0.0%
Fireworks Permits	1,750	1,000	500	1,000	0.0%
Blasting Permits	100	200	100	100	-50.0%
Plumbing Dept-Licenses	12,630	6,000	6,000	12,000	100.0%
Contractor's Licenses	5,865	18,000	18,000	5,000	-72.2%
Electrical Licenses	31,490	6,000	6,000	28,000	366.7%
Residential Rental Licenses	648,830	725,000	725,000	725,000	0.0%
Uncollected- Residential Licenses	(42,180)	(10,000)	(40,000)	(40,000)	0.0%
Building Permits	634,976	350,000	1,000,000	350,000	0.0%
Plumbing Permits	69,602	65,000	55,000	55,000	-15.4%
Electrical Permits	123,354	110,000	110,000	110,000	0.0%
Mechanical Permits	51,155	50,000	40,000	40,000	-20.0%
Re-Inspection Fee	1,600	1,000	1,500	1,500	50.0%
Property Abatement Billings -Code	93,102	215,000	215,000	215,000	0.0%
Use & Occupancy Inspections	-	1,000	500	500	-50.0%
Transient Housing License Fee	-	-	3,500	3,500	100.0%
Vacant Residential Structure Fee	(8,080)	95,000	95,000	105,000	10.5%
Vacant Commercial Structure Fee	(11,175)	15,000	20,000	25,000	66.7%
Admin Fee for Excise Tax	32,977	5,000	5,000	5,000	0.0%
Secure Vacant Structure Fee	1,725	3,000	3,000	3,000	0.0%
Technology Fee	44,185	35,000	35,000	35,000	0.0%
Unattended Donation Bin Fee	(1,800)	2,000	2,000	2,000	0.0%
Total Licenses and Permits	**$ 2,566,286**	**$ 2,389,300**	**$ 2,940,400**	**$ 2,356,000**	**-1.4%**

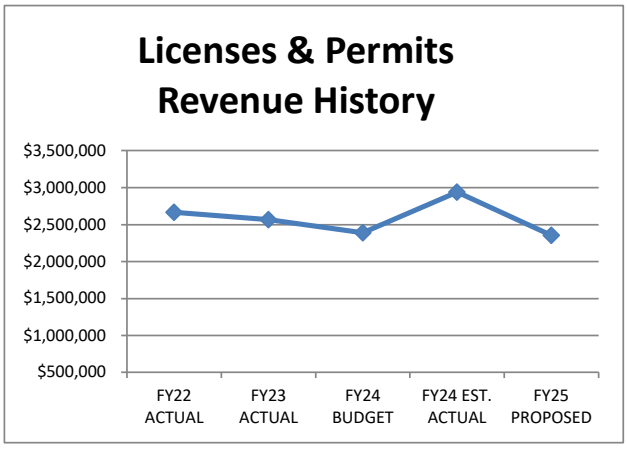
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

FY24 licenses and permit revenues are projected to be over budget by 23.1% or $551.1K. This increase is due to multiple permit and license revenue categories being over budget, but mainly general construction permits, street digging permits, and building permits. The majority of the growth in these categories are directly related to new Currwood warehouse development.

Adopted FY24 to Proposed FY25

Overall, the proposed FY25 budget is expected to be 1.4% or $33.3K under FY24 budget. This decrease isn't necessarily identifiable to one specific revenue source because multiple revenue categories are expected to decrease due to the timing of new developments permit process. The largest increases in revenues are in electrical licenses, plumbing deptartment licenses, and transient housing license fees, whereas the largest decreases are in contractor's licenses, cable franchise fees, plumbing permits, and blasting 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 2024/2025

DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
County Grant: School Resource Officers	$ 441,676	$ 550,940	$ 550,940	$ 581,117	5.5%
County Grant: Health Department	-	5,200	-	-	-100.0%
State Grant: Imagine Hagerstown	23,027	6,000	10,000	-	-100.0%
State Grant: A&E District Events/Main Street	13,955	16,000	55,452	-	-100.0%
State Grant: FY23 Operating Assistance	20,674	-	4,326	-	0.0%
State Grant: FY24 Operating Assistance	-	-	-	25,000	100.0%
DEA/NTF Reimbursed OT Grants	31,585	46,128	10,526	8,000	-82.7%
Federal Grants: SS4A Transportation	-	160,000	80,000	80,000	-50.0%
American Rescue Plan Act (ARPA)	556,885	1,538,338	1,540,384	276,280	-82.0%
Total Intergovernmental	**$ 1,087,802**	**$ 2,322,606**	**$ 2,251,628**	**$ 970,397**	**-58.2%**

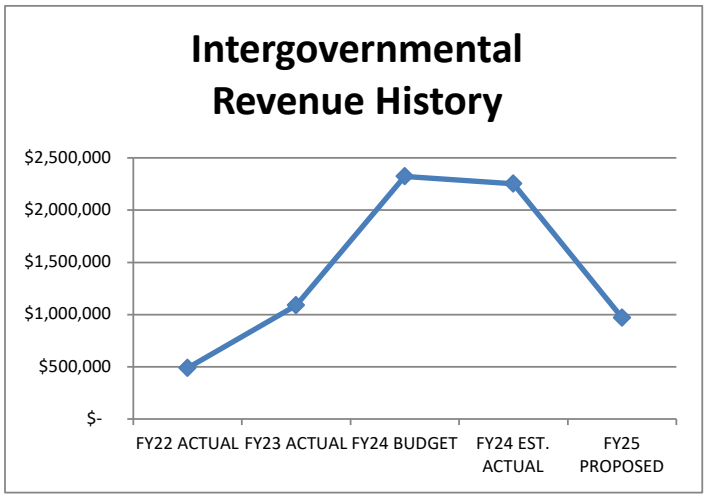
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

The estimated actual intergovernmental revenues for FY24 are expected to be 3.1% or $71.0K lower than originally budgeted in FY24. Funding received for school resource officers is expected to remain the same with FY24 budget. There is also an expected decrease of 77.2% or $35.6K in DEA/NTF reimbursed OT Grants.

Adopted FY24 to Proposed FY25

Overall, the proposed FY25 budget is expected to be 58.2% or $1.4M lower than FY24 budget. Funds received from the County for school resource officers are also expected to be higher than FY24 budget by $30.2K due to an anticipated new contract which would increase the top step officer pay. The majority of the decrease is result of the one-time ARPA grant fund period ending in FY25.



CHARGES FOR CURRENT SERVICES - PROPOSED REVENUES
FISCAL YEAR 2024/2025

DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
Refuse Collection Fees	$ 3,266,809	$ 3,610,500	$ 3,754,700	$ 4,878,340	35.1%
Potterfield Swimming Pool	79,250	72,400	81,200	81,500	12.6%
Community Engagement & Recreation Events	4,029	3,850	4,404	2,600	-32.5%
Other Service Charges	353,318	781,136	725,853	787,769	0.8%
Total Charges for Current Services	**$ 3,703,406**	**$ 4,467,886**	**$ 4,566,157**	**$ 5,750,209**	**28.7%**

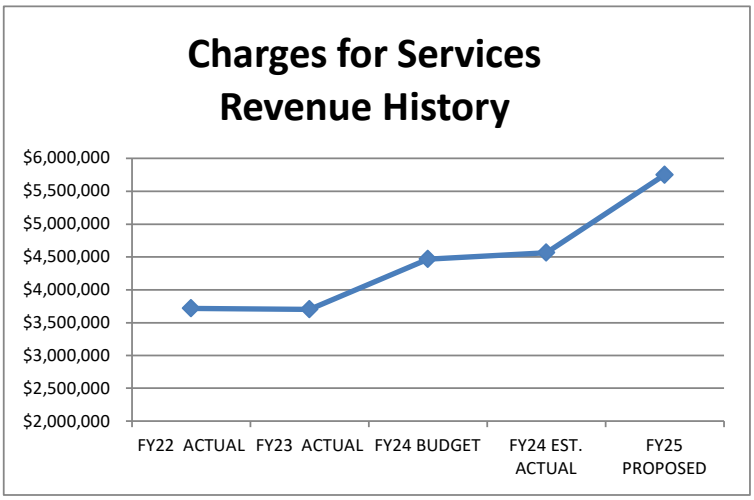
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Overall, estimated actual revenue for FY24 is anticipated to be over budget by 2.2% or $98.3K when compared with the FY24 budget. Other services charges are expected to be lower than FY24 budget by 7.1% or $55.3K. Revenues collected from the Potterfield Swimming Pool are expected to be slightly higher than FY24 budget by 12.2% or $8.8K. Refuse collection fees for estimated actual for FY24 are expected to be 4.0% or $144.2K higher than FY24 budget. Community engagement and recreation events for estimated actual for FY24 are expected to be slightly higher than FY24 budget by 14.4% or $554.

Adopted FY24 to Proposed FY25

In total, charges for current services in the FY25 budget are expected to be 28.7% or $1.3M higher than FY24 budget. The largest increases are 12.6% or $9.1K in Potterfield Swimming Pool and 35.1% or $1.3M in refuse collection fees. The primary reason for the increase in refuse collection fees is the approval of a new contract with Waste Management of Pennsylvania effective on July 1, 2024. The increase in contract costs will result in a quarterly residential fee increase from $55 to $73 to customers.



FINES & FORFEITURES - PROPOSED REVENUES
FISCAL YEAR 2024/2025

DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
Abatement Administrative Fees - Code Admin	$ 34,800	$ 35,000	$ 35,000	$ 35,000	0.0%
Confiscated Revenue	4,761	8,000	2,000	5,000	-37.5%
Excessive Use Fees	-	3,500	-	-	-100.0%
Fire Code Violations	-	2,000	250	1,000	-50.0%
Municipal Infractions - Code Admin	10,700	40,000	50,000	50,000	25.0%
Parking Tickets, Late Fees, & Uncollectible	(249)	1,500	700	1,500	0.0%
Red Light Violation Fine & Uncollectible	186,223	160,000	210,000	210,000	31.3%
Safe Speed for Students Program & Uncollectible	732,809	900,000	825,000	825,000	-8.3%
Tech Appeals Board Filing Fees	450	150	150	150	0.0%
Total Fines and Forfeitures	**$ 969,494**	**$ 1,150,150**	**$ 1,123,100**	**$ 1,127,650**	**-2.0%**

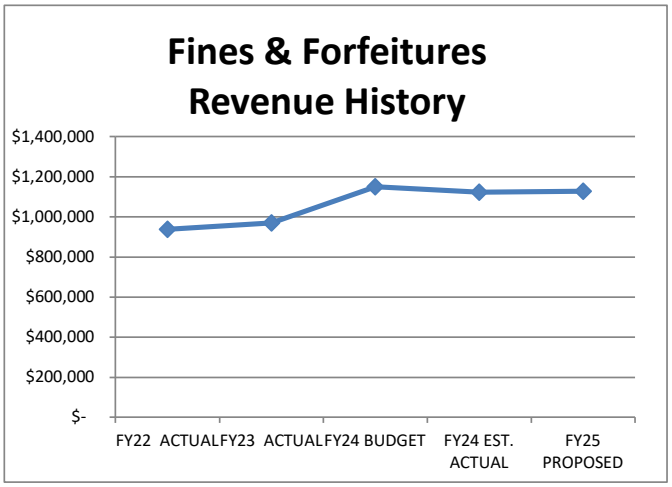
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Estimated actual revenue for FY24 is expected to be under budget by 2.4% or $27.1K. Municipal infractions - code admin and red light violation fines are expected to increase when compared to FY24 budget levels. These increases are offset by decreases expected in abatement administrative fees, confiscated revenue, excessive use fees, fire code violations, and parking tickets. Tech appeals board filing fees revenue is expected to remain the same with FY24 budget.

Adopted FY24 to Proposed FY25

The FY25 budget for total fines and forfeitures revenue sources are lower than FY24 budget by 2.0% or $22.5K. Municipal infractions - code admin is expected to be 25.0% or $10.0K higher than FY24 budget. Red light violation fines are expected to be 31.3% or $50.0K higher than FY24 budget. All other revenues are projected to be lower than FY24 budget by $82.5K, including confiscated revenue, excessive use fees, fire code violations, and safe speed for students program. Abatement administrative fees, parking tickets, and tech appeals board filing fees are projected to remain level with FY24 budget.



DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
Administrative Allocation Revenues	$ 1,997,500	$ 1,997,500	$ 1,997,500	$ 1,997,500	0.0%
Interest on Investments	1,010,912	310,000	1,975,000	1,255,000	304.8%
Rental Income	185,078	164,804	184,001	146,699	-11.0%
Sale of Land & Other Assets	41,084	3,000	23,576	3,500	16.7%
Contributions & Donations	63,937	33,278	37,395	30,965	-7.0%
Other General Revenue	210,831	57,366	68,274	116,991	103.9%
Total Unallocated General Revenues	**$ 3,509,342**	**$ 2,565,948**	**$ 4,285,746**	**$ 3,550,655**	**38.4%**

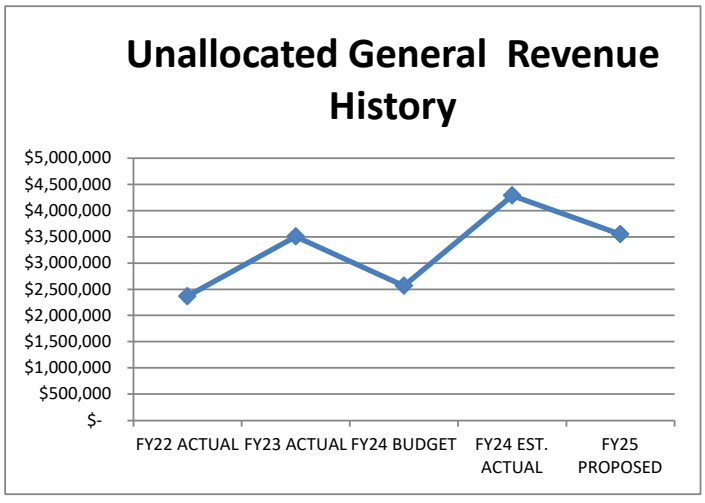
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

In total, the FY24 estimated actual revenue amounts are projected to be 67.0% or $1.7M higher than FY24 budget. There is a large increase in interest on investments estimated actual for FY24 compared to FY24 budget by 537.1% or $1.7M. This large increase is a direct result of changes by the Federal Reserve Board to increase interest rates. The remaining revenue amounts are expected to increase by $54.8K compared to FY24 budget. These revenue accounts include rental income, sale of land and other assets, contributions and donations, and other general revenue. Administrative allocation revenues for FY24 estimated actual are anticiapted to remain level with FY24 budget.

Adopted FY24 to Proposed FY25

The proposed FY25 budget is anticipated to increase by 38.4% or $984.7K in total in comparison to FY24 budget. A significant portion of this increase is attributed to the continued effects of the Federal Reserve Board to increase interest rates. Interest earned is expected to be 304.8% or $945.0K higher than FY24 budget. Sale of land and other assets is also expected to increase slighty by 16.7% or $500, along with other general revenue estimated increase to be 103.9% or $59.6K higher than FY24 budget. Administrative allocations are expected to remain relatively level with FY24 budget while rental income and contributions and donations are expected to decrease by $20.4K.



DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
Transfer from Health Insurance Fund	$ 654,375	$ -	$ -	$ -	0.0%
Transfer from CIP Fund	-	11,925	11,925	-	-100.0%
Transfer from CDBG Fund	30,000	30,000	30,000	-	-100.0%
Total Transfers from Other Funds & Other Financing Sources	**$ 684,375**	**$ 41,925**	**$ 41,925**	**$ -**	**-100.0%**

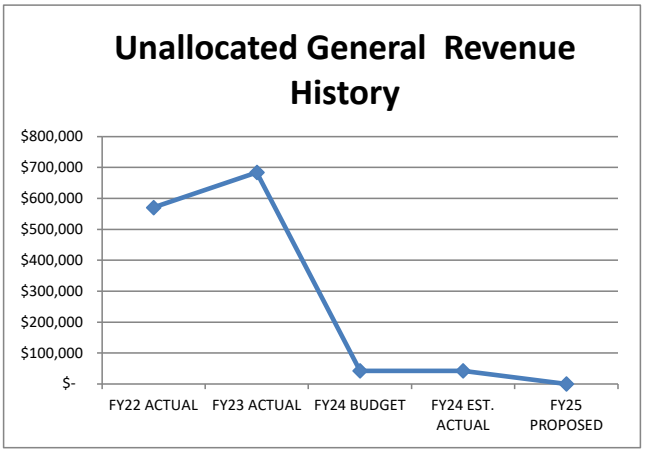
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Overall, all transfers into the General Fund are expected to remain level with FY24 budget.

Adopted FY24 to Proposed FY25

FY25 proposed budget is estimated to decrease 100.0% or $41.9K from FY24 budget due to $0 non-recurring transfers from the Health Insurance, CIP and 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. In FY23, the budget included a transfer from the health insurance fund to other city funds. This transfer was not a normal recurring item and represented 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.



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

	2022/23	2023/24	2024/25
Number of Mayor and Council meetings	**45**	**50**	**50**
Average number of meetings representing City (e.g. board/commission)	**50**	**40**	**50**
Average number of community functions	**55**	**40**	**50**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 54,337	$ 49,773	$ 46,700	$ 47,496	-4.6%
Benefits	24,965	31,354	19,775	22,070	-29.6%
Overtime	35	-	100	100	100.0%
Personnel Subtotal	**79,337**	**81,127**	**66,575**	**69,666**	**-14.1%**
Operating Expenditures	7,647	13,208	10,638	7,399	-44.0%
Capital Outlay	-	250	2,500	500	100.0%
Operating Subtotal	**7,647**	**13,458**	**13,138**	**7,899**	**-41.3%**
Total Expenditures	**$ 86,984**	**$ 94,585**	**$ 79,713**	**$ 77,565**	**-18.0%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 86,984**	**$ 94,585**	**$ 79,713**	**$ 77,565**	**-18.0%**

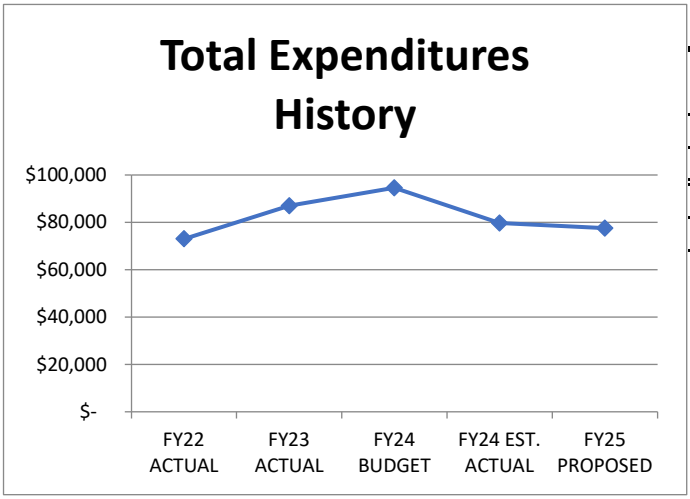
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

FY24 estimated actuals are expected to be 15.7% or $14.9K lower than FY24 budget due to a decrease in benefit charges.

Adopted FY24 to Proposed FY25

FY25 proposed budget is 18.0% or $17.0K lower than FY24 budget due to decreases in expenditure and personnel categories, but mainly in operating expenditures and benefits.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
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

	2022/23	2023/24	2024/25
Number of Mayor and Council meetings	**45**	**50**	**50**
Average number of meetings representing City (e.g. board/commission)	**30**	**30**	**30**
Average number of community functions attended representing the City	**30**	**30**	**40**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 39,386	$ 40,000	$ 40,000	$ 40,000	0.0%
Benefits	40,664	45,156	37,988	33,862	-25.0%
Personnel Subtotal	**80,050**	**85,156**	**77,988**	**73,862**	**-13.3%**
Operating Expenditures	51,754	68,622	59,792	55,431	-19.2%
Capital Outlay	-	-	-	2,000	100.0%
Operating Subtotal	**51,754**	**68,622**	**59,792**	**57,431**	**-16.3%**
Total Expenditures	**$ 131,804**	**$ 153,778**	**$ 137,780**	**$ 131,293**	**-14.6%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 131,804**	**$ 153,778**	**$ 137,780**	**$ 131,293**	**-14.6%**

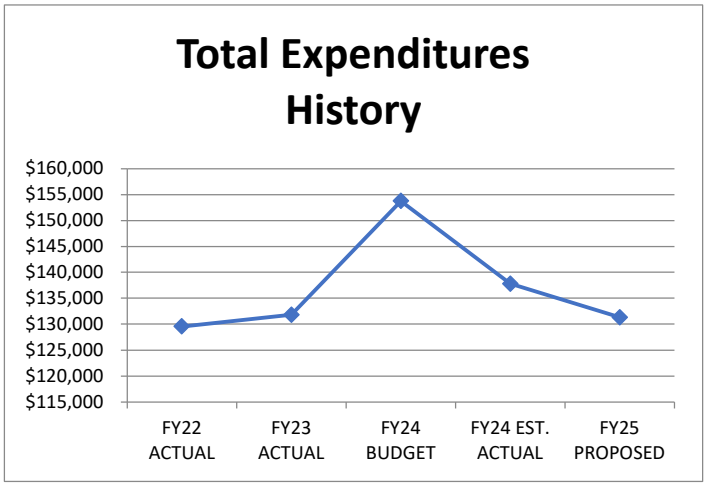
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

FY24 estimated actuals are anticipated to be 10.4% or $16.0K lower than FY24 budget due to decreases in benefit charges and operating expenditures.

Adopted FY24 to Proposed FY25

The proposed FY25 budget is anticipated to decrease 14.6% or $22.5K in comparison to FY24 budget. This decrease is due to a $11.3K decrease in benefit changes and a $13.2K decrease in operating expenditures.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
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 conducts the election in accordance with provisions of the State of Maryland. The Primary Election was held on June 2, 2020 and the General Election was held on November 3, 2020. 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. The newly elected Mayor and City Council will take office on November 25, 2024.

Councilmember Matthew J. Schindler was appointed on March 21, 2023 to complete the term of Councilmember Tekesha Martinez (who was appointed as Mayor on February 7, 2023).

On November 21, 2023, Councilmember Peter E. Perini, Sr. was appointed to complete the term of Councilmember Robert E. Bruchey, II, who resigned on October 10, 2023.

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**	**1,470**
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

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 184,417	$ 182,635	$ 187,000	$ 190,296	4.2%
Benefits	50,820	57,235	51,618	58,881	2.9%
Overtime	784	-	100	100	100.0%
Personnel Subtotal	**236,021**	**239,870**	**238,718**	**249,277**	**3.9%**
Operating Expenditures	13,804	13,003	10,068	11,792	-9.3%
Capital Outlay	-	600	600	-	-100.0%
Operating Subtotal	**13,804**	**13,603**	**10,668**	**11,792**	**-13.3%**
Total Expenditures	**$ 249,825**	**$ 253,473**	**$ 249,386**	**$ 261,069**	**3.0%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 249,825**	**$ 253,473**	**$ 249,386**	**$ 261,069**	**3.0%**

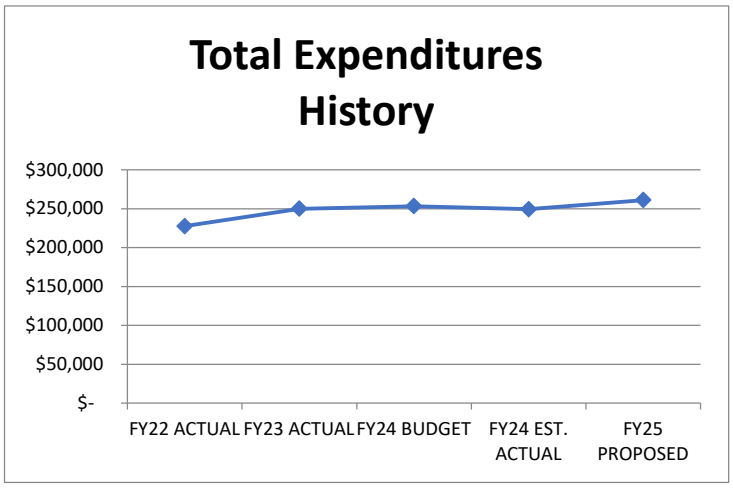
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

FY24 estimated actuals are expected to be 1.6% or $4.1K lower than the adopted budget due to decreases in benefit charges and operating expenditures.

Adopted FY24 to Proposed FY25

The proposed FY25 budget is expected to increase 3.0% or $7.6K over the FY24 adopted budget. Total personnel expenditures are expected to increase $9.4K while total operating expenditures are expected to decrease $1.8K.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
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 3 times in 2023 and provided the required certification to the State Ethics Commission by the October deadline.

• Review 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

	2022/23	2023/24	2024/25
Number of Ordinances Processed	**21**	**25**	**25**
Number of Resolutions Processed	**65**	**52**	**60**
Number of Licenses and Permits Issued	**45**	**40**	**50**
Number of Mayor and Council meetings processed	**45**	**50**	**50**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 120,988	$ 122,468	$ 122,468	$ 126,971	3.7%
Benefits	34,527	38,910	33,502	38,239	-1.7%
Overtime	36	-	100	100	100.0%
Personnel Subtotal	**155,551**	**161,378**	**156,070**	**165,310**	**2.4%**
Contractual Services	1,195	5,000	2,000	7,000	40.0%
Operating Expenditures	12,899	19,226	11,933	15,504	-19.4%
Capital Outlay	-	750	-	2,550	240.0%
Operating Subtotal	**14,094**	**24,976**	**13,933**	**25,054**	**0.3%**
Total Expenditures	**$ 169,645**	**$ 186,354**	**$ 170,003**	**$ 190,364**	**2.2%**
REVENUES BY TYPE					
Departmental Revenue	$ 106,746	$ 96,600	$ 97,000	$ 96,900	0.3%
Total Revenues	**$ 106,746**	**$ 96,600**	**$ 97,000**	**$ 96,900**	**0.3%**
Expenditures, net of Revenues	**$ 62,899**	**$ 89,754**	**$ 73,003**	**$ 93,464**	**4.1%**

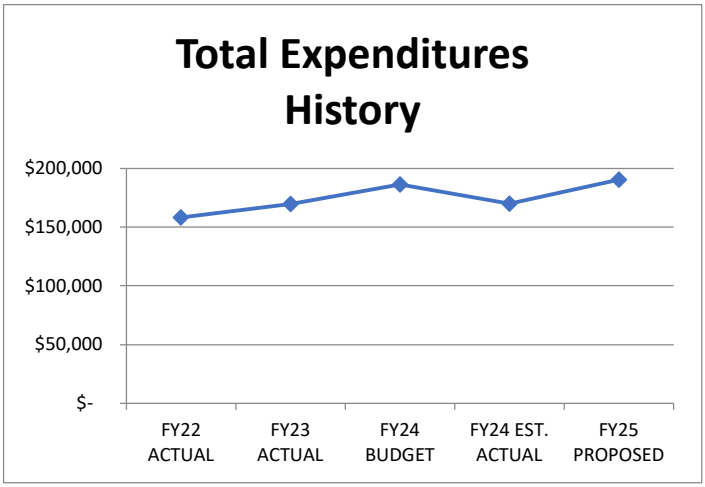
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

FY24 estimated actual expenditures are expected to be 8.8% or $16.4K below FY24 budget. Total personnel expenditures are expected to decrease $5.3K while departmental revenues are expected to increase $400.

Adopted FY24 to Proposed FY25

FY25 proposed expenses are estimated to be 2.2% or $4.0K higher than FY24 budget levels due to an increase in contractual services and capital outlay. Personnel subtotal is anticipated to be 2.4% or $3.9K higher than FY24 budget due to an increase in salary and wages and overtime.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	1.34	1.34	1.34	1.34
Part time	0.50	0.00	0.00	0.00
Staffing Total	1.84	1.34	1.34	1.34
Unfunded positions	0.00	0.00	0.00	0.00

A FT Executive Assistant position is shared among five departments including the Mayor, Administrator, the City Clerk, Communications, and Community Engagement.

DEPARTMENT / PROGRAM OVERVIEW

The Department of Community Engagement 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 downtown Hagerstown. Community Engagement works to drive new development and investment in the Main Street and Arts and Entertainment districts. The Department also works to strengthen community engagement among business owners, schools, civic organizations, and the overall community through low-cost to no-cost programs and events, offering grant opportunities, and assisting in the promotion of downtown activities and businesses.

The Department's primary function areas: **Community Engagement** to build relationships with existing businesses and attract new businesses; and **Special Events and Festivals** to celebrate community pride.

DEPARTMENT / PROGRAM OBJECTIVES

- **Grant Management:** Apply and administer multiple grants through funding from Maryland State Arts Council (MSAC) and Main Street Maryland (DHCD) to support downtown events and artist incentive programs.

- **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. Creating working partnerships with BISFA and Main Street businesses.

- **Main Street**: Engage with advisory council; meet quarterly with Main Street business owners to create a robust and thriving community where businesses are working together, hosting events, and offering professional development opportunities to work together

- **Art & Entertainment District**: Establish a solid Management Board that will assist in selecting entertainment for community events, assist in marketing events happening in the district, provide professional development opportunities and grant programs when funding is available, increase the amount of public art and design throughout the City.

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: MDWK Music and Market, spring and holiday markets, Friday music series, Hagerfest Arts & Music Festival, Thunder in the Square, Mummers Parade, the Tour of Washington County Downtown Criterium, Halloween Block Party, Downtown 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. Create a downtown event grant application and process that is equal to all applicants.

- **City Farmers' Market:** Operate and manage the City Farmers' Market and explore related opportunities. Find a location that's a good fit for the seasonal, outdoor City Farmer's Market and increase vendor interest and customer attendance.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Number of event attendees*	**95,000**	**20,000**	**50,000**
Number of volunteer hours	**800**	**500**	**800**
Facebook Reach	154,426	471,471	500,000
Instagram Reach	28,696	36,747	40,000
META Paid Reach	44,463	167,346	200,000
Facebook Likes	1,568	7,208	8,000
Facebook Followers	1,609	9,215	10,000
Instagram Followers	1,000	2,054	3,000
Website - Downtown Hagerstown	6,026	16,483	17,000
Website - A&E District	3,454	7,567	10,000

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 106,229	$ 121,813	$ 118,215	$ 127,729	4.9%
Benefits	35,344	37,438	35,900	50,431	34.7%
Overtime	-	500	-	-	-100.0%
Personnel Subtotal	**141,573**	**159,751**	**154,115**	**178,160**	**11.5%**
Contractual Services	33,186	38,000	38,301	83,101	118.7%
Operating Expenditures	215,807	228,000	236,737	171,282	-24.9%
Operating Subtotal	**248,993**	**266,000**	**275,038**	**254,383**	**-4.4%**
Total Expenditures	**$ 390,566**	**$ 425,751**	**$ 429,153**	**$ 432,543**	**1.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 69,997	$ 52,850	$ 94,628	$ 25,000	-52.7%
Total Revenues	**$ 69,997**	**$ 52,850**	**$ 94,628**	**$ 25,000**	**-52.7%**
Expenditures, net of Revenues	**$ 320,569**	**$ 372,901**	**$ 334,525**	**$ 407,543**	**9.3%**

**Community Engagement branched out from DCED during FY22*

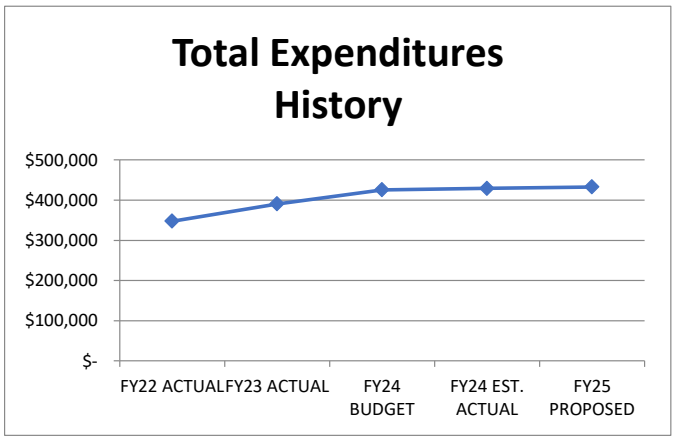
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total personnel costs are anticipated to be lower than FY24 budget by 3.5% or $5.6K. Total operating expenditures are expected to be 3.4% or $9.0K higher than budget. Departmental revenue amounts are expected to be higher than budget by 79.1% or $41.8K primarily due to an increase from a one-time grant.

Adopted FY24 to Proposed FY25

Overall, FY25 proposed total expenditures are expected to be 1.6% or $6.8K higher than FY24 budget. Total personnel expenditures are expected to be 11.5% or $18.4K higher than FY24 budget due to the reorganization of the department and a part-time employee for a full year. Total operating expenditures are expected to be 4.4% or $11.6K lower than FY24 budget. This decrease reflects one-time expenditures related to A&E District and ARPA grant incentives in FY24. Offsetting this decrease, there is $42K more for events in FY25 budget numbers. There is an expected decrease of 52.7% or $27.9K in revenues, primarily due to one-time grants in A&E District and ARPA in FY24.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	0.00	1.00	1.00	1.00
Part time	0.00	1.00	1.00	1.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	0.00	2.00	2.00	2.00
Unfunded positions	0.00	0.00	0.00	0.00

This department separated from Community and Economic Development at the end of FY23. There is one full-time and one part-time position that was transitioned. There are no

EXPENDITURES BY PROGRAM

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES					
Public Functions	$ 377,768	$ 425,751	$ 428,129	$ 432,543	1.6%
Farmers Market	12,798	-	1,024	-	0.0%
Total Expenditures	**$ 390,566**	**$ 425,751**	**$ 429,153**	**$ 432,543**	**1.6%**
REVENUES					
Departmental Revenue	$ 69,997	$ 52,850	$ 94,628	$ 25,000	-52.7%
Total Revenues	**$ 69,997**	**$ 52,850**	**$ 94,628**	**$ 25,000**	**-52.7%**
Expenditures, net of Revenues	**$ 320,569**	**$ 372,901**	**$ 334,525**	**$ 407,543**	**9.3%**

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

	2022/23	2023/24	2024/25
Number of Ordinances Processed	**21**	**25**	**25**
Number of Resolutions Processed	**65**	**52**	**60**
Number of Approved Contracts and Agreements	**65**	**68**	**70**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ -	$ -	$ -	$ -	0.0%
Personnel Subtotal	**-**	**-**	**-**	**-**	**0.0%**
Contractual Services	202,656	264,000	269,000	269,000	1.9%
Operating Expenditures	25,635	12,000	12,000	12,000	0.0%
Operating Subtotal	**228,291**	**276,000**	**281,000**	**281,000**	**1.8%**
Total Expenditures	**$ 228,291**	**$ 276,000**	**$ 281,000**	**$ 281,000**	**1.8%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 228,291**	**$ 276,000**	**$ 281,000**	**$ 281,000**	**1.8%**

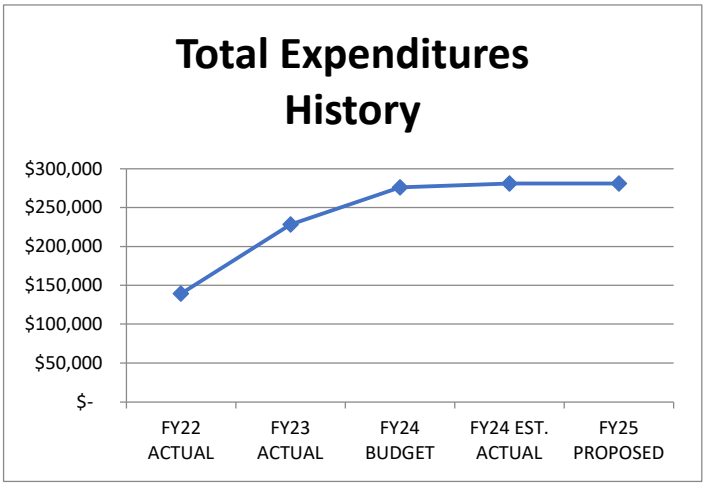
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

FY24 estimated actuals are expected to be 1.8% or $501K higher than budget.

Adopted FY24 to Proposed FY25

Proposed FY25 budget is expected to be 1.8% or $5.0K higher than FY24 budget due to an increase in contractual services.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
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 Annual Comprehensive 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

	2022/23	2023/24	2024/2025
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/ 17 yrs		
Receive GFOA Comprehensive Annual Financial Reporting award	Yes/ 28 yrs	Yes 29 yrs	Yes 30 yrs
Workload Measures			
Bond sales executed	1	1	1
Number of individual employee payrolls processed	26,000	37,000	24,000
Number of vendor invoices processed	11,000	17,000	12,000
Number of Pcard transactions processed	6,000	9,000	5,400
Number of Purchase Orders issued	1,500	2,000	1,400

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 661,137	$ 704,676	$ 700,490	$ 756,097	7.3%
Benefits	204,123	210,522	218,945	243,849	15.8%
Overtime	1	100	50	100	0.0%
Personnel Subtotal	**865,261**	**915,298**	**919,485**	**1,000,046**	**9.3%**
Contractual Services	31,140	33,485	34,685	35,788	6.9%
Operating Expenditures	163,154	86,626	82,604	39,293	-54.6%
Capital Outlay	813	3,500	3,500	3,500	0.0%
Operating Subtotal	**195,107**	**123,611**	**120,789**	**78,581**	**-36.4%**
Total Expenditures	**$ 1,060,368**	**$ 1,038,909**	**$ 1,040,274**	**$ 1,078,627**	**3.8%**
REVENUES BY TYPE					
Departmental Revenue	$ 8,242,539	$ 11,328,044	$ 9,137,662	$ 10,596,979	-6.5%
Total Revenues	**$ 8,242,539**	**$ 11,328,044**	**$ 9,137,662**	**$ 10,596,979**	**-6.5%**
Expenditures, net of Revenues	**$ (7,182,171)**	**$ (10,289,135)**	**$ (8,097,388)**	**$ (9,518,352)**	**-7.5%**

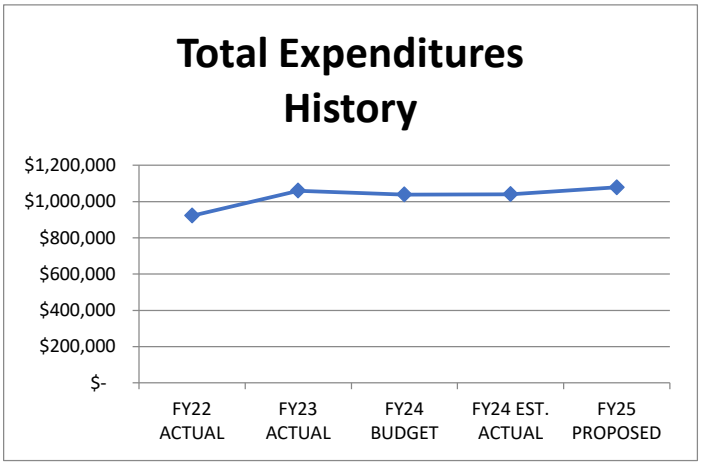
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total estimated actual personnel costs are expected to be 0.5% or $4.2K higher than FY24 budget due to an increase in benefit and a slight decrease in salary and wage 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 FY24 budget by 3.6% or $1.2K as a result of an increase in professional fees. Overall, departmental revenue is anticipated to decrease by 19.3% or $2.2M as the result of an expected $1.3M decrease in budgeted use of fund balance that is slightly offset by increases in income taxes and inerest revenue.

Adopted FY24 to Proposed FY25

From the FY23 budget to the FY24 proposed budget, overall total expenditures are expected to be 9.3% or $102.1K lower. Salary and wages are expected to increase 2.9% or $20.1K over FY23 budget and benefits are expected to be 6.5% or $12.9K higher. These increases are mostly due to the addition of the Grant Coordinator position, mentioned above. In total, revenues are expected to increase 7.1% or $566.7K in FY24 budget due to increases in income taxes, American Rescue Plan Act (ARPA) grant funds, and miscellaneous revenue.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	9.00	9.00	9.00	9.00
Staffing Total	9.00	9.00	9.00	9.00
Unfunded positions	0.00	0.00	0.00	0.00

There are no additional changes anticipated for FY25. The Grant Coordinator position formally funded by ARPA, will be funded by finance after December 2024.

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 successfully implemented a new online payment portal and will continue to work with integration of new features. Staff is exploring a new CIS and Utility Billing System to provide better service to our customers.

• **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 the current configuration does not offer the best opportunity for serving our customers. The City acquired the M & T bank building located on North Potomac Street within close proximity to City Hall and our current location. Construction will be completed this year on the new location which will allow for better queuing of customers and recognition by staff members. It will allow for a drive up window, customer kiosk 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 researching a new Utility Billing and CIS 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. Staff has handled over 43,000 emails in the past year. The new CIS system being researched 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

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Number of calls offered into Support Services queue	**70,500**	**70,000**	**60,000**
Number of calls serviced in Support Services	**60,300**	**60,000**	**49,000**
Average hold time (in Seconds)	**300**	**250**	**230**
Number of counter transactions handled in City Hall	**70,000**	**70,000**	**71,000**
Total customers served	**145,500**	**151,000**	**131,000**
Dollar amount of transactions processed in City Hall	**$ 64,525,000**	**$ 65,000,000**	**$ 69,000,000**
IVR Payments by phone			**21,000**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 644,646	$ 673,034	$ 688,299	$ 741,368	10.2%
Benefits	217,285	237,612	232,156	267,125	12.4%
Overtime	8,618	6,000	6,000	6,000	0.0%
Personnel Subtotal	**870,549**	**916,646**	**926,455**	**1,014,493**	**10.7%**
Contractual Services	686,442	606,112	643,000	689,150	13.7%
Operating Expenditures	(901,064)	(960,356)	(874,388)	(1,064,022)	10.8%
Capital Outlay	1,313	7,600	-	8,100	6.6%
Operating Subtotal	**(213,309)**	**(346,644)**	**(231,388)**	**(366,772)**	**5.8%**
Total Expenditures	**$ 657,240**	**$ 570,002**	**$ 695,067**	**$ 647,721**	**13.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 35,548,502	$ 37,656,300	$ 38,256,010	$ 40,262,277	6.9%
Total Revenues	**$ 35,548,502**	**$ 37,656,300**	**$ 38,256,010**	**$ 40,262,277**	**6.9%**
Expenditures, net of Revenues	**$(34,891,262)**	**$ (37,086,298)**	**$ (37,560,943)**	**$ (39,614,556)**	**6.8%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

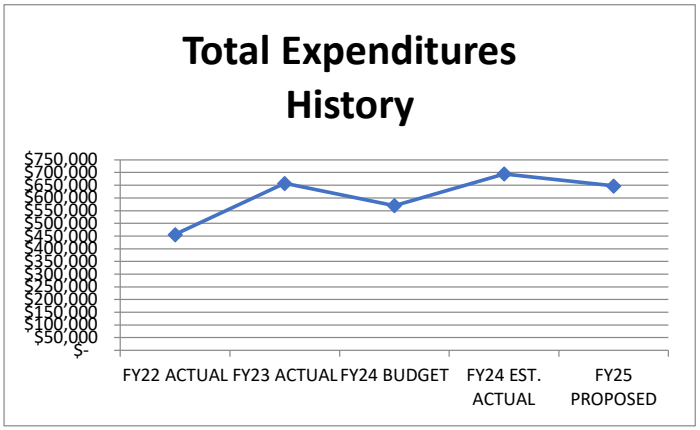
Adopted FY24 to Estimated Actual FY24

FY24 estimated actual total personnel expenditures are projected to be 1.1% or $9.8K higher than FY24 budget. There is a 2.3% or $15.3K increase in salary and wages that helps to offset a 2.3% or $5.5K decrease in benefits. In addition, credit card fees are reflected in contractual services and expected to be 6.1% or $36.9K higher than budget. Departmental revenue estimated actual for FY24 is projected to be 1.6% or $599.7K higher than FY24 budget.

Adopted FY24 to Proposed FY25

The proposed FY25 budget for personnel expenditures is expected to be 10.7% or $97.8K higher than FY24 budget due to an increase in salary and wages and benefits. Contractual services are expected to be 13.7% or $83.0K higher as a result of increased needs in credit card fees. Departmental revenue is anticipated to be 6.9% or $2.6M higher than FY24 budget.

Total operating expenditures reflect a positive 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 16%; Parking 2%; and Stormwater 9%. The allocation percentage is determined based on the total number of bills issued per service.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	10.00	10.00	10.00	10.00
Part time	3.00	1.00	1.00	3.00
Staffing Total	13.00	11.00	11.00	13.00
Unfunded positions	0.00	0.00	0.00	0.00

FY24 estimated actual and FY25 proposed full time staffing remains the same. The increase in part time positions in FY25 reflects 2 security guards that will be located in the new City Hall Annex. The security guards in City Hall are reflected under Human Resources.

EXPENDITURES BY PROGRAM

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES					
Support Services	$ 13,606	$ 10,000	$ 53,050	$ 550	-94.5%
Treasurer	643,413	560,002	642,017	647,171	15.6%
Utility Billing	221	-	-	-	0.0%
Total Expenditures	**$ 657,240**	**$ 570,002**	**$ 695,067**	**$ 647,721**	**13.6%**
REVENUES					
Departmental Revenue	$ 35,548,502	$ 37,656,300	$ 38,256,010	$ 40,262,277	6.9%
Total Revenues	**$ 35,548,502**	**$ 37,656,300**	**$ 38,256,010**	**$ 40,262,277**	**6.9%**
Expenditures, net of Revenues	**$(34,891,262)**	**$ (37,086,298)**	**$ (37,560,943)**	**$ (39,614,556)**	**6.8%**

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 is consistently reviewing and analyzing 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.

- **Security Software**: City is continuing to implement real-time IT security software that monitors our various endpoints and alerts staff when potential threats are detected. This includes multi-factor authentication (MFA) to access city IT resources. Discrepancies can then be addressed as soon as they are discovered.

- **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 continued integration of the Office 365 common suite of productivity products.

- **City Financial System:** Staff will continue to work with our software vendor to upgrade the City's financial system (MUNIS) to more current versions, allowing for additional functionality and to increase operational efficiency of services. The City is also exploring other software packages to assist with our overall enterprise resource planning.

- **Implement New Utility Billing Software:** Staff will work with Utilities and Customer Service to implement a new Utility Billing Software package. 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.

- **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

	2022/23	2023/24	2024/25
Number of City-wide personal computers	**309**	**320**	**331**
Number of PC Software programs supported	**38**	**40**	**39**
Number of Help Desk tickets	**2,870**	**3,039**	**3,161**
# of SPAM e-mails blocked daily	**47,971**	**50,940**	**53,996**
Phone calls managed through our central switch	**403,207**	**405,626**	**407,249**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 427,451	$ 446,080	$ 480,000	$ 516,722	15.8%
Benefits	162,081	175,964	172,431	216,044	22.8%
Personnel Subtotal	**589,532**	**622,044**	**652,431**	**732,766**	**17.8%**
Contractual Services	-	500	500	10,550	2010.0%
Operating Expenditures	670,628	730,280	662,507	875,645	19.9%
Capital Outlay	5,460	4,000	6,000	5,500	37.5%
Operating Subtotal	**676,088**	**734,780**	**669,007**	**891,695**	**21.4%**
Total Expenditures	**$ 1,265,620**	**$ 1,356,824**	**$ 1,321,438**	**$ 1,624,461**	**19.7%**
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	**$ 1,255,238**	**$ 1,346,442**	**$ 1,311,056**	**$ 1,614,079**	**19.9%**

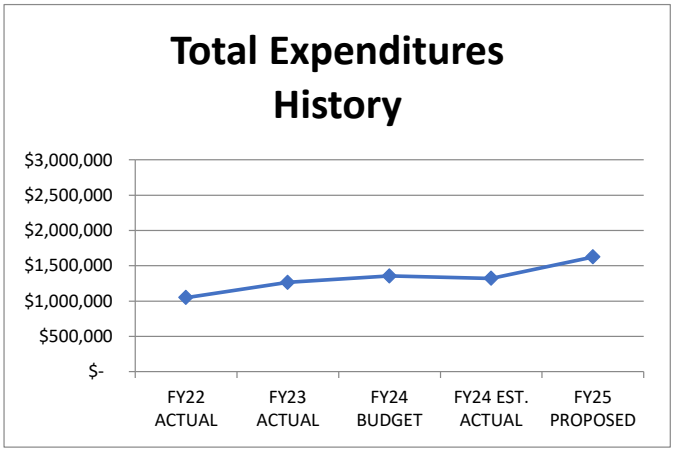
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

In total, FY24 estimated actual expenditures are projected to be under FY24 budget by 2.6% or $35.4K. The largest increase is within the capital outlay and is expected to be 50.0% or $2.0K higher than FY24 budget due to an increase in Computer Equipment expenses. FY24 estimated actual for salary and wages and benefits is also expected to be higher than FY24 budget by 4.9% or $30.4K. Total revenues are expected to remain level with FY24 budget.

Adopted FY24 to Proposed FY25

Total expenditures are expected to increase 19.7% or $267.6K in the FY25 proposed budget when compared to the FY24 budget. The largest portion of this is a $145.4K increase in PC Software Support & Maintenance expenses that is within the operating expenditures category. Total personnel expenditures are expected to increase by 17.8% or $110.7K. Total departmental revenues are expected to remain consistent with FY24 budget.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
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 FY22. There are no anticipated changes to staffing through FY25.

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

	2022/23	2023/24	2024/25
Bargaining Unit Contracts	**4**	**4**	**4**
Per Employee Health Plan Costs	**$ 13,193**	**$ 13,005**	**$ 15,554**
Per Retiree Health Plan Costs	**$ 9,191**	**$ 9,180**	**$ 6,760**
Number of Employment Applications Received	**1,000**	**1,400**	**1,200**
Number of Regular FT employees hired	**40**	**55**	**58**
Number of non-regular employees hired	**45**	**46**	**33**
Retirements	**15**	**17**	**18**
Voluntary Separations	**65**	**69**	**51**
Involuntary Separations	**2**	**6**	**4**
Number of Injury Reports	**100**	**85**	**90**
Number of Property Claims	**32**	**27**	**32**
Number of General Liability Claims	**8**	**3**	**3**
Number of Police Liability Claims	**5**	**-**	**3**
Number of Auto Claims	**32**	**26**	**26**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 397,865	$ 414,143	$ 434,300	$ 447,445	8.0%
Benefits	136,281	146,256	143,090	158,444	8.3%
Overtime	96	200	200	200	0.0%
Personnel Subtotal	**534,242**	**560,599**	**577,590**	**606,089**	**8.1%**
Contractual Services	37,243	60,900	60,900	60,900	0.0%
Operating Expenditures	48,321	46,569	48,169	52,732	13.2%
Capital Outlay	300	4,000	4,000	4,000	0.0%
Operating Subtotal	**85,864**	**111,469**	**113,069**	**117,632**	**5.5%**
Total Expenditures	**$ 620,106**	**$ 672,068**	**$ 690,659**	**$ 723,721**	**7.7%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 620,106**	**$ 672,068**	**$ 690,659**	**$ 723,721**	**7.7%**

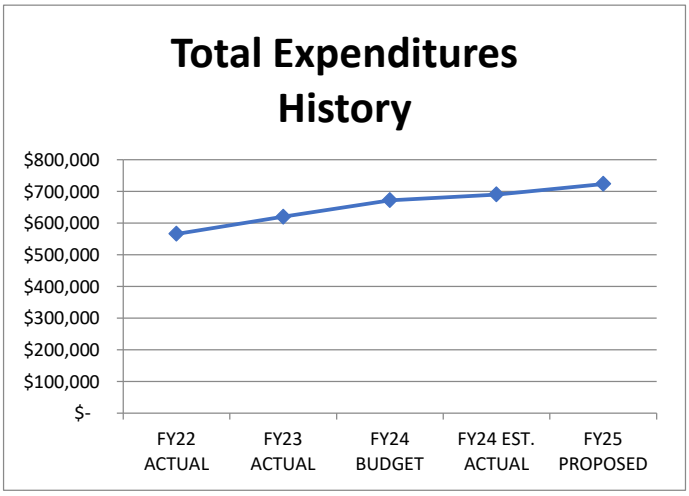
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

In total, FY24 estimated actual expenditures are expected to increase by 2.8% or $18.6K over FY24 budget primarily due to increases in salary and wages and operating expenditures. Benefits are expected to decrease by 2.2% or $3.2K under FY24 budget primarily due to a decrease in benefit elections.

Adopted FY24 to Proposed FY25

In total, FY25 expenditures are estimated to be 7.7% or $51.7K higher than FY24 budget levels. This increase is primarily due to rate increases in salary and wages, benefits, and operating expenditures.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	4.00	4.00	4.00	4.00
Part time	4.00	3.00	3.00	3.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	8.00	7.00	7.00	7.00
Unfunded positions	1.00	1.00	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. 1 FT position in HR will remain unfunded through FY25.

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

• **Consolidated Communications Plan:** In conjunction with the guidelines of the new 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.

• **Regional Marketing & Promotion of the City:** A concerted effort will continue to promote and market the City to (and in) cities and towns located in regions outside of our area in an effort to attract and increase tourism and potential investors and developers not exclusive to, but by featuring the City in TV and social media advertisements and promos.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
YouTube lifetime video views	**250,277**	**280,099**	**311,072**
YouTube subscribers	**1,410**	**1,687**	**1,902**
Website visits	**691,930**	**903,455**	**501,981**
Facebook likes	**16,674**	**17,770**	**19,100**
Twitter followers	**2,199**	**2,188**	**2,168**
Instagram followers	**2,221**	**2,338**	**2,484**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 155,748	$ 168,842	$ 171,200	$ 176,589	4.6%
Benefits	44,496	47,548	47,652	52,003	9.4%
Personnel Subtotal	**200,244**	**216,390**	**218,852**	**228,592**	**5.6%**
Contractual Services	13,576	18,576	13,000	18,576	0.0%
Operating Expenditures	71,438	59,310	53,410	53,810	-9.3%
Capital Outlay	-	2,500	2,500	2,000	-20.0%
Operating Subtotal	**85,014**	**80,386**	**68,910**	**74,386**	**-7.5%**
Total Expenditures	**$ 285,258**	**$ 296,776**	**$ 287,762**	**$ 302,978**	**2.1%**
REVENUES BY TYPE					
Departmental Revenue	$ 3,481	$ -	$ 6,500	$ 3,000	100.0%
Total Revenues	**$ 3,481**	**$ -**	**$ 6,500**	**$ 3,000**	**100.0%**
Expenditures, net of Revenues	**$ 281,777**	**$ 296,776**	**$ 281,262**	**$ 299,978**	**1.1%**

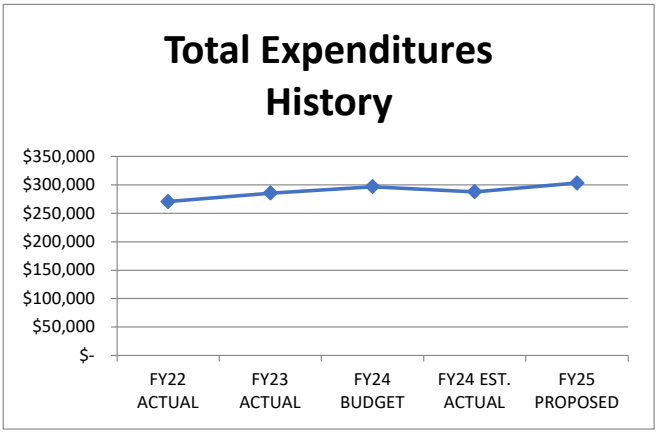
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

FY24 estimated actual expenditures are expected to be under FY24 budget levels by a total of 3.0% or $9.0K. Total operating expenses make up the biggest portion of this with an expected decrease of 14.3% or $11.5K primarily due to a decrease in contractual services. Personnel expenses are anticipated to increase slightly above FY24 budget levels by 1.1% or $2.5K resulting from an increase in salary and wages.

Adopted FY24 to Proposed FY25

FY25 proposed budget expenditures are expected to be 2.1% or $6.2K higher than FY24 budget. This is a result of a $12.2K increase in total personnel expenditures that is offset by decreases in capital outlay and operating expenditures. Departmental revenues are expected to increase by $3.0K compared with FY24 budget.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	2.00	2.00	2.00	2.00
Part time	2.50	2.00	2.00	2.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	4.50	4.00	4.00	4.00
Unfunded positions	0.00	0.00	0.00	0.00

The Communications department includes a part-time videographer. The shared part time position with the City Clerk was eliminated after FY23.

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 FY25 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, inspections of hotels to ensure minimum standards are maintained, and property abatements and neighborhood improvement plans to remove blight and foster improvements. In addition, PCAD will work with other City departments and stakeholders to implement the recommendations in the Community's City Center Plan and the City's comprehensive plan, *visionHagerstown 2035*.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Value of Commercial Investment (in thousands)	**$ 133,229**	**$ 102,000**	**$ 75,000**
Value of Residential Investment (in thousands)	**$ 13,393**	**$ 9,000**	**$ 15,000**
Assessed Value of Newly Annexed Land (in thousands)	**$ 108**	**$ 134,740**	**$ 23,913**
Number of New Dwelling Units (DWUs) Permitted	**82**	**24**	**57**
Number of New DWUs Approved in Site Plans/Subdivisions	**241**	**378**	**1361**
Number of Commercial/Industrial/Institutional Site Plans Reviewed	**15**	**12**	**12**
Volume of Inspections Performed	**21,526**	**20,000**	**20,000**
Number of Inspections Appealed	**1**	**3**	**3**
Number of Zoning Certificates issued for new businesses*	**52**	**100**	**130**
Number of Rental Units Licensed	**9,707**	**9,700**	**9,700**
Number of Vacant Residential Properties Licensed	**241**	**240**	**240**
Number of Vacant Non-Residential Properties Licensed	**24**	**50**	**45**
Value of Abatements performed by the City (in thousands)	**$ 117**	**$ 300**	**$ 300**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,220,567	$ 1,431,281	$ 1,366,503	$ 1,488,201	4.0%
Benefits	445,180	524,757	488,023	572,895	9.2%
Overtime	5,232	2,000	4,050	4,050	102.5%
Personnel Subtotal	**1,670,980**	**1,958,038**	**1,858,576**	**2,065,146**	**5.5%**
Contractual Services	(8,187)	7,331	3,104	9,361	27.7%
Operating Expenditures	213,580	330,746	357,331	352,838	6.7%
Capital Outlay	9,253	11,865	7,475	8,865	-25.3%
Operating Subtotal	**214,646**	**349,942**	**367,910**	**371,064**	**6.0%**
Total Expenditures	**$ 1,885,626**	**$ 2,307,980**	**$ 2,226,486**	**$ 2,436,209**	**5.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 1,889,949	$ 1,937,546	$ 2,526,500	$ 1,908,516	-1.5%
Total Revenues	**$ 1,889,949**	**$ 1,937,546**	**$ 2,526,500**	**$ 1,908,516**	**-1.5%**
Expenditures, net of Revenues	**$ (4,323)**	**$ 370,434**	**$ (300,014)**	**$ 527,693**	**42.5%**

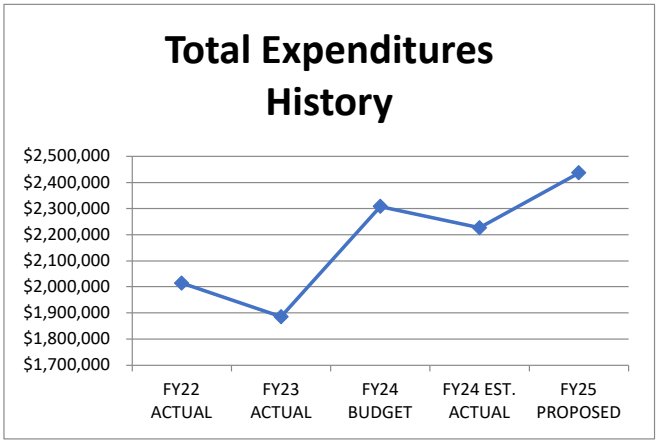
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Overall, FY24 estimated actual personnel costs are expected to be 5% lower than budgeted in FY24 due to vacancies and new hires starting with lower salaries. Total FY24 estimated actual operating expenditures are expected to be 8% or $26.6K higher due to parking space rentals in Code Administration. Funds budgeted for abatement of nuisance properties will be utilitized to eradicate larger blight issues in our neighborhoods. Overall revenues are expected to be 30.4% or $588.6K higher due to strong development review and permitting activity, paticularly in tenant fit-out of mega warehouses.

Adopted FY24 to Proposed FY25

Overall, personnel expenses are anticipated to be 5.5% or $107.1K higher from FY24 budget to FY25 proposed budget due to vacancies and a retirement in FY25. The additional staff will help meet Mayor and Council goals for premier customer service and 'speed to market' for our permitting process. Total operating expenditures in propsed FY25 are anticipated to be 6.7% or $22.1K higher than FY24 budget amounts. Revenues are anticipated to be 1.5% or $29.0K lower in the proposed FY25 budget as revenue from warehouse permits slows, however growth in residential and commercial development is expected to continue. Plans expect to be implemented in FY25 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.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	21.00	21.00	21.00	21.00
Part time	0.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	21.00	21.00	21.00	21.00
Unfunded positions	0.00	0.00	0.00	0.00

The FY25 budget does not include staffing changes. However, the City will need to assess the adquacy of staffing in the permit inspections team and in the Planning team in the future. Additional help is needed on the inspections team to provide wider coverage for building, electrical, plumbing and mechanical inspections and to relieve the Chief Code Official of back-up inspection responsibilities to ensure time is available for speedy plan review and customer requests for code and

PLANNING AND CODE ADMINISTRATION - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2024/2025

EXPENDITURES BY PROGRAM

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES					
Planning	$ 416,342	$ 484,445	$ 473,286	$ 527,694	8.9%
Annexation	(8,607)	10,800	6,000	10,800	0.0%
Code Administration	1,477,891	1,812,735	1,747,200	1,897,715	4.7%
Total Expenditures	**$ 1,885,626**	**$ 2,307,980**	**$ 2,226,486**	**$ 2,436,209**	**5.6%**
REVENUES					
Departmental Revenue	$ 1,889,949	$ 1,937,546	$ 2,526,500	$ 1,908,516	-1.5%
Total Revenues	**$ 1,889,949**	**$ 1,937,546**	**$ 2,526,500**	**$ 1,908,516**	**-1.5%**
Expenditures, net of Revenues	**$ (4,323)**	**$ 370,434**	**$ (300,014)**	**$ 527,693**	**42.5%**

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 two primary function areas: **Community Development** to grow strong neighborhoods; and **Economic Development** to support business growth.

DEPARTMENT / PROGRAM OBJECTIVES

• **Community's City Center Plan**: Implement catalyst projects identified in the 10-year Community's City Center Plan (2014-2024). In 2024, 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 Downtown. 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 economic development, community development, incentive programs and property rehabilitation.

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)

• **Youth Engagement:** Support and grow the initiatives and activities of the Hagerstown Youth 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.

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:** Support the City's Hagerstown Field House project. 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).

• **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.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Number of business grand openings/anniversary celebrations	**18**	**18**	**20**

Performance Indicators for Jobs & Investment - see Section 4 Special Revenue Funds - Economic Redevelopment Fund

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 402,348	$ 451,642	$ 491,000	$ 497,416	10.1%
Benefits	128,965	146,895	148,681	170,664	16.2%
Overtime	754	100	3	-	-100.0%
Personnel Subtotal	**532,067**	**598,637**	**639,684**	**668,080**	**11.6%**
Contractual Services	14,427	13,720	13,755	13,720	0.0%
Operating Expenditures	76,870	146,052	121,872	208,778	42.9%
Capital Outlay	24,198	20,850	20,850	20,750	-0.5%
Operating Subtotal	**115,495**	**180,622**	**156,477**	**243,248**	**34.7%**
Total Expenditures	**$ 647,562**	**$ 779,259**	**$ 796,161**	**$ 911,328**	**16.9%**
REVENUES BY TYPE					
Departmental Revenue	$ 854,462	$ 788,000	$ 833,212	$ 896,266	13.7%
Total Revenues	**$ 854,462**	**$ 788,000**	**$ 833,212**	**$ 896,266**	**13.7%**
Expenditures, net of Revenues	**$ (206,900)**	**$ (8,741)**	**$ (37,051)**	**$ 15,062**	**-272.3%**

**Community Engagement branched out from DCED during FY22*

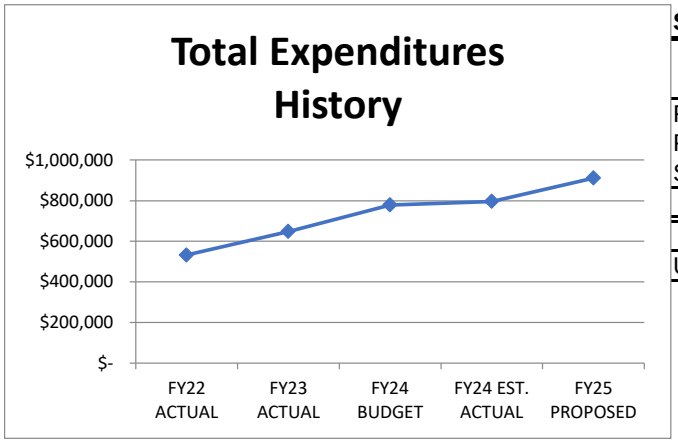
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total personnel costs are anticipated to be higher than FY24 budget by 6.9% or $41.0K. Total operating expenditures are expected to be 13.4% or $24.1K lower than budget due to a $24.2K decrease in operating expenditures. Departmental revenue amounts are expected to be higher than budget by 5.7% or $45.2K primarily due to an increase in Enterprise Zone tax credits and grants.

Adopted FY24 to Proposed FY25

Overall, FY25 proposed total expenditures are expected to be 16.9% or $132.1K higher than FY24 budget. Total personnel expenditures are expected to be 11.6% or $69.4K higher, while total operating expenditures are expected to be 34.7% or $62.6K higher. There is an expected increase of 13.7% or $108.3K in revenues, primarily due to Enterprise Zone tax credits



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	6.15	6.30	6.30	6.30
Part time	2.00	0.00	0.00	0.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	8.15	6.30	6.30	6.30
Unfunded positions	0.00	0.00	0.00	0.00

During FY24, 1 FT staff and 1 PT staff was transitioned to Community Engagement. In addition, the remaining PT position was converted to FT. There are no additional changes anticipated for FY25.

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

• Per the Strategic Plan and in partnership with Eastern Sports Management, complete construction of the $25 million, 117,000 square foot indoor sports “Field House” at the municipal stadium site

• Per the Strategic Plan, complete construction of a $12 million third parking deck at 50 West Antietam Street; the deck is projected to have five levels, with approximately 397 spaces

• Per the Strategic Plan, construct the first phase of the “Wheaton Park Master Improvement Plan”, including a new stage and a natural play area.

• Complete improvement projects including: renovations to Locomotive #202, installation of safety beacons on Hagers Crossing Drive, construction of the Antietam Creek stream access at Mt. Aetna Road, construct improvements at the "Burnap" parking lot at City Park, install sidewalks along Security Road, construct improvements at the Hager House visitor center, contract for repairs to the Marsh Run stone walls along Memorial Blvd, complete traffic signal replacements at the Summit Avenue/Antietam Street and West Side Avenue/Salem Avenue intersections.

• Complete a Safe Streets for All Safety Action Plan, which will allow the City to apply for implementation grants for future safety-related projects.

• See Stormwater Protection Program for other projects.

Solid Waste Collection and Disposal

Monitor and adjust collection using City-issued totes and automated/semi-automated collection trucks.

Sustainability Initiatives

Seek additional energy efficiency grants and public art installations.

PERFORMANCE INDICATORS - ENGINEERING

	2022/23	2023/24	2024/25
Number of Contracts and RFP's	**24**	**18**	**15**
Curb and Sidewalk Repairs Completed	**200**	**200**	**200**
Traffic Complaints Resolved	**258**	**200**	**250**
Work Orders issued to Public Works	**230**	**230**	**250**
Portion of Streets Re-Paved	**35**	**25**	**23**
Public Arts Installations	**26**	**28**	**29**
Miles of Bike Lanes and Paths	**60**	**60**	**60**

PERFORMANCE INDICATORS - WASTE COLLECTION

	2022/23	2023/24	2024/25
Tons of Garbage Collected Curbside	**13,061**	**13,200**	**13,300**
Tons of Yard Waste Collected	**871**	**900**	**920**
Tons of Recyclables Collected	**2,126**	**2,200**	**2,250**
Residential Units Served	**15,300**	**15,500**	**16,250**
Commercial Units served	**115**	**126**	**125**
Tons of Electronics Waste Collected	**11**	**10**	**10**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 817,381	$ 822,573	$ 815,800	$ 921,583	12.0%
Benefits	281,649	300,003	294,556	345,428	15.1%
Overtime	6,582	8,000	5,750	6,100	-23.8%
Personnel Subtotal	**1,105,612**	**1,130,576**	**1,116,106**	**1,273,111**	**12.6%**
Contractual Services	2,974,571	3,537,100	3,491,132	4,626,934	30.8%
Operating Expenditures	267,597	1,222,940	1,180,447	393,069	-67.9%
Capital Outlay	7,061	5,500	4,200	4,500	-18.2%
Operating Subtotal	**3,249,229**	**4,765,540**	**4,675,779**	**5,024,503**	**5.4%**
Total Expenditures	**$ 4,354,841**	**$ 5,896,116**	**$ 5,791,885**	**$ 6,297,614**	**6.8%**
REVENUES BY TYPE					
Departmental Revenue	$ 3,662,109	$ 4,907,036	$ 4,950,761	$ 5,122,890	4.4%
Total Revenues	**$ 3,662,109**	**$ 4,907,036**	**$ 4,950,761**	**$ 5,122,890**	**4.4%**
Expenditures, net of Revenues	**$ 692,732**	**$ 989,080**	**$ 841,124**	**$ 1,174,724**	**18.8%**

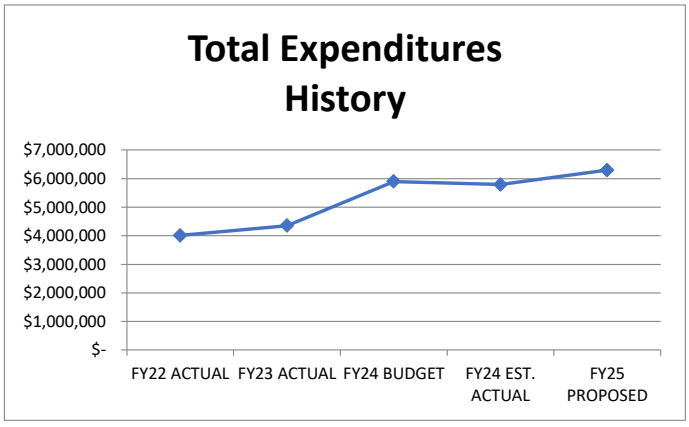
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

FY24 estimated actual total personnel costs are expected to be 1.3% or $14.5K lower than FY24 budget. FY24 estimated actual total operating expenditures are expected to be lower than FY24 budget by 1.8% or $104.2K in total. Total departmental revenue for FY24 estimated actual is expected to be 0.9% or $43.7K higher than FY24 budget mostly because of expected increases in permit revenues and refuse collection fees.

Adopted FY24 to Proposed FY25

In total, personnel costs are projected to be 12.6% or $142.5K higher in proposed FY25 budget compared to FY24 budget. Total operating expenditures are anticipated to be 5.4% or $259.0K higher in FY25 and includes increases for contractual services related to trash/recycling and grounds services. Finally, departmental revenue amounts are projected to be 4.4% or $215.9K higher in FY25 budget and this is associated with an increase in engineering review fees and refuse collection fees. There is also $80.0K in Safe Streets and Roads For All federal grant funding.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	10.24	10.44	10.44	10.55
Part time	1.00	1.00	1.00	2.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	11.24	11.44	11.44	12.55
Unfunded positions	0.00	0.00	0.00	0.00

FY25 propsed budget shows allocations increasing in FT posiitons and the addition of 1 PT position. The increase in part time positions reflects assistance from prior employees to help throughout the duration of several large projects, including the construction of Hagerstown Field House.

EXPENDITURES BY PROGRAM

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES					
Engineering	$ 1,122,243	$ 1,393,581	$ 1,262,581	$ 1,421,807	2.0%
Waste Collection and Disposal	3,232,599	4,502,535	4,529,304	4,875,807	8.3%
Total Expenditures	**$ 4,354,841**	**$ 5,896,116**	**$ 5,791,885**	**$ 6,297,614**	**6.8%**
REVENUES					
Departmental Revenue	$ 3,662,109	$ 4,907,036	$ 4,950,761	$ 5,122,890	4.4%
Total Revenues	**$ 3,662,109**	**$ 4,907,036**	**$ 4,950,761**	**$ 5,122,890**	**4.4%**
Expenditures, net of Revenues	**$ 692,732**	**$ 989,080**	**$ 841,124**	**$ 1,174,724**	**18.8%**

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 programs 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. This is funding dependent.

• Other goals for FY24/25 include: installing additional play equipment, benches, and tables througout the parks; reconstruct stairs at the Fairground grandstands; begin 202 locomotive restoration at the Train Hub; improve the upper parking lot with paving at City Park; create some handicap parking spaces at Hamilton Playground and Ridge Ave. playground; replace pool lighting with new LED fixtures.

• 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. Many of the events are requested by outside organizations needing assistance with logistics. These events provide a great leisurely activity for all ages. Staff will also be working closely with the City's Community Engagement Officer on numerous City organized events in the heart of downtown.

• Construction of the 117,156 square foot Hagerstown Field House began in December 2023 with a planned opening in December 2024. The facility will house hardcourts (basketball, volleyball, etc.), indoor fields, a fitness center, E-sports room, party rooms, and concessions. Located at 290 E. Memorial Blvd., ESM Hagerstown, LLC (a private companey) will operate the facility on behalf of the City through a lease agreement.

PERFORMANCE INDICATORS - PARKS

	2022/23	2023/24	2024/25
Number of Public Parks, Playgrounds, & Facilities	**29**	**29**	**30**
Acres of Park Land	**291**	**291**	**292**
Number of Pavilion Reservations	**298**	**300**	**300**
City Park Bandshell Reservations	**45**	**45**	**45**
Miles of Bike Lanes and Paths	**60**	**60**	**60**
Hager House Visitors	**2,729**	**3,500**	**4,000**
Hager House Promotions/Events	**8**	**8**	**8**
Hagerstown 202 Railroad Museum Promotions/Events	**6**	**3**	**4**
202 Railroad Visitors	**2,795**	**3,000**	**3,200**

PERFORMANCE INDICATORS - GENERAL RECREATION

	2022/23	2023/24	2024/25
Number of Events	**50**	**50**	**50**
Number of Recreation Programs	**64**	**65**	**65**

PERFORMANCE INDICATORS - POTTERFIELD POOL

	2022/23	2023/24	2024/25
Number of Days in Full Operation	**85**	**85**	**85**
Number of Private Rentals	**22**	**23**	**24**
Number of Season Passes (all types)	**72**	**73**	**74**
Daily Paid Attendance (non camp)	**16,944**	**17,000**	**17,000**
Total Attendance	**20,459**	**21,000**	**21,000**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,079,455	$ 1,304,122	$ 1,178,476	$ 1,402,158	7.5%
Benefits	425,809	543,189	456,335	495,982	-8.7%
Overtime	24,025	20,750	21,504	22,000	6.0%
Personnel Subtotal	**1,529,289**	**1,868,061**	**1,656,315**	**1,920,140**	**2.8%**
Contractual Services	547,970	571,385	614,890	640,110	12.0%
Operating Expenditures	711,370	801,738	867,561	996,253	24.3%
Capital Outlay	508	18,645	19,145	9,600	-48.5%
Operating Subtotal	**1,259,848**	**1,391,768**	**1,501,596**	**1,645,963**	**18.3%**
Total Expenditures	**$ 2,789,137**	**$ 3,259,829**	**$ 3,157,911**	**$ 3,566,103**	**9.4%**
REVENUES BY TYPE					
Departmental Revenue	$ 324,860	$ 296,803	$ 320,903	$ 271,707	-8.5%
Total Revenues	**$ 324,860**	**$ 296,803**	**$ 320,903**	**$ 271,707**	**-8.5%**
Expenditures, net of Revenues	**$ 2,464,277**	**$ 2,963,026**	**$ 2,837,008**	**$ 3,294,396**	**11.2%**

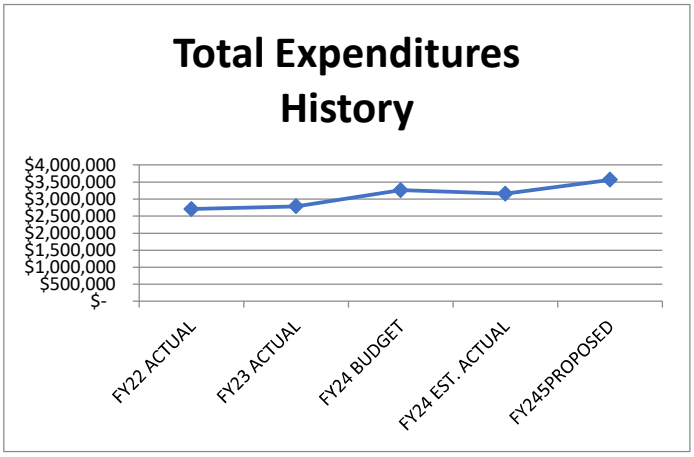
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total personnel costs are expected to be 11.3% or $211.7K lower than FY24 budget due to decreases in part-time and seasonal benefits and salary and wages. This will be partially offset by an increase in total operating expenses that are projected to be over budget by 7.9% or $109.8K. Last, total departmental revenue is expected to be higher than budget with an increase of 8.1% or $24.1K.

Adopted FY24 to Proposed FY25

In total, personnel costs are projected to be 2.8% or $52.1K higher in proposed FY25 budget compared to FY24 budget. These increases are expected in salary and wages and overtime charges. Total overall operating expenditures are anticipated to be 18.3% or $254.2K higher in FY25. Finally, departmental revenue in FY25 budget is expected to decrease by 8.5% or $25.1K associated with increases and decreases throughout the many revenue sources under the Parks and Recreation department.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	15.86	15.06	15.06	15.06
Part time	8.00	7.00	7.00	6.25
Seasonal	23.00	23.00	23.00	21.00
Staffing Total	46.86	45.06	45.06	42.31
Unfunded positions	4.00	4.00	4.00	4.00

Four vacant positions will remain unfunded in FY25. The Department has 21 part-time seasonal employees for grounds maintenance, park attendants, Potterfield Pool cashiers, Hager House guides, and the train museum attendants.

EXPENDITURES BY PROGRAM

	2022/23	2023/24		2024/25	2024/25
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES					
Recreation	587,537	669,127	655,923	687,855	2.8%
Swimming Pool	248,375	229,359	303,386	306,053	33.4%
Municipal Stadium	8,704	11,311	11,400	37,100	228.0%
Hager House	52,041	52,709	58,770	59,639	13.1%
Train Museum	24,671	58,355	37,010	41,263	-29.3%
Ice Rink	-	-	-	103,800	100.0%
Parks Division	1,867,809	2,238,968	2,091,422	2,330,393	4.1%
Total Expenditures	**$ 2,789,137**	**$ 3,259,829**	**$ 3,157,911**	**$ 3,566,103**	**9.4%**
REVENUES					
Departmental Revenue	$ 324,860	$ 296,803	$ 320,903	$ 271,707	-8.5%
Total Revenues	**$ 324,860**	**$ 296,803**	**$ 320,903**	**$ 271,707**	**-8.5%**
Expenditures, net of Revenues	**$ 2,464,277**	**$ 2,963,026**	**$ 2,837,008**	**$ 3,294,396**	**11.2%**

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 2025, 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, 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.

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; 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 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.

DEPARTMENT / PROGRAM OBJECTIVES (continued)

RED LIGHT CAMERAS: The department completed the preliminary steps required for implementation. In 2018, two (2) two red light cameras were installed at intersections where red light violations are prevalent. Red light cameras will continue to be utilized, monitored, and expanded. The department will continue to work with the State on the original intersections on state roads in city limits for installation in 2024.

WATCH CENTER: In 2023, the department established a Watch Center to take reports and handle low priority calls for service that do not require the presence of a sworn officer. Personnel also monitor the crime camera system for suspicious activity and other situations requiring police attention. The department will continue to develop this program in 2025 with hopes that the Watch Center can handle up to 30% of the departments total calls for service, thereby increasing the availability of our police officers for regular duties.

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.

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 2025, with the goal of maintaining 24/7 coverage.

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.

CRIME SUPPRESSION 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 Crime Suppression Unit (CSU) 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 CSU 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.

DEPARTMENT / PROGRAM OBJECTIVES (continued)

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 replace aging equipment and to keep pace with advances in technology.

DRONES: In 2023 the department purchased 14 air drones to assist with public safety. This added tool will assist the department with critical situational awareness, thereby improving outcomes for public safety and communities.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Total calls for service	**59,461**	**62,442**	**64,000**
Criminal arrests	**2,087**	**2,004**	**2,000**
Juvenile arrests	**284**	**270**	**280**
CDS arrests	**274**	**170**	**200**
Domestic Violence Calls for Service	**999**	**1,080**	**1,100**
Mental Health Related Emergency Petitions	**286**	**260**	**270**
Accidents with injuries	**276**	**290**	**300**
Total Crime Rate*	**0.061**	**0.058**	**0.060**
Violent Crime Rate*	**0.016**	**0.015**	**0.015**
Property Crime Rate*	**0.028**	**0.031**	**0.030**
Automated Speed Enforcement Citations	**24,162**	**24,244**	**24,500**
Funded Full-time Sworn Personnel	**91**	**91**	**91**
Funded Full-time Civilian Personnel	**18**	**20**	**20**

*= number of crimes per resident

EXPENDITURE AND REVENUE SUMMARY

	2022/23	2023/24		2024/25	2024/25
	ACTUAL	**BUDGET**	**EST. ACTUAL**	**PROPOSED**	**% CHANGE**
EXPENDITURES BY TYPE					
Salary and Wages	$ 7,654,403	$ 8,283,239	$ 8,214,657	$ 8,876,206	7.2%
Benefits	3,549,220	3,759,919	3,632,090	4,162,387	10.7%
Overtime	919,179	932,962	1,050,587	1,046,300	12.1%
Personnel Subtotal	**12,122,802**	**12,976,120**	**12,897,334**	**14,084,893**	**8.5%**
Contractual Services	1,107,643	1,053,900	1,031,700	958,900	-9.0%
Operating Expenditures	2,229,153	2,620,852	2,546,554	2,673,252	2.0%
Capital Outlay	131,619	135,612	176,450	197,450	45.6%
Operating Subtotal	**3,468,415**	**3,810,364**	**3,754,704**	**3,829,602**	**0.5%**
Total Expenditures	**$ 15,591,217**	**$ 16,786,484**	**$ 16,652,038**	**$ 17,914,495**	**6.7%**
REVENUES BY TYPE					
Departmental Revenue	$ 3,222,948	$ 3,347,701	$ 3,341,993	$ 3,302,151	-1.4%
Total Revenues	**$ 3,222,948**	**$ 3,347,701**	**$ 3,341,993**	**$ 3,302,151**	**-1.4%**
Expenditures, net of Revenues	**$ 12,368,269**	**$ 13,438,783**	**$ 13,310,045**	**$ 14,612,344**	**8.7%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

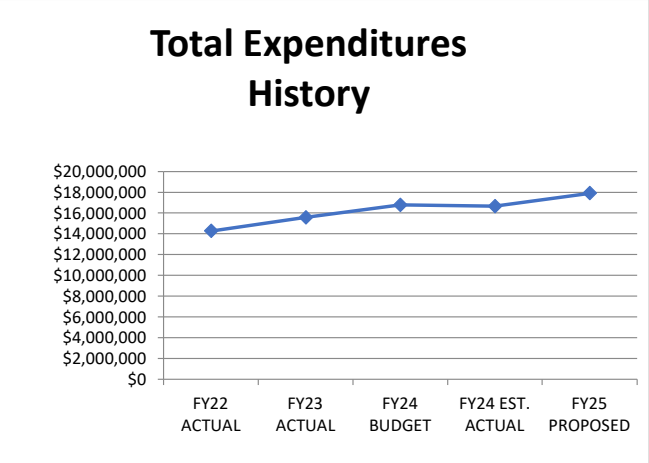
Overall, FY24 estimated actual personnel costs are anticipated to be 0.6% or $78.8K lower than FY24 budget. FY24 estimated actual overtime totals are expected to be 12.6% or $117.6K higher than FY24 budget due to staffing shortages. Total estimated actual operating expenditures for FY24 reflect a total decrease of 1.5% or $55.7K compared to FY24 budget levels. Overall, departmental revenue (not including ARPA funds) is estimated to be 0.2% or $5.7K less than FY24 budget.

Adopted FY24 to Proposed FY25

In total, personnel costs are projected to be 8.5% or $1.1M higher for proposed FY25 budget compared to the FY24 budget levels. The increase can be contributed to anticipated step increases in FY25. The overall budget for FY25 is projected at $17.9M. This is an increase of 6.7% or $1.1M from the FY24 budget. Departmental revenue (not including ARPA funds) is expected to decrease by 1.4% or $45.6K for FY25. This can be contributed to a projected decrease in Police Protection funding of $66K.

EXPENDITURES BY PROGRAM

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES					
Police Administration	$ 1,023,659	$ 1,080,730	$ 1,092,093	$ 1,563,983	44.7%
HPD Information Technology	340,947	416,181	413,000	429,243	3.1%
Community Programs	134,090	179,383	199,559	328,936	83.4%
Police Records	303,891	318,849	330,250	387,976	21.7%
Communication / Dispatch	465,937	367,638	370,318	275,656	-25.0%
Professional Services	518,461	637,578	623,108	657,418	3.1%
HPD Building	199,600	217,771	207,669	224,277	3.0%
Western Maryland Laboratory	400,172	421,415	421,053	451,574	7.2%
Police K-9	22,023	12,600	12,000	10,900	-13.5%
Evidence & Property	122,852	124,122	127,375	133,966	7.9%
Patrol	8,868,023	9,520,927	9,568,986	9,819,244	3.1%
Criminal Investigation Division	1,214,082	1,283,971	1,317,342	1,250,279	-2.6%
Patrol Vehicles	419,492	513,163	486,503	535,192	4.3%
Narcotics Task Force	784,442	883,366	697,615	1,020,394	15.5%
Police Auxiliary	12,074	13,000	11,900	23,400	80.0%
Speed Camera Enforcement	587,327	612,090	589,567	591,357	-3.4%
Red Light Camera Program	174,145	183,700	183,700	210,700	14.7%
Total Expenditures	**$ 15,591,217**	**$ 16,786,484**	**$ 16,652,038**	**$ 17,914,495**	**6.7%**
REVENUES					
Departmental Revenue	$ 3,222,948	$ 3,347,701	$ 3,341,993	$ 3,302,151	-1.4%
Total Revenues	**$ 3,222,948**	**$ 3,347,701**	**$ 3,341,993**	**$ 3,302,151**	**-1.4%**
Expenditures, net of Revenues	**$ 12,368,269**	**$ 13,438,783**	**$ 13,310,045**	**$ 14,612,344**	**8.7%**



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	113.00	109.00	109.00	112.00
Part time	14.00	12.00	12.00	11.00
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	127.00	121.00	121.00	123.00
Unfunded positions	15.00	21.00	21.00	21.00

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. FY25 budget reflects converting 2 part time sworn positions into 1 full time for a new program, Alternative Response Team.

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, first response emergency medical services 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 first response 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 Marshal: Provide education, engineering, and enforcement programs necessary for risk reduction 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. Assist PCAD with Hotel/Motel legislation and enforcement.

• 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, SCBA maze and the replacement of the classroom at the training center is planned. Finally, additional restroom facilities, 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 establish a sustainable revenue source for fire-rescue services, and fairly fund the HFD. 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		
	2021	**2022**	**2023**
Total Unit Responses-HFD	**7,867**	**8,494**	**8,101**
Number of Incidents- HFD Total	**4,154**	**4,260**	**4,247**
Number of HFD EMS Incidents	**2,072**	**2,095**	**1,471**
Number of HFD Fire Incidents	**2,082**	**2,165**	**3,641**
Civilian Fire Injuries	**6**	**4**	**2**
Civilian Fire Deaths	**6**	**0**	**0**
# of Incidents with Recorded Fire Loss	**73**	**84**	**78**
Annual $ Fire Loss	**$837,274**	**N/A**	**N/A**
90% Fractile Response Time (first unit on scene-minutes)	**4:14**	**3:13**	**3:53**
Avg response time to box alarm structure fires (minutes)	**2:52**	**2:37**	**2:47**
Avg response time to all (first unit on scene-minutes)	**3:06**	**4:28**	**4:19**
Number of Plans Reviewed	**1023**	**1596**	**1007**
Number of Investigations	**229**	**291**	**296**
Number of Arrests	**21**	**16**	**7**
Juvenile Referrals	**N/A**	**N/A**	**5**
Fire Marshal's Office ESO Events (New software)	**5,133**	**5,847**	**5,114**
Number of free smoke detectors installed	**102**	**176**	**143**
Number of educational programs presented	*****	**147**	**50**
Number of students (Children's Village) receiving 6hrs training	**502**	**661**	**536**
Children's Village Teaching (hours)	**168**	**224**	**144**
Number of people attending educational programs	*****	**N/A**	**N/A**
Avg # of Firefighters on structure fires	**17**	**18**	**19**
Average # of firefighters responding per incident (all types)	**4.8**	**4.6**	**4**
Number of active volunteer firefighters/officers	**28**	**29**	**20**
Number of volunteers firefighters that received LOSAP benefits	**277**	**N/A**	**N/A**

* Source: Transitioned from WC Gov C-A-D 911 database to HFD ESO database which does not include CRS EMS runs as in previous years.

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$5,804,279	$ 6,212,230	$ 6,049,232	$ 6,326,084	1.8%
Benefits	2,548,510	2,618,508	2,625,065	2,894,453	10.5%
Overtime	690,789	800,000	900,000	950,000	18.8%
Personnel Subtotal	**9,043,578**	**9,630,738**	**9,574,297**	**10,170,537**	**5.6%**
Contractual Services	80,104	103,400	75,129	108,200	4.6%
Operating Expenditures	638,221	919,632	842,169	1,034,817	12.5%
Capital Outlay	2,967	15,000	15,000	60,000	300.0%
Operating Subtotal	**721,292**	**1,038,032**	**932,298**	**1,203,017**	**15.9%**
Total Expenditures	**$9,764,870**	**$10,668,770**	**$ 10,506,595**	**$ 11,373,554**	**6.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 273,875	$ 400,884	$ 373,534	$ 274,350	-31.6%
Total Revenues	**$ 273,875**	**$ 400,884**	**$ 373,534**	**$ 274,350**	**-31.6%**
Expenditures, Net of Revenues	**$9,490,995**	**$10,267,886**	**$ 10,133,061**	**$ 11,099,204**	**8.1%**

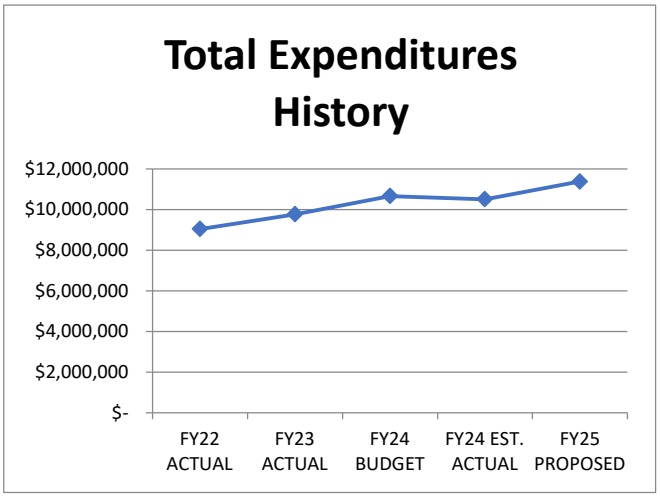
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total personnel costs for estimated actual FY24 are expected to be under budget by 0.6% or $56.4K. There are expected increases in overtime and benefit expenses that are offset by a decrease in salary and wage expenses of 2.6% or $163.0K. Total estimated actual operating expenditures also anticipate a decrease and are expected to be below FY24 budget by 8.4% or $77.5K. The current overtime burn rate exceeds the budgeted amount and is expected to exceed the total OTP budget for FY24. This is primarily due to several employees being on medically influenced duty status (MIDs) for extended periods and the sick/safe leave policy.

Adopted FY24 to Proposed FY25

Overall, personnel costs in FY25 are projected to be 5.6% or $539.8K over FY24 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 by 15.9% or $165.0K. Departmental revenue is projected to decrease in FY25 by 31.6% or $126.5K compared to FY24 budget due to fewer false alarm and fire code violation charges, along with the $118K ARPA funding ending in FY24.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	78.00	78.00	78.00	79.00
Part time	1.00	1.00	1.00	1.00
Staffing Total	79.00	80.00	80.00	80.00
Unfunded positions	6.00	6.00	6.00	5.00

The Fire Department has five (5) vacant full time positions, which will remain unfunded during FY25. FY25 budget reflects the recently approved Deputy Fire Chief position that was previously unfunded.

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

- Property at 32 N. Potomac St. was purchased to become an annex for City Hall. The City's billing operations will be relocated to this space that will provide a drive-thru service. Economic Development will also relocate to this space in the Spring of 2024. Public Works will be responsible for the long term maintenance and repair of the property.
- 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. One additional traffic signal will come online in 2024 at South Edgewood Dr. and Paul Smith Blvd.
- 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. New streets were accepted in the McCleary Hill Development (to the west) and the Hillside Manor Development (to the east) in 2023. Expecting the acceptance of Lois Harrison Blvd. in 2024 along with the possible acceptance of a number of other streets in Hagers Crossing and Greenwich Parks developments.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Number of lane miles swept	**9,918**	**11,000**	**11,500**
Snow storm costs	**$ 61,921**	**$ 386,100**	**$ 386,100**
Tons of Salt Used	**300**	**2,000**	**2,000**
Bulk Trash Collections	**396**	**380**	**400**
Traffic Islands Maintained	**179**	**179**	**179**
Public Trash Cans Maintained	**173**	**179**	**185**
Signaled Intersections	**137**	**137**	**138**
Sign Work Orders	**159**	**165**	**170**
Vehicles & Equipment Maintained	**393**	**460**	**460**
Property Abatements	**341**	**350**	**360**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,365,469	$ 1,582,624	$ 1,425,602	$ 1,678,667	6.1%
Benefits	595,831	693,381	646,621	751,781	8.4%
Overtime	6,756	44,750	44,750	44,750	0.0%
Personnel Subtotal	**1,968,056**	**2,320,755**	**2,116,973**	**2,475,198**	**6.7%**
Contractual Services	135,133	212,978	226,428	243,978	14.6%
Operating Expenditures	944,273	1,276,763	1,312,357	1,345,024	5.3%
Capital Outlay	16,493	20,950	28,325	28,250	34.8%
Operating Subtotal	**1,095,899**	**1,510,691**	**1,567,110**	**1,617,252**	**7.1%**
Total Expenditures	**$ 3,063,955**	**$ 3,831,446**	**$ 3,684,083**	**$ 4,092,450**	**6.8%**
REVENUES BY TYPE					
Departmental Revenue	$ 238,761	$ 184,500	$ 214,625	$ 188,250	2.0%
Total Revenues	**$ 238,761**	**$ 184,500**	**$ 214,625**	**$ 188,250**	**2.0%**
Expenditures, net of Revenues	**$ 2,825,194**	**$ 3,646,946**	**$ 3,469,458**	**$ 3,904,200**	**7.1%**

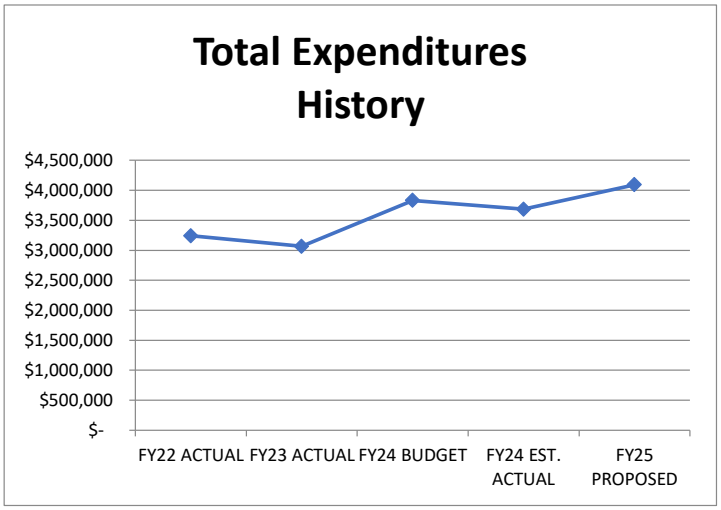
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total personnel expenditures from the FY24 budget compared to the FY24 estimated actual reflect a decrease of 8.8% or $203.8K. Overtime is expected to remain level with FY24 budget while salary and wages and benefit expenses are both expected to be lower. In total, operating expenses are anticipated to be 3.7% or $56.4K over budget. Departmental revenue is expected to be 16.3% or $30.1K higher than budget mostly due to the sale of assets.

Adopted FY24 to Proposed FY25

Total expenditures for the department are expected to slightly increase by 6.8% or $261.0K in FY25 proposed budget when compared to FY24 budget. This is due to an increase in total personnel expenditures of 6.7% or $154.4K and in total operating expenditures of 7.1% or $106.6K. Overall, revenues are expected to increase by 2.0% or $3.8K in FY25 proposed budget when compared to FY24 budget.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	24.85	25.80	25.80	24.90
Part time	0.00	0.00	0.00	1.00
Seasonal	5.00	5.00	5.00	6.00
Staffing Total	29.85	30.80	30.80	31.90
Unfunded positions	4.00	4.00	4.00	4.00

The FY25 budget reflects maintaining the current four (4) full-time position as unfunded. The change to full time positions over the three year period reflected allocation charges only.

EXPENDITURES BY PROGRAM

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES					
City Hall	$ 263,070	$ 318,847	$ 350,089	$ 340,412	6.8%
City Hall Annexations	18,243	28,650	24,050	60,300	110.5%
Signal Department	502,042	633,270	494,476	632,730	-0.1%
Snow Removal	61,921	386,100	385,000	386,100	0.0%
Gas Station & Maintenance Garage	708,777	712,058	650,590	718,650	0.9%
Public Works & Streets Operations	1,381,594	1,621,441	1,639,362	1,790,521	10.4%
Central Equipment Building	128,308	131,080	140,516	163,737	24.9%
Total Expenditures	**$ 3,063,955**	**$ 3,831,446**	**$ 3,684,083**	**$ 4,092,450**	**6.8%**
REVENUES					
Departmental Revenue	$ 238,761	$ 184,500	$ 214,625	$ 188,250	2.0%
Total Revenues	**$ 238,761**	**$ 184,500**	**$ 214,625**	**$ 188,250**	**2.0%**
Expenditures, net of Revenues	**$ 2,825,194**	**$ 3,646,946**	**$ 3,469,458**	**$ 3,904,200**	**7.1%**

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 FY25 proposed budget include the following current issues: 2009B, 2014, 2015A, 2015B, 2017A, 2017B, 2018A, and 2019A public improvement bond issues. In addition, an anticipated 2024A future public improvement bond issue is included. 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 FY25 budget includes $150,000 in Golf Course Fund transfers. The FY25 budget includes a $1,322,000 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 FY25 budget includes $106,667 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 FY25, there is a reserve of ($100,000) for savings associated with the management of future vacancies in various departments, $275,000 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 account 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 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
DEBT SERVICE-PRINCIPAL AND INTEREST					
2009-B Public Facilities Bonds (Build America Bond)	613,124	674,665	674,665	665,002	-1.4%
2014 Public Improvements Bond	36,116	36,124	36,124	36,125	0.0%
2015-A Public Facilities Bond	228,307	230,327	230,327	234,388	1.8%
2015-B Public Facilities Bond	45,948	47,002	47,002	46,032	-2.1%
2017-A Public Facilities Bond	280,409	279,090	279,090	283,007	1.4%
2017-B Public Facilities Bond	35,666	35,018	35,018	34,370	-1.9%
2018-A Public Facilities Bond	59,235	59,235	59,235	59,235	0.0%
2019-A Public Facilities Bond	270,339	267,438	267,438	264,494	-1.1%
2024-A Public Facilities Bond	-	257,715	-	445,000	72.7%
Total Expenses	$ 1,569,144	$ 1,886,614	$ 1,628,899	$ 2,067,653	9.6%
RETIREE HEALTH COSTS					
Health Insurance	1,396,677	1,614,540	1,460,000	1,606,000	-0.5%
Dental Insurance	47,917	50,000	50,025	50,025	0.1%
Total Expenses	$ 1,444,594	$ 1,664,540	$ 1,510,025	$ 1,656,025	-0.5%
INVENTORY ADJUSTMENTS					
Physical Inventory Adjustments	6,674	5,000	5,000	5,000	0.0%
E&O Inventory Write-offs	(5,604)	5,000	5,000	5,000	0.0%
Total Expenses	$ 1,070	$ 10,000	$ 10,000	$ 10,000	0.0%
CIP, FUND BALANCE APPROPRIATIONS, AND OTHER TRANSFERS					
Capital Transfers to - CIP Fund	3,175,447	2,226,279	2,246,279	2,823,120	26.8%
GF Fund Balance to - CIP Fund	840,000	4,630,000	3,230,748	2,202,000	-52.4%
Total Expenses	$ 4,015,447	$ 6,856,279	$ 5,477,027	$ 5,025,120	-26.7%
OPERATING TRANSFERS TO OTHER FUNDS					
Golf Course Fund	123,000	250,000	250,000	150,000	-40.0%
Economic Redevelopment Fund	1,175,000	1,128,000	1,128,000	1,322,000	17.2%
Grant Fund	19,216	12,558	12,558	106,667	749.4%
Flex Fund	13,500	-	-	-	0.0%
Total Expenses	$ 1,330,716	$ 1,390,558	$ 1,390,558	$ 1,578,667	13.5%
CONTINGENCY RESERVES					
Vacancy Savings	-	(75,000)	-	(100,000)	33.3%
Regular Wages-Salaried	-	-	-	63,510	0.0%
General Contingency	-	254,054	-	211,490	-16.8%
Total Expenses	$ -	$ 179,054	$ -	$ 175,000	-2.3%
CONTRIBUTIONS TO OTHER AGENCIES					
Art Museum	40,500	40,500	40,500	40,500	0.0%
Community Rescue Service	45,000	45,000	45,000	45,000	0.0%
Hagerstown Municipal Band	18,000	18,000	18,000	18,000	0.0%
Hagerstown Neighborhood Develop Partnership	28,450	28,450	28,450	28,450	0.0%
Heart of Civil War Heritage	7,200	7,500	7,500	-	-100.0%
Maryland Symphony Orchestra	17,550	17,550	17,550	17,550	0.0%
Maryland Theatre	9,000	9,000	9,000	9,000	0.0%
Washington County Free Library	31,500	31,500	31,500	31,500	0.0%
Washington County Historical Society	5,000	5,000	5,000	5,000	0.0%
Unspecified Agency Contributions	-	2,500	2,500	10,000	300.0%
Total Contributions to Other Agencies	$ 202,200	$ 205,000	$ 205,000	$ 205,000	0.0%

SCHEDULE OF PUBLIC FUNCTIONS
FISCAL YEAR 2024/2025

FUNCTION DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
Augustoberfest (City Services)	$ 2,000	$ -	$ -	$ -	100.0%
A&E District Event	20,484	40,500	33,070	5,070	-87.5%
Christmas Decorating	19,800	18,000	18,000	18,000	0.0%
Christmas with Santa	-	800	800	1,000	25.0%
Farmer's Market	-	1,500	2,000	2,000	33.3%
Friday Music Series	-	-	-	36,000	100.0%
Hagerfest	-	-	-	35,000	100.0%
Hollyfest/Tree Lighting	2,586	3,500	5,060	5,600	60.0%
Imagine Hagerstown (City Services)	3,220	4,000	3,000	-	0.0%
Imagine Hagerstown	54,072	56,000	58,200	-	0.0%
MDWK Music & Market	-	-	-	15,000	100.0%
Miscellaneous Downtown Events	53,086	42,250	45,000	50,000	18.3%
Miss Maryland Pageant	11,483	9,500	12,000	12,000	26.3%
Mummers Parade	27,531	22,000	25,000	25,000	13.6%
Taste of the Arts	2,500	2,500	2,500	2,500	0.0%
Wesel Official's Visit to Hagerstown	3,593	4,000	3,500	3,500	-12.5%
Subtotal Public Function Events	**$ 200,355**	**$ 204,550**	**$ 208,130**	**$ 210,670**	**3.0%**
Christmas In The Park	15,486	16,000	16,000	16,000	0.0%
City Park Festival	12,697	16,000	17,000	18,000	12.5%
Fairgrounds Harvest Hoedown	9,969	16,000	16,000	16,000	0.0%
Fairgrounds July 4th Fireworks	33,807	45,000	45,000	45,000	0.0%
Music by the Lake	5,330	-	-	-	100.0%
Subtotal Recreation Events	**77,289**	**93,000**	**94,000**	**95,000**	**2.2%**
Total Recreation Events	**$ 277,644**	**$ 297,550**	**$ 302,130**	**$ 305,670**	**2.7%**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CITY COUNCIL			
0101001-5865 Computer Equipment	Replace Computers	Replace As Needed	2,000
MAYOR			
0101002-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	100
0101002-5865 Computer Equipment	Replace Computer	Replace As Needed	400
TOTAL MAYOR			**500**
CITY CLERK			
0103002-5865 Computer Equipment	Replace Computers	Replace As Needed	1,800
0103002-5867 Communication Equipment	Phone Parts Not Under Maintenance	Replace As Needed	750
TOTAL CITY CLERK			**2,550**
COMMUNICATIONS			
0103006-5865 Computer Equipment	Replace Computer	Replace As Needed	2,000
FINANCE & ACCOUNTING			
0107001-5861-ARP02 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	5,000
TOTAL INFORMATION TECHNOLOGY			**5,500**
SUPPORT SERVICES			
0107201-5860 Office Furniture, Fixtures, & Equipment	Replace Furniture, Fixtures, & Equipment	Replace As Needed	400
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			**5,600**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
BILLING			
0107203-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	500
0107203- 5865 Computer Equipment	Replace Computer	Improve Quality Of Service	2,000
TOTAL BILLING			**2,500**
PLANNING			
0109001-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	600
0109001-5865 Computer Equipment	Replace Computer	Replace As Needed	3,765
TOTAL PLANNING			**4,365**
CITY HALL BUILDING			
0109003-5821 Office Buildings	Replace A/C Units	Replace As Needed	2,500
0109003-5839 Portable Tools/Equipment	Replace Tools	Replace As Needed	650
0109003-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	6,000
0109003-5863 Decorative & Lighting	Replace Carpets, Furniture, And Remodel City Administrator's Office	Replace As Needed	5,000
TOTAL CITY HALL BUILDING			**14,150**
CITY ENGINEER			
0109004-5861 Desks, Chairs & Tables	Replace Furniture	Replace As Needed	500
0109004-5865 Computer Equipment	Replace Computers	Replace As Needed	4,000
TOTAL CITY ENGINEER			**4,500**
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	7,000
TOTAL POLICE ADMINISTRATION			**7,300**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
POLICE INFORMATION TECHNOLOGY 0110003-5865 Computer Equipment	Replace Notebooks, Desktops, Monitors, Servers, Tablets	Replace As Needed	35,300
PROFESSIONAL STANDARDS DIV 0110203-5834 Firearms, Body Armor	Replace Fire Arms, Body Armor	Replace as Needed	51,600
POLICE BUILDING 0110204-5830 Non-Portable Equipment	Replace Equipment	Replace As Needed	2,000
0110204-5839 Portable Tools/Equipment	Replace Tools & Equipment	Replace As Needed	300
TOTAL POLICE BUILDING			**2,300**
WESTERN MARYLAND LAB 0110205-5832 Photography Equipment	Maintenance and Purchase Photographic Equipment	Required For Forensic Documentation	5,000
0110205-5833 Laboratory Equipment	Purchase Lab Equipment	Replace Aging And Outdated	1,800
TOTAL WESTERN MARYLAND LAB			**6,800**
POLICE K9 PROGRAM 0110206-5839 Portable Tools/Equipment	Purchase Of K-9 Equip (Sleeves, Leashes, Etc.)	Replace Worn Equipment	850
POLICE PATROL 0110401-5834 Firearms, Body Armor	Police Officer Use / Safety Equipment - Ballistic Vests	Replacement Of Expired Vests & Purchase Of New Vests	36,000
0110401-5839 Portable Tools & Other Equipment	Purchase Moving Radar Units - LIDAR Speed Measuring Device	New Equipment Needed	20,000
0110401-5848 Bicycles-Repair (& In-Line Skates)	Police Officer Use	Repair And Maintenance	1,500
0110401-5867 Communication Equipment	Portable Radios	Replace As Needed	12,500
TOTAL POLICE PATROL			**70,000**
PATROL VEHICLES 0110403-5839 Portable Tools & Other Equipment	Replace Tools & Equipment	Replace As Needed	500
NARCOTICS TASK FORCE 0110404-5834 Firearms, Body Armor	Police Officer Use / Safety Equipment - Ballistic Vests	Replacement Of Expired Vests & Purchase Of New Vests	12,000

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
POLICE AUXILLIARY			
0110406-5834 Firearms, Body Armor	Police Officer Use / Safety Equipment - Ballistic Vests	Replacement Of Expired Vests & Purchase Of New Vests	10,800
FIRE DEPARTMENT			
0112001-5861 Desks, Chairs & Tables	Purchase Office Furniture	Replace As Needed	30,000
0112001-5865 Computer Equipment	Purchase Computers	Replace As Needed	30,000
TOTAL FIRE DEPARTMENT			**60,000**
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	3,500
TOTAL CODE ADMINISTRATION			**4,500**
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**
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	1,500
TOTAL PUBLIC WORKS LABOR FORCE			**2,800**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CENTRAL EQUIPMENT BUILDING			
0124008-5821 Office Buildings	Repair Office Building	Replace As Needed	1,000
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			**2,000**
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	1,500
TOTAL PARKS AND EQUIPMENT DEPARTMENT			**8,500**
ECONOMIC DEVELOPMENT & ADMIN			
0150001-5860 Office Furniture/Fixtures/Equipment	Replace Office Furniture, Fixtures & Equipment	Replace As Needed	6,000
0150001-5865 Computer Equipment	Replace Computer	Replace As Needed	14,000
0150001-5867 Communication Equipment	Replace Equipment	Replace As Needed	750
TOTAL ECONOMIC DEVELOPMENT & ADMIN			**20,750**
		TOTAL CAPITAL OUTLAY	**$ 357,565**

Utilities

City of Hagerstown

ENTERPRISE FUNDS
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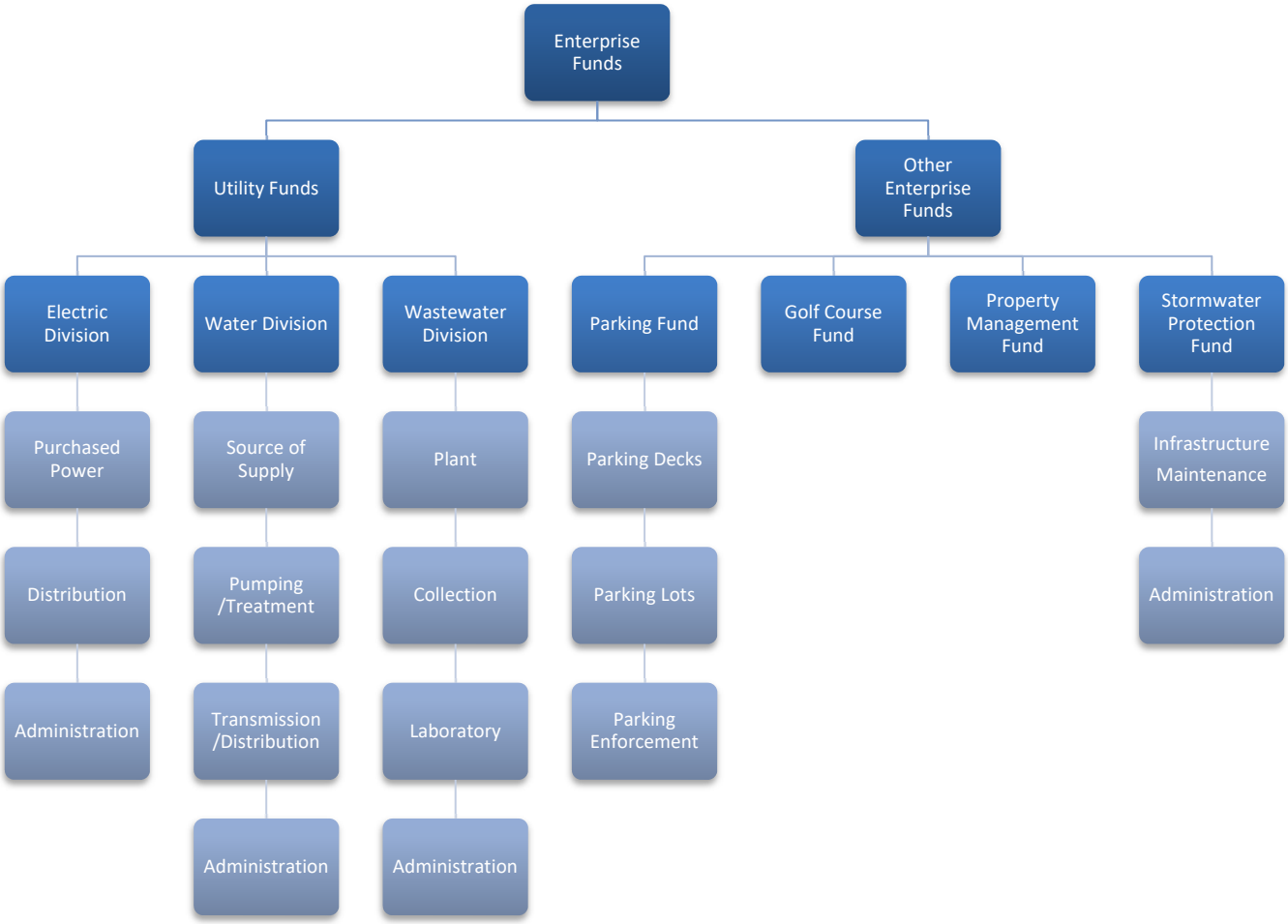

Enterprise Funds
Utility Funds
Other Enterprise Funds
Electric Division
Water Division
Wastewater Division
Parking Fund
Golf Course Fund
Property Management Fund
Stormwater Protection Fund
Purchased Power
Source of Supply
Plant
Parking Decks
Infrastructure Maintenance
Distribution
Pumping /Treatment
Collection
Parking Lots
Administration
Administration
Transmission /Distribution
Laboratory
Parking Enforcement
Administration
Administration

ENTERPRISE FUNDS - COMBINING STATEMENT
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	ELECTRIC FUND	WATER FUND	WASTEWATER FUND	PARKING FUND	GOLF COURSE FUND	PROPERTY MANAGEMENT FUND	STORMWATER PROTECTION FUND	TOTAL
OPERATING REVENUES								
Service Charges	$28,445,150	$ 13,355,000	$ 15,062,700	$ 1,275,740	$ 340,000	$ 231,165	$ 3,270,000	$ 61,979,755
Other Revenues	590,700	1,045,500	296,500	1,200	38,400	-	25,000	1,997,300
Total Operating Revenues	**29,035,850**	**14,400,500**	**15,359,200**	**1,276,940**	**378,400**	**231,165**	**3,295,000**	**63,977,055**
OPERATING EXPENSES								
Production and Treatment	21,706,799	5,663,427	7,104,022	-	-	-	-	34,474,248
Transmission, Distribution & Collection	3,071,792	2,749,365	1,986,955	-	-	-	-	7,808,112
Infrastructure and Construction	-	-	-	-	-	-	777,188	777,188
Selling, General & Administrative	3,697,654	5,917,071	4,227,080	954,112	641,205	333,204	418,392	16,188,718
Depreciation	1,097,000	4,229,000	3,609,000	526,400	74,100	111,200	160,300	9,807,000
Total Operating Expenses	**29,573,245**	**18,558,863**	**16,927,057**	**1,480,512**	**715,305**	**444,404**	**1,355,880**	**69,055,266**
Operating Income (Loss)	**(537,395)**	**(4,158,363)**	**(1,567,857)**	**(203,572)**	**(336,905)**	**(213,239)**	**1,939,120**	**(5,078,211)**
NON-OPERATING REVENUES (EXPENSES)								
Interest Earned	228,000	1,400,000	545,000	48,800	10,000	26,200	192,800	2,450,800
Premium on Bonds	-	4,172	4,073	2	-	-	-	8,247
Interest/Bond Issuance Expense	(6,869)	(346,552)	(224,417)	(326,072)	-	(3,351)	(17,749)	(925,010)
Gain (Loss) on Capital Assets	(15,000)	5,000	1,500	-	-	-	-	(8,500)
Total Other Income (Expense)	**206,131**	**1,062,620**	**326,156**	**(277,270)**	**10,000**	**22,849**	**175,051**	**1,525,537**
Net Income before Contributions & Transfers	**(331,264)**	**(3,095,743)**	**(1,241,701)**	**(480,842)**	**(326,905)**	**(190,390)**	**2,114,171**	**(3,552,674)**
OTHER FINANCING SOURCES (USES)								
Intergovernmental Revenue - ARPA	-	-	1,700,000	-	-	-	410,000	2,110,000
Intergovernmental Revenue - Capital	-	-	3,540,000	-	-	-	-	3,540,000
Operating & Capital Transfers from Other Funds	-	-	-	-	150,000	-	-	150,000
Operating & Capital Transfers to Other Funds	(65,920)	(65,920)	(65,920)	(11,320)	-	-	(100,000)	(309,080)
Benefit Charges	-	500,000	500,000	-	-	-	-	1,000,000
Non-Cash Developers Contributions	186,125	250,000	250,000	-	-	-	-	686,125
Grants in Aid of Construction	125,000	-	-	-	-	-	410,000	535,000
Increase (Decrease) in Retained Earnings	**(86,059)**	**(2,411,663)**	**4,682,379**	**(492,162)**	**(176,905)**	**(190,390)**	**2,834,171**	**4,159,371**
ADJUST RETAINED EARNINGS TO A CASH FLOW BASIS								
Add Back Depreciation	1,097,000	4,229,000	3,609,000	526,400	74,100	111,200	160,300	9,807,000
Capital Outlay/Fixed Assets	(4,160,500)	(8,062,500)	(16,195,072)	(35,000)	(107,000)	(90,000)	(4,170,000)	(32,820,072)
Principal Payments on Long-term Debt	(19,536)	(1,734,848)	(1,411,922)	(10,633,835)	-	(6,036)	(38,981)	(13,845,158)
Non-Cash Developers Contributions	(186,125)	(250,000)	(250,000)	-	-	-	-	(686,125)
MDE Bond Financing	-	2,750,000	1,500,000	-	-	-	-	4,250,000
Bond Proceeds	-	-	-	10,600,000	-	-	-	10,600,000
Net Sources (Uses) of Cash	**$ (3,355,220)**	**$ (5,480,011)**	**$ (8,065,615)**	**$ (34,597)**	**$ (209,805)**	**$ (175,226)**	**$ (1,214,510)**	**$ (18,534,984)**
Beginning Fund Balance	**$14,497,823**	**$100,212,607**	**$ 67,071,256**	**$ 8,276,479**	**$ 878,748**	**$ 2,327,646**	**$ 6,944,487**	**$ 200,209,046**
Ending Fund Balance	**$14,411,764**	**$ 97,800,944**	**$ 71,753,635**	**$ 7,784,317**	**$ 701,843**	**$ 2,137,256**	**$ 9,778,658**	**$ 204,368,417**

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

•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.

•A program has been implemented to replace electric revenue meters through the FY29 budget year with automated metering infrastructure for real-time reads, automated disconnection/reconnection, and real-time voltage/outage detection. The data backhauled to the system can be used to identify potential overload conditions, reducing emergency response situations and provide real-time readings for billing and customer service staff for an improved customer service experience.

•HID (High-Intensity Discharge) fixtures are being replaced with LED on an as-needed basis. Staff continues to seek and apply for alternative funding from energy efficiency grant programs as they become available.

•Maintaining clearances from overhead facilities will continue throughout the service territory utilizing right-of-way clearance and vegetation management contractors to reduce outage instances and duration.

•Workplace efficiency is expected to improve following work management system implementation. These improvements allow staff to focus on financial accounting accuracy, track job progress, track inventory levels, reduce repetitive site visits, and improve general ledger and asset management accounting processes.

•The purchase power contract beginning June 1, 2024 through December 31, 2026 has resulted in an anticipated increase to the monthly purchase power cost adjustment by approximately $0.02 per kilowatt-hour due to energy market pricing.

•A cost-of-service analysis and rate design is in progress to recommend adjustments to the retail rate structure at the Maryland Public Service Commission to prevent a deficit to the cash balance while continuing to provide competitively priced, quality service to customers.

•Staff is proposing to introduce a large-scale pole inspection program contracted and performed to identify poles in need of replacement and to lengthen the life of infrastructure to improve system reliability.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Number of Residential Customers	**15,000**	**15,000**	**15,250**
Number of Non-Residential Customers	**2,650**	**2,650**	**2,650**
Million Kilowatt-hours Purchased	**315**	**314**	**314**
Million Kilowatt-hours Sold	**307**	**307**	**306**
Number of Funded Employees	**28.85**	**28.85**	**28.85**
Number of Customers Served per Employee	**612**	**612**	**620**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,899,865	$ 2,150,366	$ 1,997,164	$ 2,207,991	2.7%
Benefits	1,386,614	1,243,064	1,223,747	1,340,734	7.9%
Overtime	112,730	117,000	140,500	146,000	24.8%
Personnel Subtotal	**$ 3,399,209**	**3,510,430**	**3,361,411**	**3,694,725**	**5.2%**
Contractual Services	$ 590,421	869,227	866,827	930,388	7.0%
Operating Expenditures	18,427,467	22,290,626	18,616,341	23,821,132	6.9%
Operating Cap Exp (Cap Outlay)	-	100	-	-	-100.0%
Other General Expenses	1,024,896	1,118,584	1,081,584	1,234,789	10.4%
Operating Subtotal	**$ 20,042,784**	**24,278,537**	**20,564,752**	**25,986,309**	**7.0%**
Total Expenditures	**$ 23,441,993**	**$ 27,788,967**	**$ 23,926,163**	**$ 29,681,034**	**6.8%**
REVENUES BY TYPE					
Departmental Revenue	22,831,259	28,124,190	23,464,759	29,594,975	5.2%
Total Revenues	**$ 22,831,259**	**$ 28,124,190**	**$ 23,464,759**	**$ 29,594,975**	**5.2%**
Revenues, excess of Expenditures	**$ 610,734**	**$ (335,223)**	**$ 461,404**	**$ 86,059**	**-125.7%**

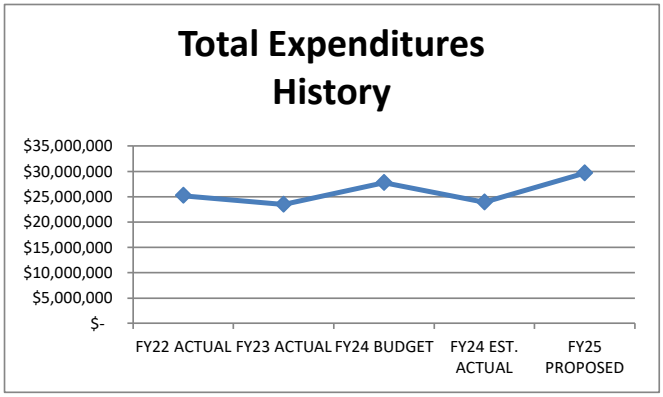
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Industrial use did not increase as anticipated and residential properties did not develop as quickly as planned, therefore less kWh sales are projected with proportionally less purchase power expense and developer contributions. Staff continues to put forth an effort to maintain stock material supply in for operations and maintenance while materials have increased in cost and decreased in availability. Proposed capital increases includes ramping up meter replacement to a full-scale project, the purchase of substation class transformers, and project inflation.

Adopted FY24 to Proposed FY25

A 30% increase to the Purchase Power expenses is anticipated resulting from the new wholesale power contract set to begin June 1, 2024. This increase will be offset by the monthly purchase power cost adjustment reflected in retail rate revenues. An increase to legal and consulting fees are proposed to cover increased expenses associated with regulatory issues and explore distributed energy resources. The budget will reflect a decrease in non-CIP capital following the purchase of substation transformer units in FY24 while there is a proposed CIP capital increase to include construction vehicle purchases from FY23 and circuit upgrades to support future development.



STAFFING SUMMARY

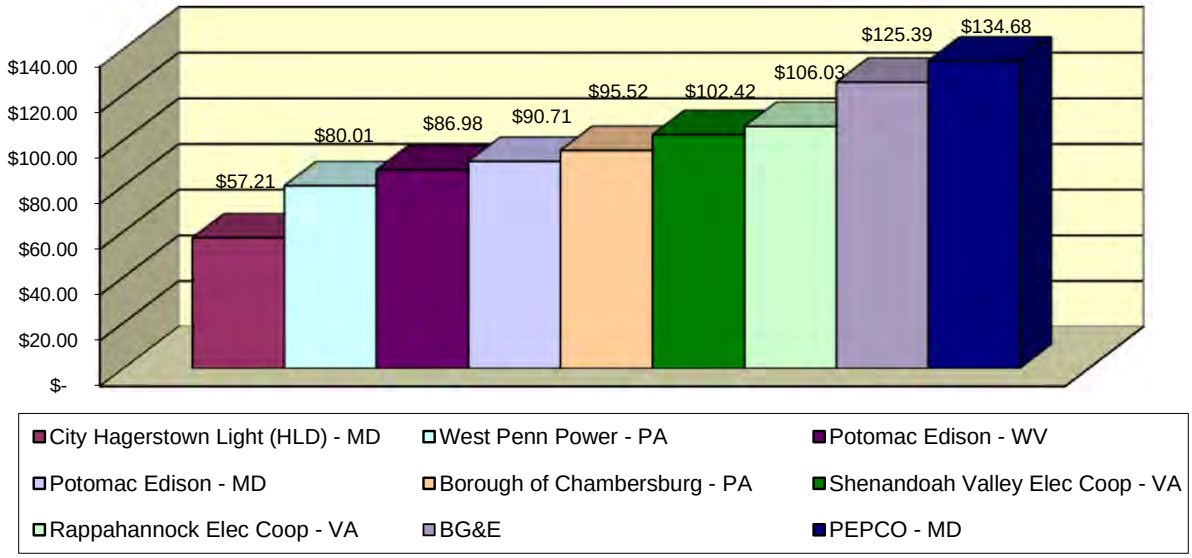
	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	28.85	29.85	29.85	28.85
Staffing Total	28.85	29.85	29.85	28.85
Unfunded positions	6.00	6.00	6.00	6.00

Total staffing across utility funds has not increased but changes are reflected as a result of staff allocation charges within the groups.

ELECTRIC FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
OPERATING REVENUES					
Service Charges	$ 21,484,074	$ 26,633,290	$ 21,886,750	$ 28,445,150	6.8%
Other Revenues	884,950	759,200	590,700	590,700	-22.2%
Total Operating Revenues	**22,369,024**	**27,392,490**	**22,477,450**	**29,035,850**	**6.0%**
OPERATING EXPENSES					
Purchased Power	16,330,887	20,336,217	16,689,623	21,706,799	6.7%
Distribution Expenses	2,600,910	2,869,035	2,701,329	3,071,792	7.1%
Customer Accounts Expenses	899,083	991,221	898,450	1,088,918	9.9%
Selling, General & Administrative	2,604,408	2,483,910	2,585,177	2,608,736	5.0%
Depreciation	940,415	1,058,000	1,001,000	1,097,000	3.7%
Total Operating Expenses	**23,375,703**	**27,738,383**	**23,875,579**	**29,573,245**	**6.6%**
Operating Income (Loss)	**(1,006,679)**	**(345,893)**	**(1,398,129)**	**(537,395)**	**55.4%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	177,919	50,000	228,000	228,000	356.0%
Interest/Bond Issuance Expense	(7,922)	(7,384)	(7,384)	(6,869)	-7.0%
Gain (Loss) on Capital Assets	(26,702)	(15,000)	(15,000)	(15,000)	0.0%
Total Other Income (Expense)	**143,295**	**27,616**	**205,616**	**206,131**	**646.4%**
Net Income before Contributions & Transfers	**(863,384)**	**(318,277)**	**(1,192,513)**	**(331,264)**	**4.1%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(30,275)	(8,200)	(8,200)	(65,920)	703.9%
Transfers from Health Insurance Fund	65,354	-	-	-	0.0%
Total Transfers From (To) Funds	**35,079**	**(8,200)**	**(8,200)**	**(65,920)**	**703.9%**
CAPITAL CONTRIBUTIONS					
Grants in Aid of Construction	-	281,700	281,700	125,000	-55.6%
Non-Cash Developers Contributions	217,571	380,000	457,609	186,125	-51.0%
Total Capital Contributions	**217,571**	**661,700**	**739,309**	**311,125**	**-53.0%**
Increase (Decrease) in Retained Earnings	**(610,734)**	**335,223**	**(461,404)**	**(86,059)**	**-125.7%**
Add Back Depreciation	940,415	1,058,000	1,001,000	1,097,000	3.7%
Capital Outlay/Fixed Assets	(1,727,281)	(4,285,850)	(2,846,348)	(4,160,500)	-2.9%
Principal Payments on Long-term Debt	(17,760)	(18,521)	(18,521)	(19,536)	5.5%
Non-Cash Developers Contributions	(217,571)	(380,000)	(457,609)	(186,125)	-51.0%
Changes in Working Capital	1,415,395	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ (217,536)**	**$ (3,291,148)**	**$ (2,782,882)**	**$ (3,355,220)**	**1.9%**
Beginning Fund Balance	**$ 15,569,961**	**$ 14,959,227**	**$ 14,959,227**	**$ 14,497,823**	**-3.1%**
Ending Fund Balance	**$ 14,959,227**	**$ 15,294,450**	**$ 14,497,823**	**$ 14,411,764**	**-5.8%**

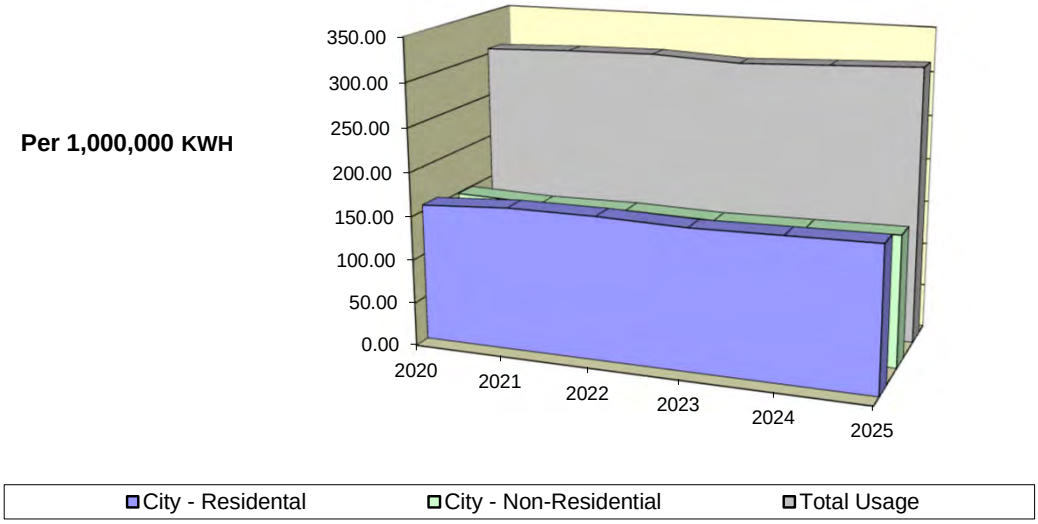
SERVICE CHARGE COMPARISON AS OF MARCH 2024



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 Energy Harbor LLC at a rate of $42.42 per MWh through May 31, 2024.

ELECTRIC CONSUMPTION FROM 2020 - 2025

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 the same amount as residential customers.

ELECTRIC FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
ELECTRIC REVENUES					
Sales of Electric-Unbilled Readings	$ (215,865)	$ -	$ -	$ -	0.0%
Residential Lighting	11,473,265	13,145,000	11,608,600	15,096,700	14.8%
Residential Metering	8,905	6,700	5,300	6,800	1.5%
Commercial Lighting	4,279,210	4,896,000	4,350,900	5,556,700	13.5%
Commercial Metering	14,194	16,600	14,100	16,300	-1.8%
Power Pl(09)	1,513,900	1,731,000	1,528,000	2,021,900	16.8%
Power Ph(10)	3,764,565	6,132,000	3,714,700	4,912,700	-19.9%
Dusk to Dawn	17,867	18,740	18,200	23,000	22.7%
Street Lighting	551,673	614,800	557,500	712,900	16.0%
Traffic Lighting	19,220	22,450	19,200	27,900	24.3%
Interconnection Application Fee	-	-	250	250	100.0%
Reconnection Charges	57,140	50,000	70,000	70,000	40.0%
Total Electric Revenues	**21,484,074**	**26,633,290**	**21,886,750**	**28,445,150**	**6.8%**
OTHER REVENUES					
Pole Rental/Attachment Fees	196,991	200,000	200,000	200,000	0.0%
Building Rental-CMG	42,000	43,200	43,200	43,200	0.0%
Late Fees	111,258	200,000	125,000	125,000	-37.5%
Miscellaneous Electric Revenue	500,246	225,000	150,000	150,000	-33.3%
Customer Reimbursed Overtime	(694)	2,500	2,500	2,500	0.0%
Scrap Sales	62,921	35,000	40,000	40,000	14.3%
Insurance Reimbursements	(33,127)	50,000	25,000	25,000	-50.0%
Bad Check Charges	5,355	3,500	5,000	5,000	42.9%
Total Other Revenues	**884,950**	**759,200**	**590,700**	**590,700**	**-22.2%**
Total Operating Revenues	**$ 22,369,024**	**$ 27,392,490**	**$ 22,477,450**	**$ 29,035,850**	**6.0%**

ELECTRIC FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

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.	470,000
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.	50,000
Security Improvements-C0178 Upgrade the aged building and site security systems.	Video Surveillance	Deter theft and/or vandalism of electric utility assets.	55,000
System Reconductoring-C0259 Upgrade power in distribution lines.	Poles, Towers & Fixtures, Overhead Devices	Improve service and reliability.	206,500
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 Replacement of HVAC in Admin and Engineering area for HLD.	Building Improvement	Cost avoidance, planned improvement, and improved service.	50,000
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.	200,000
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.	173,500
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.	80,000
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.	1,500,000

ELECTRIC FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Brookmeadow-C0703 Provide underground electric service to 119 townhome units in the Brookmeadow development.	Infrastructure	Provide electric service to new customers.	53,000
Substation Breaker Replacement-C0776 Replace aging breakers in substation to maintain reliability.	Replace substation breakers on maintenance cycle to reduce equipment failure.	Increase reliability of service.	80,000
GIS Facility Software-C0777 Mobile mapping software with live integration to the Milsoft Utilities Mapping Server.	Machinery and Equipment	Maintain software to interface with City	12,000
Substation Upgrades-C0778 Increase electrical capacity and system improvements within substations.	Station Equipment	Increase reliability of service.	75,000
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.	75,000
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.	50,000
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
Circuit Upgrades-C0842 Construct the fifth feeder from the Wesel Substation in conjunction with C0778.	Poles, Towers, & Fixtures, and O/H Conductors & Devices	Improve ability to switch load between substations improving service outage restoration times.	115,500
SUBTOTAL CAPITAL IMPROVEMENT PROJECTS			**$ 3,293,000**
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.	60,000
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.	120,000

ELECTRIC FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5085001-583005 Dist-Overhead Conductors and Devices	Costs of installation of overhead conductors & devices for distribution purposes, including the installation of overhead primary cable, insulators, arrestors, switches and other line hardware.	To upgrade existing facilities and to continue periodic replacement of aged equipment.	100,000
5085001-583006 Dist-Underground Conduit	Costs of installation on underground conduit and tunnels used for housing distribution cables or wires.	To meet the need of electrical customers who are upgrading or installing new services.	10,000
5085001-583007 Dist-Underground Conductors and Devices	Costs of installation of underground conductors and devices used for distribution purposes.	To upgrade existing primary electrical wires and for the installation of new primary underground conductors to maintain the reliability of the distribution systems.	20,000
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.	250,000
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.	125,000
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.	15,000
5085001-583013 Dist-Street & Signal Lighting	Costs of installation of equipment used wholly for public streets.	To provide adequate street lighting for City residents.	120,000
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.	30,000
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			**$ 867,500**
TOTAL CAPITAL OUTLAY			**$ 4,160,500**

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 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 is exploring alternate source water supplies with the assistance from Hazen and Sawyer, Black and Veatch, and Maryland Department of the Environment. 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 11.147 MGD (2023 average daily demand) of potable water to all City residents and surrounding communities in Washington County. The water system is comprised of approximately 450 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, funding has been approved by MDE 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. MDE funding has also been approved 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, and Phase two (2) of the 24" transmission mains replacement, existing mains are 70+ years old. The Division has also requested funding for engineering services for the development of Lead and Copper Rule Revision Program. 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

	2022/23	2023/24	2024/25
Number of Inside City Customers	**13,628**	**13,974**	**14,075**
Number of Outside City Customers	**16,704**	**17,061**	**17,199**
Million Gallons Produced	**3,930**	**4,009**	**4,068**
Million Gallons Accounted For	**3,343**	**3,443**	**3,357**
Percentage of Unaccounted for Water	**18.0%**	**18.0%**	**17.5%**
Number of Full time Employees	**49.60**	**51.10**	**51.20**
Number of Customers Served per Employee	**612**	**607**	**611**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 3,223,965	$ 3,484,847	$ 3,364,582	$ 3,531,252	1.3%
Benefits	1,244,195	1,598,135	1,512,292	1,665,441	4.2%
Overtime	140,848	143,500	170,500	170,500	18.8%
Personnel Subtotal	**4,609,008**	**5,226,482**	**5,047,374**	**5,367,193**	**2.7%**
Contractual Services	652,695	2,754,877	2,650,077	3,043,138	10.5%
Operating Expenditures	4,592,445	5,791,185	4,246,839	5,874,532	1.4%
Operating Cap Exp (Cap Outlay)	37,979	63,750	56,850	45,000	-29.4%
Other General Expenses	4,320,740	4,527,677	4,387,725	4,641,472	2.5%
Operating Subtotal	**9,603,859**	**13,137,489**	**11,341,491**	**13,604,142**	**3.6%**
Total Expenditures	**$ 14,212,867**	**$ 18,363,971**	**$ 16,388,865**	**$ 18,971,335**	**3.3%**
REVENUES BY TYPE					
Departmental Revenue	15,928,735	17,019,644	18,474,678	16,559,672	-2.7%
Total Revenues	**$ 15,928,735**	**$ 17,019,644**	**$ 18,474,678**	**$ 16,559,672**	**-2.7%**
Expenditures, net of Revenues	**$ (1,715,868)**	**$ 1,344,327**	**$ (2,085,813)**	**$ 2,411,663**	**79.4%**

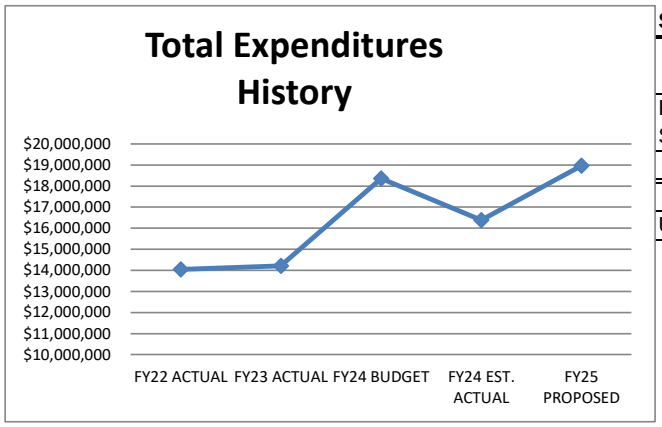
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Overall, total expenditures for FY24 estimated actual are expected to decrease over FY24 budget by 10.8% or $2.0M. Total personnel costs are expected to be 3.4% or $179.1K lower than FY24 budget while total operating is also decreasing by 13.7% or $1.8M compared to FY24 budget. Departmental revenues are expected to be higher than FY24 budget by 8.5% or $1.5M mostly due to an increase in service charges, grants, and interest.

Adopted FY24 to Proposed FY25

In the FY25 proposed budget, total personnel costs are expected to increase 2.7% or $140.7K when compared to FY24 budget. Total operating expenses are expected to be 3.6% or $466.7K higher than FY24 budget. Contractual services is anticipated to increase by 10.5% or $288.3K comparedto FY24 budget. The largest increases are within consulting fees and engineering fee accounts. FY25 proposed departmental revenues are expected to be 2.7% or $460.0K lower than FY24 budget.



STAFFING SUMMARY

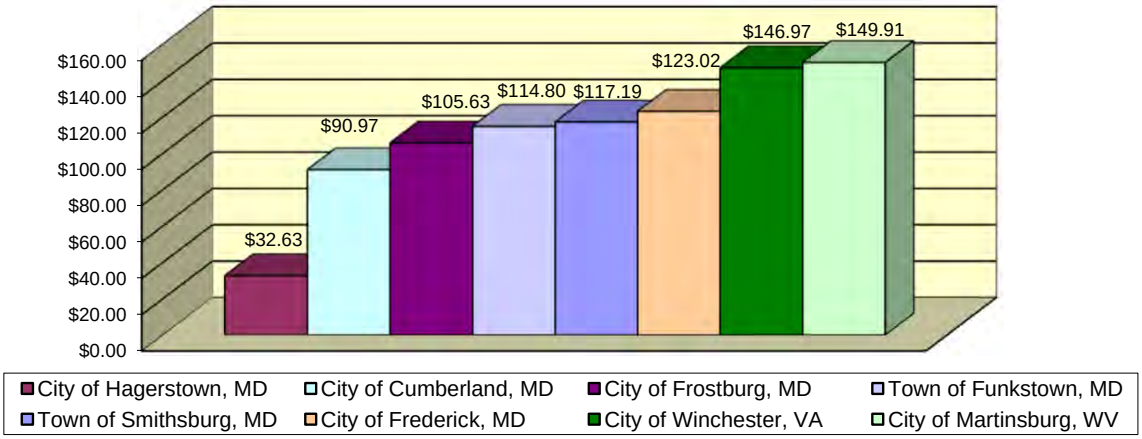
	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	49.60	51.10	51.10	52.10
Seasonal	-	-	-	-
Staffing Total	49.60	51.10	51.10	52.10
Unfunded positions	4.00	4.00	4.00	4.00

Total staffing across the utility funds has not increased but changes are reflected as a result of staff allocation charges within the groups.

WATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2024/2025

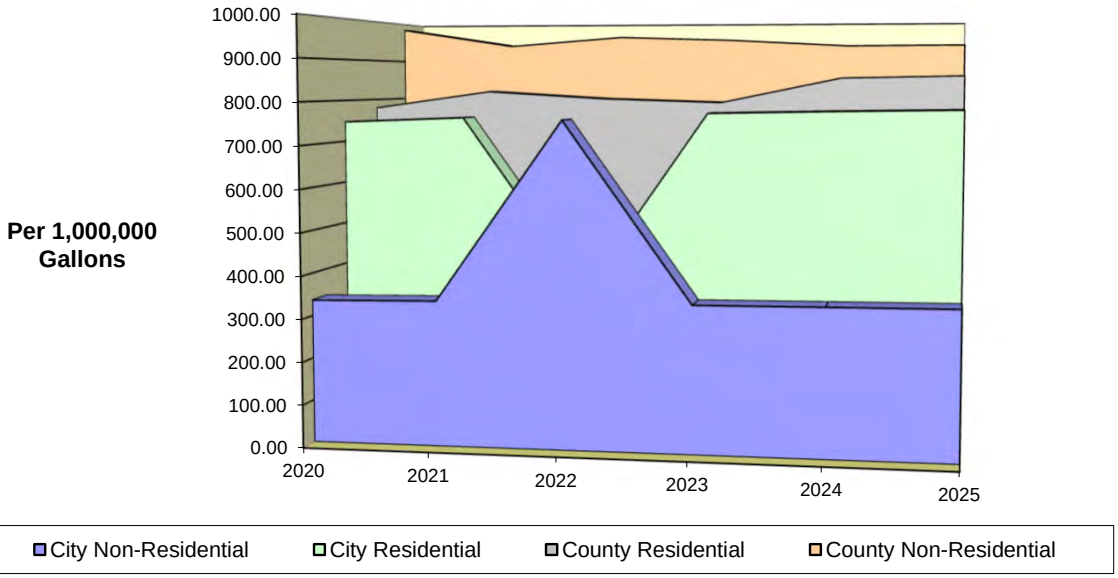
ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 PROPOSED
OPERATING REVENUES					
Service Charges	$ 12,710,489	$ 13,047,000	$ 13,285,006	13,355,000	2.4%
Other Revenues	955,822	1,215,872	1,015,500	1,045,500	-14.0%
Total Operating Revenues	**13,666,311**	**14,262,872**	**14,300,506**	**14,400,500**	**1.0%**
OPERATING EXPENSES					
Source of Supply	155,508	1,059,125	1,050,950	307,950	-70.9%
Pumping & Water Treatment	4,512,110	5,995,224	4,512,403	5,355,477	-10.7%
Transmission & Distribution	2,644,572	2,681,438	2,580,903	2,749,365	2.5%
Selling,General & Administrative	2,582,661	4,100,507	3,860,284	5,917,071	44.3%
Depreciation	3,936,303	4,144,000	4,014,000	4,229,000	2.1%
Total Operating Expenses	**13,831,154**	**17,980,294**	**16,018,540**	**18,558,863**	**3.2%**
Operating Income (Loss)	**(164,843)**	**(3,717,422)**	**(1,718,034)**	**(4,158,363)**	**11.9%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	418,740	200,000	1,400,000	1,400,000	600.0%
Premium on Bonds	4,172	4,172	4,172	4,172	0.0%
Interest/Bond Issuance Expense	(351,437)	(375,477)	(362,125)	(346,552)	-7.7%
Gain (Loss) on Capital Assets	6,562	-	20,000	5,000	100.0%
Total Other Income (Expense)	**78,037**	**(171,305)**	**1,062,047**	**1,062,620**	**-720.3%**
Net Income before Contributions & Transfers	**(86,806)**	**(3,888,727)**	**(655,987)**	**(3,095,743)**	**-20.4%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(30,275)	(8,200)	(8,200)	(65,920)	703.9%
Transfers from Health Insurance Fund	94,601	-	-	-	0.0%
Total Transfers From (To) Funds	**64,326**	**(8,200)**	**(8,200)**	**(65,920)**	**703.9%**
CAPITAL CONTRIBUTIONS					
Benefit Charges	1,738,348	502,600	500,000	500,000	-0.5%
Grants in Aid of Construction	-	250,000	500,000	-	-100.0%
MDE Loan Forgiveness	-	1,500,000	1,500,000	-	-100.0%
Non-Cash Developers Contributions	-	300,000	250,000	250,000	-16.7%
Total Capital Contributions	**1,738,348**	**2,552,600**	**2,750,000**	**750,000**	**-70.6%**
Increase (Decrease) in Retained Earnings	**1,715,868**	**(1,344,327)**	**2,085,813**	**(2,411,663)**	**79.4%**
Add Back Depreciation	3,936,303	4,144,000	4,014,000	4,229,000	2.1%
Capital Outlay/Fixed Assets	(1,060,877)	(7,956,859)	(3,695,000)	(8,062,500)	1.3%
Principal Payments on Long-term Debt	(1,691,386)	(1,721,015)	(1,721,015)	(1,734,848)	0.8%
Non-Cash Developers Contributions	-	(300,000)	(250,000)	(250,000)	-16.7%
MDE Bond Financing	-	2,500,000	-	2,750,000	10.0%
MDE Loan Forgiveness	-	(1,500,000)	(1,500,000)	-	-100.0%
Changes in Working Capital	(908,503)	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 1,991,405**	**$ (6,178,201)**	**$ (1,066,202)**	**$ (5,480,011)**	**-11.3%**
Beginning Fund Balance	**$ 96,410,926**	**$ 98,126,794**	**$ 98,126,794**	**$100,212,607**	**2.1%**
Ending Fund Balance	**$ 98,126,794**	**$ 96,782,467**	**$ 100,212,607**	**$ 97,800,944**	**1.1%**

SERVICE CHARGE COMPARISON AS OF MARCH 2024
(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 2020 - 2025



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 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
WATER SERVICES					
Metered Sales-Unbilled	$ 122,716	$ 50,000	$ 50,000	$ 50,000	0.0%
Water Fixed Charge - City	656,003	655,000	660,000	660,000	0.8%
Water Fixed Charge - County	2,446,487	2,517,300	2,500,000	2,520,000	0.1%
Metered City Water	2,023,019	2,038,400	2,050,000	2,060,000	1.1%
Metered County Water	7,348,234	7,633,300	7,870,006	7,910,000	3.6%
Reconnection Charges	108,185	150,000	150,000	150,000	0.0%
Bad Check Charges	5,845	3,000	5,000	5,000	66.7%
Total Service Charges	**12,710,489**	**13,047,000**	**13,285,006**	**13,355,000**	**2.4%**
OTHER REVENUES					
Contracted Services	19,999	20,000	25,000	25,000	25.0%
Water Service Application Fee	39,550	40,000	30,000	35,000	-12.5%
Water Transfer Fee	-	55,000	15,000	55,000	0.0%
W.C.S.D. Consumption Data Service	70,671	84,372	70,000	70,000	-17.0%
Review/Inspection Fee	55,962	75,000	50,000	35,000	-53.3%
Rent-City Employees	18,940	18,000	18,000	18,000	0.0%
Late Fees	95,981	180,000	150,000	150,000	-16.7%
Miscellaneous Other Revenues	18,789	10,000	20,000	20,000	100.0%
County Debt Service Surcharge	21,428	24,000	22,000	22,000	-8.3%
Cell Tower Rent	13,158	12,400	13,000	13,000	4.8%
Fire Protection	198,241	192,600	200,000	200,000	3.8%
Plumbing	398,444	500,000	400,000	400,000	-20.0%
Net Gain/Loss-Scrap Sales	4,659	4,500	2,500	2,500	-44.4%
Total Other Revenues	**955,822**	**1,215,872**	**1,015,500**	**1,045,500**	**-14.0%**
Total Operating Revenues	**$ 13,666,311**	**$ 14,262,872**	**$ 14,300,506**	**$ 14,400,500**	**1.0%**

WATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2023/2024

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Water Fund Vehicles-C0117 Replace 2012 F550 Service Truck #206 ($125,000) Replace 2014 Chevy Equinox #261 ($30,000) Replace 2001 JD 410G Backhoe #228 ($160,000)	Vehicle Replacement	Replace units - reduced maintenance costs anticipated.	315,000
FY24 Vehicles on Order: Wachs Valve Turner and Vacuum #262 ($150,000) 2015 Ford Transit Van #209 ($46,995)	Vehicle Replacement	Vehicles were ordered in FY23 but due to high lead times, they will not be received and expense not recognized until FY24.	196,995
RC Willson WTP Improvements-C0166 Various plant improvements each year for equipment replacement to include pumps, motors, communi-cation equipment, etc.	Equipment	Improve service and increase system reliability.	1,500,000
Willson Transmission Mains-C0167 Emergency valve replacement	Transmission/ Distribution	Replace deteriorated infrastructure to increase reliability.	700,000
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.	900,000
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
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.	125,000
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.	340,000

WATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2023/2024

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Distribution System Rehabilitation-C0709 Continue the leak detection program and replace aging infrastructure throughout the Distribution System.	Infrastructure	Replace deteriorating infra-structure, improve safety for workers, and improve customer service.	720,000
Water SCADA System-C0820 Maintain SCADA to ensure treatment efficiencies.	Equipment	Replace and/or upgrade aging equipment.	100,000
Water Zone #5 System Improvements-C0877 New suction and discharge mains at Pump Station #6, with continued design and construction management.	Infrastructure	Improve fire protection and water quality in Water Zone #5.	520,000
SUBTOTAL CAPITAL IMPROVEMENT PROJECTS			**$ 7,966,995**
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.	4,000
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
5270502-5861 Desks-Chairs-Tables-Pump Stations	Desks, Chairs, Tables	To replace office furniture as needed.	500

WATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2023/2024

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
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.	2,000
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.).	250
5272501-5839 Portable Tools/Equipment-Distribution	Portable Tools and Equipment	Replace portable tools and equipment as needed.	10,000
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.	10,000
5272501-5867 Communication Equipment-Distribution	Communication Equipment	To replace communication equipment as needed.	500

WATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2023/2024

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.	4,000
5274502-5861 Desks-Chairs and Tables-Customer Accounts	Desks, Chairs, Tables	To replace office furniture as needed.	500
5274502-5865 Computer Equipment-Customer Accounts	Computer Equipment	Replace worn equipment as needed.	2,500
TOTAL CAPITAL OUTLAY			**$ 8,030,745**

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 5.0 MG per day of wastewater for calendar year 2023. 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, 25 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. The City entered into a contract with NEFCO in 2023 for the operation of the Pelletizer Plant to enable the City to continue to ensure compliance with Class A Biosolids regulations. Staff continues to refine our processes as they relate to the Enhanced Nutrient Removal (ENR) initiatives at our Wastewater Treatment Plant (WWTP). The City received $319,553 from our 2023 Operations and Maintenance Grant submission.

• The received notification from MDE in October 2023 for loan funding totaling $20million for upgrades at the Wastewater Treatment Plant to replace aging infrastructure and improve nutrient removal. This work will replace equipment that has been in service for 15 to 25-plus years. Work will included electrical upgrades, operational upgrades for nutrient removal, and upgrades to address new Clean Water Act regulations pertaining to PFAs (forever chemicals) and climate resiliency. A second funding application was submitted for an additional $42-million to continue this work to ensure the wastewater treatment plant is capable of achieving compliance with all Clean Water Act regulations.

• The City was awarded an ARC Grant in FY22 and FY23 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.Phase-1B was completed in 2023 and Phase-1C will be completed in FY24 Large portions of our wastewater collection systems were constructed in the early 1900s 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 16% of the total wastewater flow treated at the wastewater treatment plant in calendar year 2023.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Number of Inside City Customers	**13,462**	**13,566**	**13,652**
Number of Outside City Customers	**7,032**	**7,086**	**7,237**
Annual Million Gallons/Day Treated	**5.58**	**5.74**	**5.00**
Inflow/Infiltration Million Gallons/Day Treated	**1.50**	**1.52**	**0.78**
Available Allocation in Thousand Gallons (carryover)	**2,420**	**2,260**	**3,000**
Number of Funded Employees	**46.55**	**44.50**	**45.00**
Number of Customers Served per Employee	**440**	**464**	**464**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 2,441,027	$ 2,688,014	$ 2,530,000	$ 2,965,954	10.3%
Benefits	1,248,910	1,480,015	1,387,447	1,629,139	10.1%
Overtime	146,656	132,000	138,500	157,500	19.3%
Personnel Subtotal	**3,836,593**	**4,300,029**	**4,055,947**	**4,752,593**	**10.5%**
Contractual Services	2,824,349	3,048,917	2,804,977	3,945,538	29.4%
Operating Expenditures	4,382,921	4,748,929	4,755,866	4,490,426	-5.4%
Operating Cap Exp (Cap Outlay)	17,874	25,500	30,000	129,500	407.8%
Other General Expenses	3,367,611	3,581,582	3,526,582	3,899,337	8.9%
Operating Subtotal	**10,592,755**	**11,404,928**	**11,117,425**	**12,464,801**	**9.3%**
Total Expenditures	**$ 14,429,348**	**$ 15,704,957**	**$ 15,173,372**	**$ 17,217,394**	**9.6%**
REVENUES BY TYPE					
Departmental Revenue	16,853,532	21,309,553	19,305,553	21,899,773	2.8%
Total Revenues	**$ 16,853,532**	**$ 21,309,553**	**$ 19,305,553**	**$ 21,899,773**	**2.8%**
Expenditures, net of Revenues	**$ (2,424,184)**	**$ (5,604,596)**	**$ (4,132,181)**	**$ (4,682,379)**	**-16.5%**

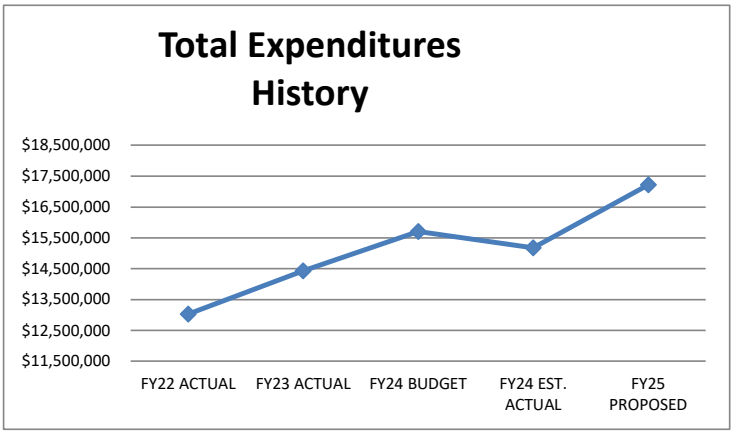
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Overall, total expenditures for FY24 estimated actual are expected to decrease over FY24 budget by 3.4% or $531.6K. Total personnel costs are expected to be 5.7% or $244.1K lower than FY24 budget while total operating is also decreasing by 2.5% or $287.5K compared to FY24 budget. Departmental revenues are expected to be lower than FY24 budget by 9.4% or $2.0M.

Adopted FY24 to Proposed FY25

In the FY25 proposed budget, total personnel costs are expected to increase 10.5% or $452.6K when compared to FY24 budget. Total operating expenses are expected to be 9.3% or $1.1M higher than FY24 budget. Contractual services is expected to increase 407.8% or $104K compared to FY25 budget. The largest increases are within engineering fees. FY25 proposed departmental revenues are expected to be 2.8% or $590.2K higher than FY24 budget.



STAFFING SUMMARY

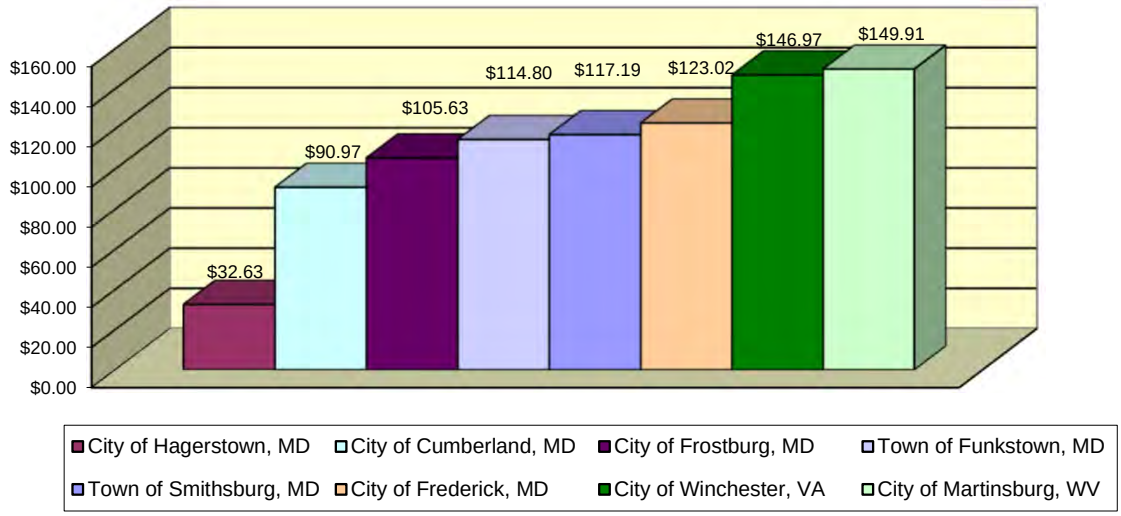
	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	46.55	44.05	44.05	44.05
Staffing Total	46.55	44.05	44.05	44.05
Unfunded positions	2.00	2.00	2.00	2.00

Total staffing across the utility funds has not decreased but reductions are reflected in FY24 to change allocation charges to within the groups.

WASTEWATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2024/2025

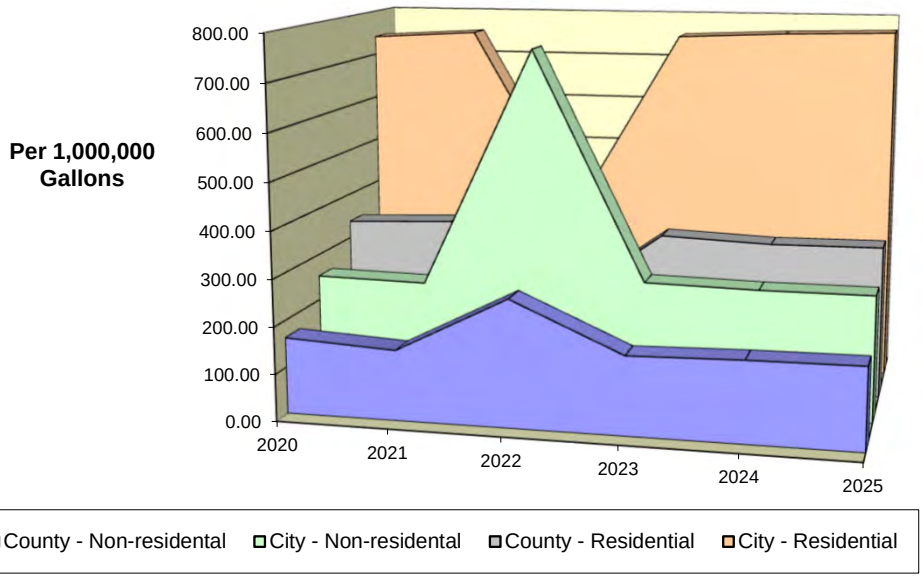
ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
OPERATING REVENUES					
Service Charges	$ 14,653,566	$ 13,901,100	$ 14,624,000	$ 15,062,700	8.4%
Other Revenues	334,545	177,400	322,000	296,500	67.1%
Total Operating Revenues	**14,988,111**	**14,078,500**	**14,946,000**	**15,359,200**	**9.1%**
OPERATING EXPENSES					
Plant Expenses	5,277,096	6,156,186	6,031,643	6,666,681	8.3%
Laboratory Expenses	363,728	383,445	373,032	437,341	14.1%
Collections	1,494,944	1,642,054	1,517,130	1,986,955	21.0%
Selling, General & Administrative	3,925,969	3,941,690	3,724,985	4,227,080	7.2%
Depreciation	3,107,139	3,334,000	3,279,000	3,609,000	8.2%
Total Operating Expenses	**14,168,876**	**15,457,375**	**14,925,790**	**16,927,057**	**9.5%**
Operating Income (Loss)	**819,235**	**(1,378,875)**	**20,210**	**(1,567,857)**	**13.7%**
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental Revenue	-	-	-	320,000	100.0%
Interest Earned	296,192	15,000	545,000	545,000	3533.3%
Premium on Bonds	4,073	4,073	4,073	4,073	0.0%
Interest/Bond Issuance Expense	(230,197)	(239,382)	(239,382)	(224,417)	-6.3%
Gain (Loss) on Capital Assets	36,413	1,500	-	1,500	0.0%
Total Other Income (Expense)	**106,481**	**(218,809)**	**309,691**	**646,156**	**-395.3%**
Net Income before Contributions & Transfers	**925,716**	**(1,597,684)**	**329,901**	**(921,701)**	**-42.3%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	(30,275)	(8,200)	(8,200)	(65,920)	703.9%
Transfers from Health Insurance Fund	85,670	-	-	-	0.0%
Total Transfers From (To) Funds	**55,395**	**(8,200)**	**(8,200)**	**(65,920)**	**703.9%**
CAPITAL CONTRIBUTIONS					
Benefit Charges	1,003,006	500,000	350,000	500,000	0.0%
Intergovernmental Revenue - ARPA	-	5,460,927	3,040,927	1,700,000	-68.9%
Intergovernmental Revenue - Capital	440,067	1,099,553	319,553	3,220,000	192.8%
Non-Cash Developers Contributions	-	150,000	100,000	250,000	66.7%
Total Capital Contributions	**1,443,073**	**7,210,480**	**3,810,480**	**5,670,000**	**-21.4%**
Increase (Decrease) in Retained Earnings	**2,424,184**	**5,604,596**	**4,132,181**	**4,682,379**	**-16.5%**
Add Back Depreciation	3,107,139	3,334,000	3,279,000	3,609,000	8.2%
Capital Outlay/Fixed Assets	(1,643,158)	(9,293,973)	(7,850,927)	(16,195,072)	74.3%
Principal Payments on Long-term Debt	(1,391,282)	(1,412,058)	(1,412,058)	(1,411,922)	0.0%
Non-Cash Developers Contributions	-	(150,000)	(100,000)	(250,000)	66.7%
MDE Bond Financing	-	-	-	1,500,000	100.0%
Changes in Working Capital	331,870	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 2,828,753**	**$ (1,917,435)**	**$ (1,951,804)**	**$ (8,065,615)**	**320.6%**
Beginning Fund Balance	**$ 60,514,891**	**$ 62,939,075**	**$ 62,939,075**	**$ 67,071,256**	**6.6%**
Ending Fund Balance	**$ 62,939,075**	**$ 68,543,671**	**$ 67,071,256**	**$ 71,753,635**	**4.7%**

SERVICE CHARGE COMPARISON AS OF MARCH 2024
(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 2020 - 2025



The chart reflects increases in both City-Residential and County-Residential customers since 2020.

WASTEWATER FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
WASTEWATER SERVICES					
Fixed Service Charge - City	$ 1,899,488	$ 1,935,000	$ 1,900,000	$ 1,957,000	1.1%
Fixed Service Charge - County	820,232	836,200	820,000	844,600	1.0%
Fixed Service Charge - Joint Service	860,126	865,900	865,000	890,900	2.9%
Service Charges-Unbilled	40,426	-	-	-	0.0%
Metered City Wastewater	6,091,675	6,082,000	6,080,000	6,262,400	3.0%
Metered County Wastewater	2,921,890	2,195,400	2,900,000	2,987,000	36.1%
Metered Joint Service Wastewater	1,913,808	1,875,300	1,950,000	2,008,500	7.1%
Low-Pressure System Charge	105,921	111,300	109,000	112,300	0.9%
Total Service Charges	**14,653,566**	**13,901,100**	**14,624,000**	**15,062,700**	**8.4%**
OTHER REVENUES					
Wastewater Application Fees	4,650	6,000	5,000	5,000	-16.7%
Wastewater Connection Charges	9,490	7,500	6,000	7,500	0.0%
Review/Inspection Fee	19,992	9,000	10,000	10,000	11.1%
Industrial Permit Maintenance Fee	-	5,000	1,000	1,000	-80.0%
Reimbursements	173	1,500	-	-	-100.0%
Lab Testing	-	400	-	-	-100.0%
Industrial Surcharges	61,096	30,000	90,000	75,000	150.0%
Rental Income	20,507	15,000	20,000	20,000	33.3%
Late Fees	201,621	100,000	175,000	175,000	75.0%
Miscellaneous Revenue	16,359	3,000	15,000	3,000	0.0%
Net Gain/Loss-Scrap Sales	657	-	-	-	0.0%
Total Other Revenues	**334,545**	**177,400**	**322,000**	**296,500**	**67.1%**
Total Operating Revenues	**$ 14,988,111**	**$ 14,078,500**	**$ 14,946,000**	**$ 15,359,200**	**9.1%**

WASTEWATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Vehicle Replacement Program-C0004 Replace 2015 Jeep #534 ($45,000) Replace 2008 Ford F250 4X4 #504 ($60,000) Replace 2005 Ford Ranger #533 ($40,000) Replace 2008 New Holland Tractor #535 ($40,000) Replace 1993 Kohler Generator #513 ($80,000)	Vehicle Replacement	Replacement units - reduced maintenance costs anticipated.	265,000
FY25 Vehicles on Order: 2023 Ford F550 4X4 #526 ($104,628)	Vehicle Replacement	Vehicles were ordered in FY24 but due to high lead times, they will not be received or expensed until FY25.	104,628
Manhole Raising-C0267 Raise Manholes to meet new street grade, replace 3 inch thick lids with lighter more accessible lids.	Manhole Raising Manhole Cover Replace-ment	Part of the City's Annual Pavement Preservation Program.	1,100,000
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.	100,000
East End Pump Station #33-C0565 Construction of Pump Station #33	Construction	New station needed to promote growth and development.	2,890,444
Pump Station #13 Reconstruction-C0574 Reconstruction of Pump Station #13 on Western Maryland Parkway.	Construction	Pump Station #13 needs to be rebuilt and returned to service in accordance with the requirements in the Joint Sewer Service Area Agreement.	2,650,000
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.	6,000,000
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.	500,000

WASTEWATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

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.	200,000
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	200,000
Solids Processing Facilities Improvements-C0712 Replace or rehabilitate the Pellet Silo	Equipment	Existing silo has been in service since 1988 and the condition has deteriorated.	600,000
Laboratory Equipment-C0745 New hood and ventilation system ($500,000) DI Water System ($20,000) Laboratory Improvements ($250,000) Construction of Lab ($500,000) Replacement of Laboratory Equipment ($25,000)	Equipment	Replace obsolete equipment and rehab/rebuild the Environmental Laboratory to ensure compliance with Laboratory and OSHA standards.	1,295,000
Grinder Pump Replacement Program-C0767 Replace 20 Grinder Pumps.	Equipment	Replace deteriorating equipment.	125,000
Truck Lines and Laterals-C0834 Purchase or transfer of Infrastructure.	Infrastructure	Provide efficient use of Wastewater infrastructure throughout system.	165,000
SUBTOTAL CAPITAL IMPROVEMENT PROJECTS			**$ 16,195,072**

WASTEWATER FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

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.	1,500
5471501-5867 Communication Equipment	Two-way Radios	Operators safety for 24-7 operations.	1,500
5472601-5836 Traffic Control Devices	Signage and other items used for traffic control	Normal replacement of worn materials	500
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.	100,000
5472701-5833 Lab Equipment	WW Lab Equipment	Replace worn equipment.	15,000
5472701-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn office furniture and equipment.	1,000
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.	2,000
TOTAL CAPITAL OUTLAY			**$ 16,324,572**

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 1,023 spaces in 3 parking decks, 292 spaces on the streets, and over 570 spaces in 13 parking lots around the City. Seven of the lots are neighborhood lots that provide free parking for residents. A Parking Supervisor oversees full time and part time employees to collect money from the meters, invoice permit customers, and maintain the facilities. Parking enforcement responsibilities also fall under this department.

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.

DEPARTMENT / PROGRAM OBJECTIVES

• Construction of the Hub City Garage began in June of 2023. This new 5-story garage at 50 West Antietam St. will contain 398 parking spaces and will include charging stations for 2 electric vehicles with the ability to expend on the charging system. Access to the garage will be via two entry lanes from Library Alley on the north side of the garage. Two exit lanes will allow drivers direct access to Antietam Street. This parking garage is designed with access ramps in middle of the building which allows for level parking on every floor. There are two stair towers with one located on the northeast corner and the other on the southeast corner. An elevator provides convenience and easy access to every floor. Staff will be able to view the activities of all three parking structures via an interconnected camera system. The tentative opening of the garage is July of 2024.

• Staff is currently reviewing the current parking rates for the parking system in general and specifically for the Hub City Garage. This garage was built, in part, to accommodate the visitors to the newly constructed ballpark located on the corner of Baltimore St. and Summit Ave. The tentative opening date for the ballpark is May of 2024.

• In FY24, the $10.6M Bond Anticipation Note will be refunded and a Go Bond will be issued.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Parking Decks			
No. of Parking Spaces	**625**	**625**	**1,023**
No. of Permit Holders (avg. per week)	**487**	**488**	**550**
Revenue			
Meters: Fees & Permits	**$300,163**	**$315,515**	**$285,240**
Decks: Fees & Permits	**$556,737**	**$570,157**	**$878,000**
Parking Enforcement	**$137,386**	**$114,500**	**$112,500**
Number of Parking Lots (Paid and Residential)	**13**	**13**	**13**
Number of Parking Lot Permit Holders (avg per month)	**259**	**267**	**265**
Total Parking Spaces (Lots & Street)	**862**	**866**	**866**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 355,445	$ 483,508	$ 391,246	$ 510,247	5.5%
Benefits	121,939	172,183	152,044	172,563	0.2%
Overtime	1,857	2,350	2,850	2,850	21.3%
Personnel Subtotal	**479,241**	**658,041**	**546,140**	**685,660**	**4.2%**
Contractual Services	229,245	25,457	32,817	31,378	23.3%
Operating Expenditures	178,194	182,963	199,031	230,574	26.0%
Operating Cap Exp (Cap Outlay)	(196,377)	10,000	10,000	6,500	-35.0%
Other General Expenses	344,785	800,271	1,061,171	863,792	7.9%
Operating Subtotal	**555,847**	**1,018,691**	**1,303,019**	**1,132,244**	**11.1%**
Total Expenditures	**$ 1,035,088**	**$ 1,676,732**	**$ 1,849,159**	**$ 1,817,904**	**8.4%**
REVENUES BY TYPE					
Departmental Revenue	2,100,503	1,444,292	1,933,635	1,325,742	-8.2%
Total Revenues	**$ 2,100,503**	**$ 1,444,292**	**$ 1,933,635**	**$ 1,325,742**	**-8.2%**
Expenditures, net of Revenues	**$ (1,065,415)**	**$ 232,440**	**$ (84,476)**	**$ 492,162**	**111.7%**

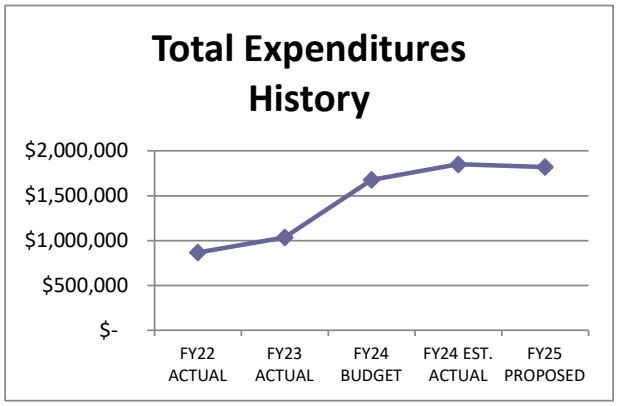
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total personnel expenditures for FY24 estimated actual are anticipated to be lower than budget by 17.01% or $111.9K. Operating expenses are expected to be over budget by 8.8% or $16.1K. Departmental revenues are expected to be 33.88% or $489.3K higher than budget primarily due to one-time transfers from other funds to help offset the new parking garage land acquisition.

Adopted FY24 to Proposed FY25

Total expenditures for FY25 is expected to be higher than FY24 budget by 8.4% or $141.2K due to increases in personnel and operating subtotals that coincide with the Hub City Parking Garage being fully operational beginning in FY25. Total revenues for FY25 are expected to decrease by 8.2% or $118.6K compared to FY24 budget due to no additional one-time transfers from other funds. Operating revenue and charges are anticipated to increase with the new HUB City Parking Garage opening.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	2.80	2.90	2.90	3.30
Part time	9.00	10.00	10.00	11.00
Seasonal	2.00	2.00	2.00	3.00
Staffing Total	13.80	14.90	14.90	17.30
Unfunded positions	0.00	0.00	0.00	0.00

In FY25, two part-time and a seasonal position has been added for the new HUB City Parking Garage. In addition, the full time allocation has been updated to reflect all time for the Administrative Support Specialist.

PARKING FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
OPERATING REVENUES					
Hub City Parking Garage	$ -	$ -	$ -	$ 320,000	100.0%
University District Parking Deck	324,254	301,000	325,157	313,000	4.0%
A & E Parking Deck	232,483	205,000	245,000	245,000	19.5%
Parking Lot Fees	300,163	269,440	315,515	285,240	5.9%
Net Parking Fines	137,386	147,500	114,500	112,500	-23.7%
Other Operating Revenues	1,225	700	1,200	1,200	71.4%
Total Operating Revenues	**995,511**	**923,640**	**1,001,372**	**1,276,940**	**38.3%**
OPERATING EXPENSES					
Hub City Parking Garage	4,270	-	23,363	126,444	100.0%
University District Parking Deck	157,481	218,687	218,611	218,688	0.0%
A & E Parking Deck	199,368	252,138	217,111	233,282	-7.5%
Other Parking Facilities	247,927	295,270	238,602	236,451	-19.9%
Parking Enforcement Expenses	81,260	110,366	90,301	139,247	26.2%
Depreciation	249,252	263,000	523,900	526,400	100.2%
Total Operating Expenses	**939,558**	**1,139,461**	**1,311,888**	**1,480,512**	**29.9%**
Operating Income (Loss)	**55,953**	**(215,821)**	**(310,516)**	**(203,572)**	**-5.7%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	79,734	20,650	432,261	48,800	136.3%
Premium on Bonds	2	2	2	2	0.0%
Interest/Bond Issuance Expense	(90,632)	(532,583)	(532,583)	(326,072)	-38.8%
Gain (Loss) on Capital Assets	325,258	-	-	-	0.0%
Total Other Income (Expense)	**314,362**	**(511,931)**	**(100,320)**	**(277,270)**	**-45.8%**
Net Income before Contributions & Transfers	**370,315**	**(727,752)**	**(410,836)**	**(480,842)**	**-33.9%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from Economic Redevelopment	700,000	500,000	500,000	-	-100.0%
Transfers to Capital Improvements Fund	(4,900)	(4,688)	(4,688)	(11,320)	141.5%
Total Transfers From (To) Funds	**695,100**	**495,312**	**495,312**	**(11,320)**	**-102.3%**
Increase (Decrease) in Retained Earnings	**1,065,415**	**(232,440)**	**84,476**	**(492,162)**	**111.7%**
Add Back Depreciation	249,252	263,000	523,900	526,400	100.2%
Capital Outlay/Fixed Assets	(1,437,927)	(10,305,000)	(11,590,036)	(35,000)	-99.7%
Principal Payments on Long-term Debt	(31,466)	(32,634)	(32,634)	(10,633,835)	32485.1%
Changes in Working Capital	(233,415)	-	-	-	0.0%
Bond Proceeds	10,600,000	-	-	10,600,000	100.0%
Net Sources (Uses) of Cash	**$10,211,859**	**$(10,307,074)**	**$(11,014,294)**	**$ (34,597)**	**-99.7%**
Beginning Fund Balance	**$ 7,126,588**	**$ 8,192,003**	**$ 8,192,003**	**$ 8,276,479**	**1.0%**
Ending Fund Balance	**$ 8,192,003**	**$ 7,959,563**	**$ 8,276,479**	**$ 7,784,317**	**-2.2%**

PARKING FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
HUB CITY GARAGE					
Parking Deck Permits	$ -	$ -	$ -	$ 220,000	100.0%
Parking Deck Fees	-	-	-	100,000	100.0%
Total Hub City Garage Revenues	**-**	**-**	**-**	**320,000**	**100.0%**
UNIVERSITY DISTRICT PARKING DECK					
Parking Deck Permits	252,488	236,000	240,000	240,000	1.7%
Parking Deck Fees	46,365	40,000	45,000	45,000	12.5%
Validation Fees	28,306	26,000	40,000	30,000	15.4%
Park N Shop	(985)	(1,000)	(2,000)	(2,000)	100.0%
Volume Parking Discount	(1,920)	-	-	-	0.0%
Insurance Reimbursement	-	-	2,157	-	0.0%
Total University District Deck Revenues	**324,254**	**301,000**	**325,157**	**313,000**	**4.0%**
A&E PARKING DECK					
Parking Deck Permits	128,435	110,000	150,000	150,000	36.4%
Parking Deck Fees	103,648	95,000	95,000	95,000	0.0%
Miscellaneous Revenue	400	-	-	-	0.0%
Total A&E Parking Deck Revenues	**232,483**	**205,000**	**245,000**	**245,000**	**19.5%**
PARKING LOT REVENUES					
Street Meters	91,601	82,000	82,000	82,000	0.0%
Antietam Street Lot Meters	17,203	14,000	20,000	14,000	0.0%
Bryan Center Lot Meters	245	100	100	100	0.0%
Central Lot Meters	28,121	24,000	30,000	22,000	-8.3%
Market House Lot Meters	73	-	-	-	0.0%
Rochester Lot Meters	1,257	700	1,400	1,200	71.4%
Central Lot Permits	70,397	70,000	80,000	70,000	0.0%
Church Street Lot Permits	49,649	50,000	63,000	64,800	29.6%
Market House Lot Permits	5,490	-	-	-	0.0%
Rochester Lot Permits	18,105	10,000	19,000	10,000	0.0%
Departmental Charges-Parking Permits	21,382	22,000	20,000	20,000	-9.1%
Pay-By-Phone Transaction Fee	-	-	3,375	4,500	100.0%
Free Parking - 41 E Franklin Street	(1,344)	(1,344)	(1,344)	(1,344)	0.0%
Free Parking - 39 E Franklin Street	(2,016)	(2,016)	(2,016)	(2,016)	0.0%
Total Parking Lot Revenues	**300,163**	**269,440**	**315,515**	**285,240**	**5.9%**
PARKING TICKET REVENUES					
Fines-Traffic Violations	4,700	2,500	4,500	2,500	0.0%
Original Issuance	160,385	125,000	140,000	140,000	12.0%
Late fees	154,241	120,000	120,000	120,000	0.0%
Uncollectable Parking Tickets	(181,940)	(100,000)	(150,000)	(150,000)	50.0%
Total Parking Ticket Revenues	**137,386**	**147,500**	**114,500**	**112,500**	**-23.7%**
OTHER OPERATING REVENUES					
EV Charging Stations	1,225	700	1,200	1,200	71.4%
Total Other Operating Revenues	**1,225**	**700**	**1,200**	**1,200**	**71.4%**
Total Operating Revenues	**$ 995,511**	**$ 923,640**	**$ 1,001,372**	**$ 1,276,940**	**38.3%**

PARKING FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Hub City Garage-C0173 Minor construction and maintenance of parging garage 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.	10,000
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 Lot Improvements-C0857 Improve the overall condition of surface parking lots.	Parking Lot Improvements	Preservation of the pavement allows the pavement to last much longer before total replacement is necessary. Sidewalk improvements include handicap accessible ramps to meet ADA requirements. Light improvements by transitioning to LED lights improve security while reducing energy costs.	10,000
SUBTOTAL CAPITAL IMPROVEMENT PROJECTS			**$ 35,000**
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.	1,500
TOTAL CAPITAL OUTLAY			**$ 41,500**

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 updated in March of 2023 and became effective July 1, 2023, except the Senior rates and the Season Pass holders. 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 3-year contract and are new starting in 2024. A second 3-year cart contract will begin in 2027 with all new carts. A stream restoration project closed the course from December of 2023 until April of 2024. This project routes Hamilton Run across Hole No. 2, creates 2 new bridges, and replaces 1 existing bridge.

DEPARTMENT / PROGRAM OBJECTIVES

• Work to restore all greens to a playable course after the stream restoration project. Current plans are underway to rebuild and relocate Hole No. 5, which may not occur in FY24.

• 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. Staff is looking to replace the Season Pass with a frequent player card for FY25.

• Staff has successfully added tournaments in addition to the annual Turkey Cup, Par for Pink, and Championship series for a total of 6 tournaments in FY24. Staff will work to keep at least this number of tournaments or more in FY25.

• Improvements in FY25 include installing new carpet in the clubhouse, continue to pave some of the cart paths that are currently made of earth/gravel, and replace portions of the steps leading to the clubhouse. Projects in FY24 (fencing, netting, stream restoration, clubhouse deck, basement remodeling) have brought the course to a new level of professionalism.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Number of Golfers	**19,435**	**21,000**	**21,500**
Number of Rounds Started	**24,255**	**16,000**	**18,000**
Average daily rounds of golf	**66**	**60**	**65**
Number of cart rentals	**14,765**	**13,000**	**14,000**
Number of golf leagues	**3**	**3**	**3**
Number of golf tournaments	**6**	**6**	**6**
Operating Revenue (in $)	**$ 447,223**	**$ 335,400**	**$ 378,400**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 133,159	$ 188,905	$ 142,895	$ 234,202	24.0%
Benefits	102,989	121,565	110,985	131,327	8.0%
Overtime	14,453	15,200	15,300	15,300	0.7%
Personnel Subtotal	**250,601**	**325,670**	**269,180**	**380,829**	**16.9%**
Contractual Services	65,280	41,430	90,630	90,810	119.2%
Operating Expenditures	132,528	179,369	154,840	169,067	-5.7%
Operating Cap Exp (Cap Outlay)	-	500	500	500	0.0%
Other General Expenses	42,965	65,900	52,700	74,100	12.4%
Operating Subtotal	**240,773**	**287,199**	**298,670**	**334,477**	**16.5%**
Total Expenditures	**$ 491,373**	**$ 612,869**	**$ 567,850**	**$ 715,305**	**16.7%**
REVENUES BY TYPE					
Departmental Revenue	579,392	589,050	627,900	538,400	-8.6%
Total Revenues	**$ 579,392**	**$ 589,050**	**$ 627,900**	**$ 538,400**	**-8.6%**
Expenditures, net of Revenues	**$ (88,019)**	**$ 23,819**	**$ (60,050)**	**$ 176,905**	**642.7%**

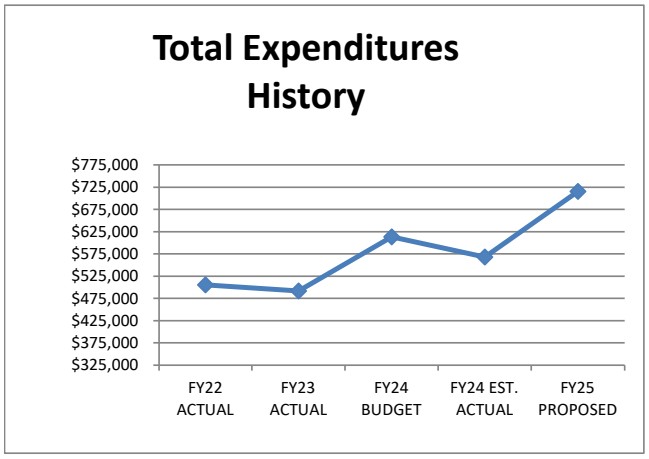
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total expenditures reflect a 7.3% or $45.0K decrease from the adopted budget to FY24 estimated mostly due to decreases in salary and wages, other general expenses, and operating expenses. Total estimated actual contractual services are expected to increase by 118.8% or $49.2K, which is offset by decreases in operating expenditures of 13.7% or $24.5K and general expenses by 20.0% or $13.2K. Departmental revenue is expected to be 6.6% or $38.9K higher than FY24 budget due to increased play time, rates, and golf cart rentals.

Adopted FY24 to Proposed FY25

In total, personnel expenditures are projected to increase by 16.9% or $55.2K due to anticipated wage and benefit costs rising and additional staff allocations. Overall expenditures are expected to increase by 16.7% or $102.4K, due to the rise in personal expenditures and contractual services, which is related to increased credit card fees and reallocating irrigation charges from operating expense category. The General Fund transfer to the Golf Fund for FY25 is $150.0K, down from $250.0K in FY24, which is reflected in the 8.6% or $50.7K revenue decrease.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	2.24	2.24	2.24	2.24
Part time	1.00	2.00	2.00	2.75
Seasonal	2.00	2.00	2.00	3.00
Staffing Total	5.24	6.24	6.24	7.99
Unfunded positions	0.00	0.00	0.00	0.00

Staffing for the Golf Course will increase slightly in the FY25 proposed budget. This increse reflects an allocation shift for PT staff alongside the Parks department. Total staffing across Parks department remains the same but time allocated and spent by staff has been adjusted.

GOLF COURSE FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
OPERATING REVENUES					
Green Fees	$ 221,187	$ 188,000	$ 215,000	$ 215,000	14.4%
Cart Rentals	121,310	110,000	110,000	115,000	4.5%
Tournaments and Specials	12,070	10,000	9,500	10,000	0.0%
State Shared: Highway User Income	49,467	-	-	-	0.0%
Other Revenues	43,189	27,400	28,400	38,400	40.1%
Total Operating Revenues	**447,223**	**335,400**	**362,900**	**378,400**	**12.8%**
OPERATING EXPENSES					
Operating Expenses	448,408	546,969	515,150	641,205	17.2%
Depreciation	42,965	65,900	52,700	74,100	12.4%
Total Operating Expenses	**491,373**	**612,869**	**567,850**	**715,305**	**16.7%**
Operating Income (Loss)	**(44,150)**	**(277,469)**	**(204,950)**	**(336,905)**	**21.4%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	9,169	3,650	15,000	10,000	174.0%
Total Other Income (Expense)	**9,169**	**3,650**	**15,000**	**10,000**	**174.0%**
Net Income before Contributions & Transfers	**(34,981)**	**(273,819)**	**(189,950)**	**(326,905)**	**19.4%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from General Fund	123,000	250,000	250,000	150,000	-40.0%
Total Transfers From (To) Funds	**123,000**	**250,000**	**250,000**	**150,000**	**-40.0%**
Increase (Decrease) in Retained Earnings	**88,019**	**(23,819)**	**60,050**	**(176,905)**	**642.7%**
Add Back Depreciation	42,965	65,900	52,700	74,100	12.4%
Capital Outlay/Fixed Assets	(75,705)	(75,000)	(75,000)	(107,000)	42.7%
Changes in Working Capital	29,520	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 84,799**	**$ (32,919)**	**$ 37,750**	**$ (209,805)**	**537.3%**
Beginning Fund Balance	**$ 730,679**	**$ 818,698**	**$ 818,698**	**$ 878,748**	**7.3%**
Ending Fund Balance	**$ 818,698**	**$ 794,879**	**$ 878,748**	**$ 701,843**	**-11.7%**

GOLF COURSE FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
GREENS REVENUES					
Greens Fees-Weekday,Regular,9-Hole	$ 205,367	$ 175,000	$ 200,000	$ 200,000	14.3%
Season Pass- Regular Individual	15,820	13,000	15,000	15,000	15.4%
Total Greens Revenues	**221,187**	**188,000**	**215,000**	**215,000**	**14.4%**
GOLF CART REVENUES					
Cart Rentals-Regular, 9-Holes	121,310	110,000	110,000	115,000	4.5%
Total Golf Cart Revenues	**121,310**	**110,000**	**110,000**	**115,000**	**4.5%**
TOURNAMENTS & SPECIALS	**12,070**	**10,000**	**9,500**	**10,000**	**0.0%**
STATE SHARED: HIGHWAY USER INCOME	**49,467**	**-**	**-**	**-**	**0.0%**
OTHER REVENUES					
Rental of Golf Clubs	1,188	1,000	1,000	1,000	0.0%
Tee Marker/Scorecard Sponsorship	4,700	-	-	5,000	100.0%
Golf Course Concession Revenues	10,630	7,000	8,000	9,000	28.6%
Golf Course Vending Revenues	13,086	10,000	10,000	12,000	20.0%
Golf Course Alcohol Revenues	14,149	10,000	10,000	12,000	20.0%
Discounts/Promotions	(685)	(700)	(700)	(700)	0.0%
Miscellaneous Golf Revenues	121	100	100	100	0.0%
Total Other Revenues	**43,189**	**27,400**	**28,400**	**38,400**	**40.1%**
Total Operating Revenues	**$ 447,223**	**$ 335,400**	**$ 362,900**	**$ 378,400**	**12.8%**

GOLF COURSE FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Golf Course-Vehicles/Equipment-C0395 Replace 2016 Mower #348 ($18,000) Replace 2014 Mower #334 ($89,000)	Vehicle and Equipment Replacement Schedule	Replace deteriorated equipment. Maintain reliable and efficient equipment necessary to operate and maintain golf course.	107,000
TOTAL CAPITAL OUTLAY			**$ 107,000**

DEPARTMENT / PROGRAM OVERVIEW

The Property Management Fund provides professional stewardship over properties owned by the City and leased to area businesses or other government agencies. The fund is a self-supporting Enterprise Fund.

This fund includes the following properties:
- 14 N. Potomac Street (Elizabeth Hager Center)
- 60 W. Washington Street (USMH/front commercial)
- 309 Valley Road (Fire Police Headquarters)

Properties previously under this fund that have been recenlty sold by the City include the following:
- 239 N. Locust Street (The Alms House) - sold in February 2023

Expenditures are assigned to specific tenant cost centers where applicable and remaining general costs are allocated based on square footage.

DEPARTMENT / PROGRAM OBJECTIVES

- 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 the following tenant spaces:
  - 1st Floor Main - Leased to State of Maryland DLLR
  - 1st Floor Rear - Leased to Maryland Watch Works
  - Front Retail - Vacant
  - 2nd Floor - Leased to City's Department of Community & Economic Development (DCED)

DCED will occupy the 2nd Floor space through part of FY24 when the department will move to new space at 32 N Potomac Street. Planned repairs for FY24 and future fiscal years include reimbursable tenant fit out expenses.

- 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. The name "BuroBox" is German which translates to "OfficeBox" and is representative of Hagerstown's German heritage. The BuroBox Program ended in 2023 with the goal of better positioning the space for altnerative use. The front commercial space is occupied by Fresh Academicz dance studio until April 1, 2024, when the business will cease operations. A new tenant for the space will be sought to occupy this storefront. The rear classroom and office space

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Number of leases:			
Elizabeth Hager Center	**4**	**4**	**2**
Fire Police Headquarters	**1**	**1**	**1**
60 West Washington St.	**8**	**8**	**1**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	66,651	91,142	95,000	97,939	7.5%
Benefits	20,363	27,128	9,125	34,918	28.7%
Personnel Subtotal	**87,014**	**118,270**	**104,125**	**132,857**	**12.3%**
Contractual Services	15,910	17,170	22,170	23,100	34.5%
Operating Expenditures	143,252	163,964	186,083	177,247	8.1%
Other General Expenses	156,136	111,828	108,728	114,551	2.4%
Operating Subtotal	**315,298**	**292,962**	**316,981**	**314,898**	**7.5%**
Total Expenditures	**$ 402,312**	**$ 411,232**	**$ 421,106**	**$ 447,755**	**8.9%**
REVENUES BY TYPE					
Departmental Revenue	295,852	478,537	281,590	257,365	-46.2%
Total Revenues	**$ 295,852**	**$ 478,537**	**$ 281,590**	**$ 257,365**	**-46.2%**
Expenditures, net of Revenues	**$ 106,460**	**$ (67,305)**	**$ 139,516**	**$ 190,390**	**-382.9%**

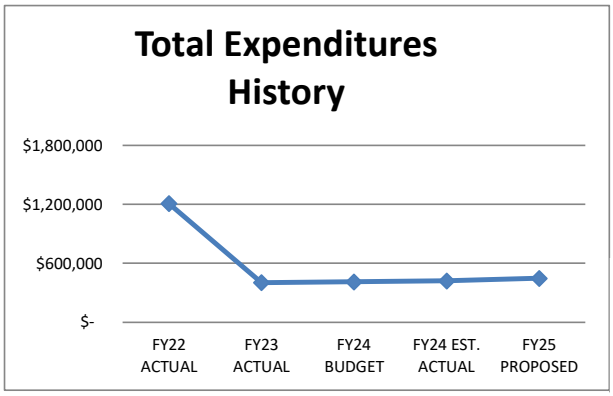
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

In total, FY24 estimated actual personnel expenses are expected to decrease by 12.0% or $14.1K. Operating expenditures are anticipated to be greater than FY24 budget by 13.5% or $22.1K. This increase is mostly attributed to an increase in maintenance agreements and building improvements at various properties. Departmental revenue for FY24 estimated actual is expected to be 41.2% or $196.9K lower than FY24 budget.

Adopted FY24 to Proposed FY25

FY25 personnel expenditures are projected to increase by 12.3% or $14.6K compared to FY24 budget due to an increase in benefits, while total operating expenditures are also expected to increase 8.1% or $13.3K. Departmental revenue is projected to decrease 46.2% or $221.2K over FY24 budget due to loss of rental income from sold properties.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	0.90	0.90	0.90	1.05
Part time	0.00	0.00	0.00	0.00
Staffing Total	0.90	0.90	0.90	1.05
Unfunded positions	0.00	0.00	0.00	0.00

In the FY25 proposed budget, an increase in the full time staffing allocation has been made due to workload changes.

PROPERTY MANAGEMENT FUND - COMPARATIVE INCOME STATEMENT
2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
OPERATING REVENUES					
Rent from Tenants	$ 276,187	$ 472,337	$ 255,440	$ 231,165	-51.1%
Other Revenues	4,275	-	-	-	0.0%
Total Operating Revenues	**280,462**	**472,337**	**255,440**	**231,165**	**-51.1%**
OPERATING EXPENSES					
Selling, General and Administrative Expenses	246,176	299,404	312,428	333,204	11.3%
Depreciation	104,598	108,300	105,200	111,200	2.7%
Total Operating Expenses	**350,774**	**407,704**	**417,628**	**444,404**	**9.0%**
Operating Income (Loss)	**(70,312)**	**64,633**	**(162,188)**	**(213,239)**	**-429.9%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	15,390	6,200	26,200	26,200	322.6%
Interest/Bond Issuance Expense	(3,707)	(3,528)	(3,528)	(3,351)	-5.0%
Gain (Loss) on Capital Assets	(47,831)	-	-	-	0.0%
Total Other Income (Expense)	**(36,148)**	**2,672**	**22,672**	**22,849**	**755.1%**
Net Income before Contributions & Transfers	**(106,460)**	**67,305**	**(139,516)**	**(190,390)**	**-382.9%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from General Fund	-	-	-	-	0.0%
Total Transfers From (To) Funds	**-**	**-**	**-**	**-**	**0.0%**
CAPITAL CONTRIBUTIONS					
Contribution in Aid of Contruction	-	-	-	-	0.0%
Total Capital Contributions	**-**	**-**	**-**	**-**	**0.0%**
Increase (Decrease) in Retained Earnings	**(106,460)**	**67,305**	**(139,516)**	**(190,390)**	**-382.9%**
Add Back Depreciation	104,598	108,300	105,200	111,200	2.7%
Capital Outlay/Fixed Assets	-	(220,000)	(17,700)	(90,000)	-59.1%
Principal Payments on Long-term Debt	(5,959)	(5,992)	(5,992)	(6,036)	0.7%
Changes in Working Capital	70,832	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 63,011**	**$ (50,387)**	**$ (58,008)**	**$ (175,226)**	**247.8%**
Beginning Fund Balance	**$ 2,573,622**	**$ 2,467,162**	**$ 2,467,162**	**$ 2,327,646**	**-5.7%**
Ending Fund Balance	**$ 2,467,162**	**$ 2,534,467**	**$ 2,327,646**	**$ 2,137,256**	**-15.7%**

PROPERTY MANAGEMENT FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
Rent - 2-6 N Potomac Street, 1st Floor	$ 161,830	$ 372,000	$ 167,100	$ 172,000	-53.8%
Rent - 14 N Potomac Street, Suite 200A/B	24,236	13,600	15,300	-	-100.0%
Rent - 6 N Potomac Street	25,136	20,605	8,458	-	-100.0%
Rent - 14 N Potomac Street, Suite B-3	24,000	24,906	25,462	26,225	5.3%
Rent - 60 W Wash Street, Suite 102	8,045	8,286	6,180	-	-100.0%
Rent - 60 W Washington St Rear	32,940	32,940	32,940	32,940	0.0%
Total Rent from Tenants	**276,187**	**472,337**	**255,440**	**231,165**	**-51.1%**
Membership Dues	3,750	-	-	-	0.0%
Other Revenues	525	-	-	-	0.0%
Total Other Revenues	**4,275**	**-**	**-**	**-**	**0.0%**
Total Operating Revenues	**$ 280,462**	**$ 472,337**	**$ 255,440**	**$ 231,165**	**-51.1%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Rental income from tenants and other revenues in FY24 estimated actuals are projected to be 45.9% or $216.9K lower than FY24 budget. This decrease is the result of tenant vacancies.

Adopted FY24 to Proposed FY25

Total rents from tenants and other revenues in FY25 proposed will decrease by 51.1% or $241.2K when compared to FY24 budget. This decrease is due to tenant vacancies, the planned relocation of DCED, and a plan to move the Burobox to an outside partner.

PROPERTY MANAGEMENT FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
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.	40,000
60 West Washington Street-C0828 Building improvements and continued replacement of HVAC units on an as needed basis	Building Renovation	Provide building improvements to rental offices.	25,000
309 Valley Road-C0836 Improvements and generalized maintenance to property in order to sell.	Building Renovation	Half of a double residential property was built in 1920. These repairs and slight improvements will prepare the building to be sold.	25,000
TOTAL CAPITAL OUTLAY			**$ 90,000**

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, golf course stream relocation and design the Hamilton Run restoration adjacent Northern Avenue.
- Per the Strategic Plan, design and construct retrofits to the North High stormwater pond and the ice rink stormwater pond at Fairgrounds Park.
- 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 former City-owned landfill off of Resh Road.
- Implement incentive programs for residents and larger commercial establishments to install stormwater management best practices.

PERFORMANCE INDICATORS

	2022/23	2023/24	2024/25
Number of tons collected by sweepers	333	350	350
Number of stormdrain inlets	4,645	4,650	4,670
Number of stormdrain manholes	995	1,000	1,025
Miles of public stormdrain	116	120	121
Total stormwater BMP's in City	360	399	410
Incentive projects	1	1	-
Lineal feet of stream restoration	-	1,800	900
Facility retrofits	1	1	2
Green street projects	1	1	1
Trees planted by City	**146**	**125**	**150**

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 230,300	$ 276,032	$ 243,000	$ 232,047	-15.9%
Benefits	82,456	93,822	90,870	83,097	-11.4%
Overtime	1,275	5,000	5,000	5,000	0.0%
Personnel Subtotal	**314,031**	**374,854**	**338,870**	**320,144**	**-14.6%**
Contractual Services	136,153	232,500	275,500	304,000	30.8%
Operating Expenditures	427,354	588,400	409,489	571,435	-2.9%
Other General Expenses	111,999	158,265	128,365	278,049	75.7%
Operating Subtotal	**675,506**	**979,165**	**813,354**	**1,153,484**	**17.8%**
Total Expenditures	**$ 989,537**	**$ 1,354,019**	**$ 1,152,223**	**$ 1,473,629**	**8.8%**
REVENUES BY TYPE					
Departmental Revenue	$ 3,308,539	$ 4,057,800	$ 3,745,440	$ 4,307,800	6.2%
Total Revenues	**$ 3,308,539**	**$ 4,057,800**	**$ 3,745,440**	**$ 4,307,800**	**6.2%**
Expenditures, net of Revenues	**$ (2,319,002)**	**$ (2,703,781)**	**$ (2,593,217)**	**$ (2,834,171)**	**4.8%**

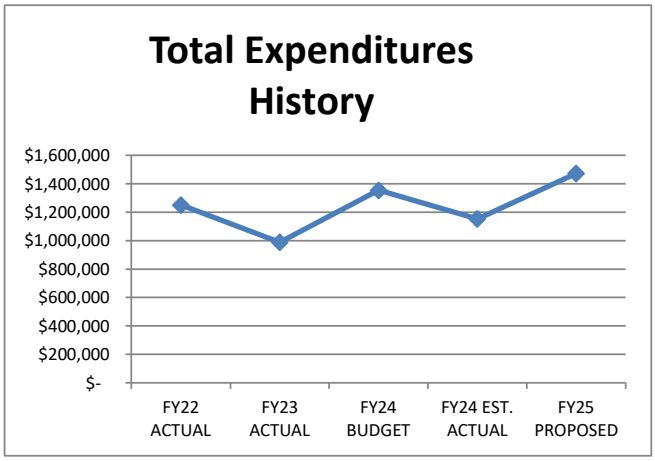
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total FY24 estimated actual personnel expenditures reflect a 9.6% or $36.0K decrease from FY24 budget due to less staffing allocated from the General Fund. FY24 estimated actual operating expenditures are also expected to significantly decrease by 30.4% or $178.9K, along with departmental revenues decreasing by 7.7% or $312.4K compared to FY24 budget.

Adopted FY24 to Proposed FY25

Personnel expenditures in the proposed FY25 budget are expected to decrease 14.6% or $54.7K from FY24 budget. In total, operating expenditures are expected to be higher than FY24 budget by 17.8% or $174.3K. This increase is due to contractual services increasing, the purchase of a new street sweeper, and continued construction of the Stormwater controlled portion of the Hagerstown Field House, see additional details under CIP 59-C0634. Departmental revenues in the FY25 proposed are expected to be higher than FY24 budget by 6.2% or $250.0K due to rates and trends expected in stormwater fixed fee revenues and grant revenue funding.



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	4.11	4.01	4.01	3.90
Seasonal	0.00	0.00	0.00	0.00
Staffing Total	4.11	4.01	4.01	3.90
Unfunded positions	0.00	0.00	0.00	0.00

In FY25, a reduction in the full time allocation was made as less staff time is needed as the program has become fully implemented.

STORMWATER PROTECTION FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
OPERATING REVENUES					
Stormwater Fixed Fee	$ 3,243,718	$ 3,382,000	$ 3,520,000	$ 3,400,000	0.5%
Credit SWM Program	(83,757)	(125,000)	(124,000)	(130,000)	4.0%
Other Revenue	6,505	-	-	-	0.0%
Late Fees	29,672	35,000	20,000	25,000	-28.6%
Total Operating Revenues	**3,196,138**	**3,292,000**	**3,416,000**	**3,295,000**	**0.1%**
OPERATING EXPENSES					
Infrastructure Maintenance	605,042	647,387	803,892	777,188	20.0%
Selling, General & Administrative	272,496	548,367	219,966	418,392	-23.7%
Depreciation	91,085	138,900	109,000	160,300	15.4%
Total Operating Expenses	**968,623**	**1,334,654**	**1,132,858**	**1,355,880**	**1.6%**
Operating Income (Loss)	**2,227,515**	**1,957,346**	**2,283,142**	**1,939,120**	**-0.9%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	82,422	25,800	192,800	192,800	647.3%
Interest/Bond Issuance Expense	(20,914)	(19,365)	(19,365)	(17,749)	-8.3%
Total Other Income (Expense)	**61,508**	**6,435**	**173,435**	**175,051**	**2620.3%**
Net Income before Contributions & Transfers	**2,289,023**	**1,963,781**	**2,456,577**	**2,114,171**	**7.7%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to Capital Improvements Fund	-	-	-	(100,000)	100.0%
Total Transfers From (To) Funds	**-**	**-**	**-**	**(100,000)**	**100.0%**
CAPITAL CONTRIBUTIONS					
Intergovernmental Revenue - ARPA	-	700,000	-	410,000	-41.4%
Grants in Aid of Construction	29,979	40,000	136,640	410,000	925.0%
Total Capital Contributions	**29,979**	**740,000**	**136,640**	**820,000**	**10.8%**
Increase (Decrease) in Retained Earnings	**2,319,002**	**2,703,781**	**2,593,217**	**2,834,171**	**4.8%**
Add Back Depreciation	91,085	138,900	109,000	160,300	15.4%
Capital Outlay/Fixed Assets	(407,313)	(2,621,000)	(1,563,700)	(4,170,000)	59.1%
Principal Payments on Long-term Debt	(35,833)	(37,374)	(37,374)	(38,981)	4.3%
Changes in Working Capital	82,995	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 2,049,936**	**$ 184,307**	**$ 1,101,143**	**$ (1,214,510)**	**-759.0%**
Beginning Fund Balance	**$ 2,032,268**	**$ 4,351,270**	**$ 4,351,270**	**$ 6,944,487**	**59.6%**
Ending Fund Balance	**$ 4,351,270**	**$ 7,055,051**	**$ 6,944,487**	**$ 9,778,658**	**38.6%**

STORMWATER PROTECTION FUND - CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Stormwater Fund Vehicle Replacement-C0064 Replace fleet vehicles scheduled for replacement under the Vehicle Replacement Program. Replace 2018 Elgin Sweeper #92.	Replace Fleet Vehicles	Replace deteriorating mobile equipment to improve safety for workers and to reduce service restoration time.	365,000
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".	50,000
Hagerstown Field House-C0634 Management and modification to construction of the field house to prevent stormwater run-off by installing storm drains and planting trees.	Land Improvements	Stormwater protection program is intended to address these issues.	410,000
Protection Program Implementation-C0637 Retrofit of existing flood-control stormwater facilities to provide water quality benefits. MSK Business Park	Infrastructure - Storm Drains	Compliance with NPDES permit will require significant funding for analysis, design, construction, and maintenance of new or enhanced stormwater management facilities.	1,135,000
Marsh Run Walls Rehabilitation-C0853 Provide regular rehabilitation to the stone aqueduct that was reconstructed in 1995. Repairs happen approximately every five years	Infrastructure	Regular rehabilitation will help to avoid larger expenditures and costly maintenance in the future.	350,000
Stream Restorations-C0866 Stream restoration at City Park in the fall of 2024.	Stormwater Management	Streams are eroding and introducing nutrients into the water and impacting surrounding properties.	1,610,000
TOTAL CAPITAL OUTLAY			**$ 4,170,000**

Events

City of Hagerstown

SPECIAL REVENUE FUNDS
SECTION 4

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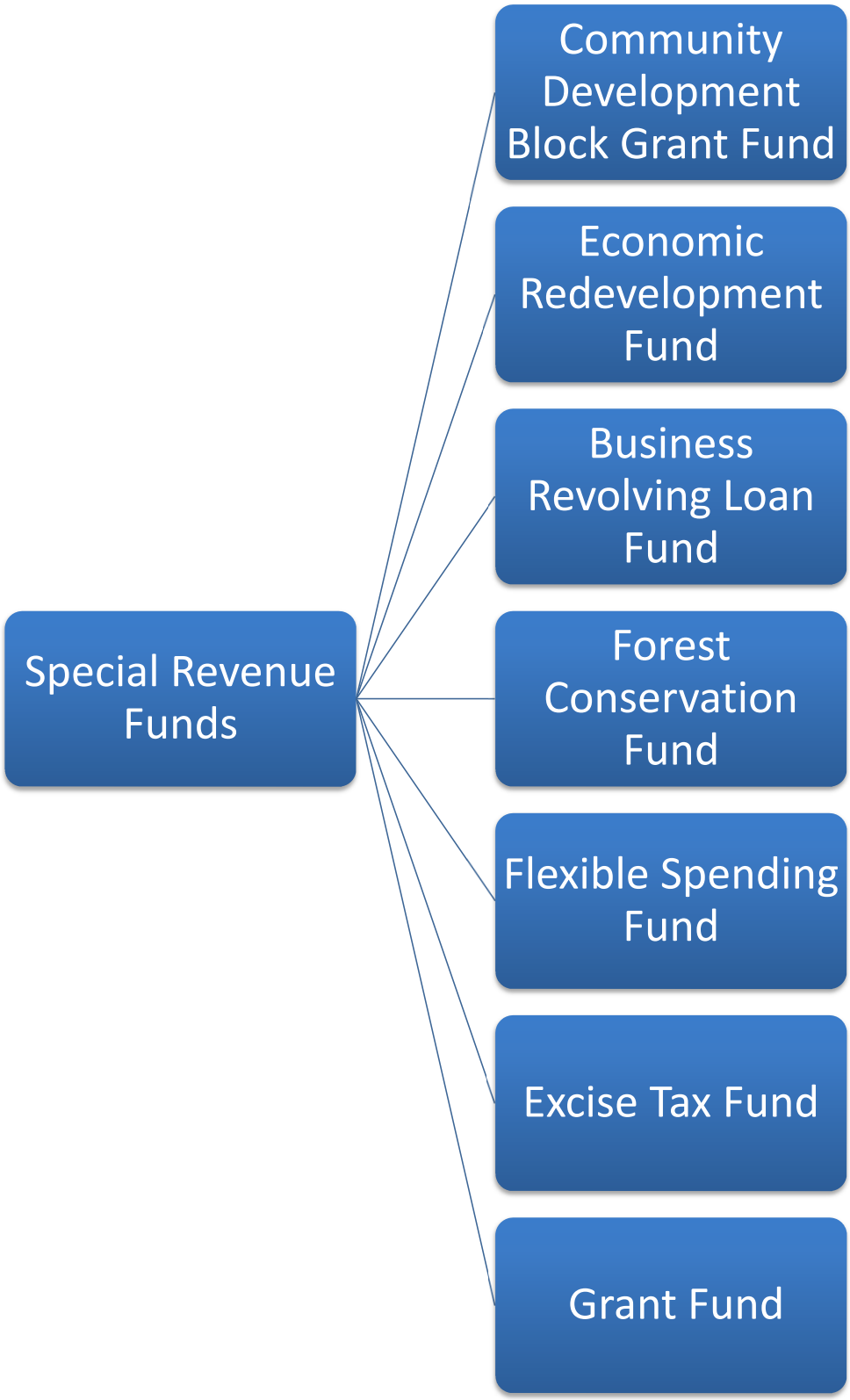

Special Revenue Funds
Community Development Block Grant Fund
Economic Redevelopment Fund
Business Revolving Loan Fund
Forest Conservation Fund
Flexible Spending Fund
Excise Tax Fund
Grant Fund

SPECIAL REVENUE FUNDS -COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2024/2025

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	$ 1,106,156	$ 575,000	-	$ -	$ -	$ -	$ 544,577	$ 2,225,733
Program Income	165,000	-	26,000	-	-	-	-	191,000
Interest on Investments	75	25,000	5,500	100	50	-	4,000	34,725
Other Revenues	-	-	250	-	1,000	-	-	1,250
Total Revenues	**1,271,231**	**600,000**	**31,750**	**100**	**1,050**	**-**	**548,577**	**2,452,708**
EXPENDITURES								
Commercial/Industrial Improvements	50,000	-	-	-	-	-	-	50,000
Clearance/Demolition	100,000	-	-	-	-	-	-	100,000
Public Facilities and Improvements	290,000	-	-	-	-	-	-	290,000
Public Services	140,000	-	-	-	-	-	-	140,000
Contra Principal Payments	140,000	-	-	-	-	-	-	140,000
Housing Rehab	222,000	-	-	-	-	-	-	222,000
Program Administration	92,839	-	-	-	-	-	-	92,839
Administration	207,441	21,633	1,500	-	-	-	-	230,574
Public Safety	-	-	-	-	-	-	453,652	453,652
PEP Subsidized Rent Payments	-	131,500	-	-	-	-	-	131,500
Economic Incentives		35,000	-	-	-	-	200,000	235,000
Economic Incentives: State Grant	-	575,000	-	-	-	-	-	575,000
City Center Redevelopment: Invest Hagerstown	-	500,000	-	-	-	-	-	500,000
City-Wide Redevelopment: Invest Hagerstown	-	185,000	-	-	-	-	-	185,000
Homeownership Grant: Invest Hagerstown	-	165,000	-	-	-	-	-	165,000
Rental Property Rehab:Invest Hagerstown	-	80,000	-	-	-	-	-	80,000
Façade:Invest Hagerstown	-	45,000	-	-	-	-	-	45,000
USMH Housing Catalyst #3	-	26,000	-	-	-	-	-	26,000
Total Expenditures	**1,242,280**	**1,764,133**	**1,500**	**-**	**-**	**-**	**653,652**	**3,661,565**
Excess of Revenues Over (under) Expenditures	**28,951**	**(1,164,133)**	**30,250**	**100**	**1,050**	**-**	**(105,075)**	**(1,208,857)**
OTHER FINANCING USES								
Operating Transfers From Other Funds	-	1,322,000	-	-	-	-	106,667	1,428,667
Operating Transfers (to) Other Funds	-	-	-	-	-	-	-	-
Total Other Financing Uses	**-**	**1,322,000**	**-**	**-**	**-**	**-**	**106,667**	**1,428,667**
Net Change in Fund Balance	**28,951**	**157,867**	**30,250**	**100**	**1,050**	**-**	**1,592**	**219,810**
Beginning Fund Balance	**1,044,503**	**693,244**	**1,138,214**	**203**	**3,605**	**-**	**252,345**	**3,132,114**
Ending Fund Balance	**$ 1,073,454**	**$ 851,111**	**$ 1,168,464**	**$ 303**	**$ 4,655**	**$ -**	**$ 253,937**	**$ 3,351,924**
DETAIL OF ENDING FUND BALANCE								
Restricted	$ 1,073,454	$ -	$ -	$ 303	$ -	$ -	$ 253,937	1,327,694
Committed	-	-	-	-	-	-	-	-
Assigned	-	851,111	1,168,464	-	4,655	-	-	2,024,230
Ending Fund Balance	**$ 1,073,454**	**$ 851,111**	**$ 1,168,464**	**$ 303**	**$ 4,655**	**$ -**	**$ 253,937**	**$ 3,351,924**

* Excise Tax Fund only reflects balance sheet activity since the City discontinued participation in the APFO program.

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 had gradually increased each year since FY19 before being reduced for FY23 to $783,642. The entitlement amount for FY24 was $781,156. The entitlement for FY25 is conservatively estimated at $780,000.

DEPARTMENT / PROGRAM OBJECTIVES

- Consistent with the National Objectives and Hagerstown's five year CDBG consolidated plan, the FY25 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.

- DCED works in cooperation with other City Departments to carry out neighborhood based projects. Proposed FY25 Public Facility projects to be carried out in cooperation with the Public Works & Engineering Departments include sidewalk accessibility ramp construction and new sidewalk construction in the City Fairgrounds neighborhood.

- The FY25 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 was also awarded to the City and this funding was distributed to multiple non-profit organizations for public service activites associated with the COVID-19 pandemic response. As of February 2024, approximately 88% 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

	2022/23	2023/24	2024/25
Number of Active Loans Outstanding	**39**	**40**	**35**
Value of Active Loans Portfolio ($000)	**$ 1,150**	**$ 1,132**	**$ 1,064**
Down Payment Assistance Cases	**10**	**8**	**6**
CDBG Single Family Rehabilitation Projects	**18**	**20**	**12**
Citizens Assisted Through Public Services	**800**	**900**	**900**
Citizens Assisted Through CDBG -CV Public Services	**150**	**75**	**-**
Overall Low/Moderate Benefit Ratio (%)	**95%**	**100%**	**100%**
Program Admin & Admin Costs as % of Total Expenditures	**25%**	**8%**	**24%**

ENTITLEMENT SPENDING

	AWARD	AMOUNT USED THRU FY24	FY25 BUDGET	REMAINING
B15 HUD Entitlement Grant	641,604	641,604	-	-
B16 HUD Entitlement Grant	654,941	654,941	-	-
B17 HUD Entitlement Grant	667,757	667,757	-	-
B18 HUD Entitlement Grant	757,083	757,083	-	-
B19 HUD Entitlement Grant	771,221	771,221	-	-
B20 HUD Entitlement Grant	803,671	803,671	-	-
B21 HUD Entitlement Grant	835,051	835,051	-	-
B22 HUD Entitlement Grant	783,642	783,642	-	-
B23 HUD Entitlement Grant	781,156	455,000	326,156	-
B24 HUD Entitlement Grant	780,000	-	780,000	-

EXPENDITURE SUMMARY

	2022/23	2023/24		2024/25	2024/25
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
Commercial/Industrial Improvements	$ 60,183	$ 50,000	$ 60,000	$ 50,000	0.0%
Clearance and Demolition	-	75,000	-	100,000	33.3%
Public Facilities and Improvements	384,012	782,788	783,448	290,000	-63.0%
Public Services	131,500	231,771	211,771	140,000	-39.6%
Contra Principal Payments	60,732	70,000	200,000	140,000	100.0%
Cost of Properties Held for Resale	-	542,940	542,940	-	-100.0%
Housing Rehab	222,197	212,500	229,482	222,000	4.5%
Program Administration	62,731	84,896	85,822	92,840	9.4%
Administration	218,918	159,303	86,229	207,440	30.2%
Total Expenditures	**$ 1,140,273**	**$ 2,209,198**	**$ 2,199,692**	**$ 1,242,280**	**-43.8%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total estimated actual FY24 CDBG expenditures are currently projected to be lower than the FY24 adopted budget. This can often vary or change depending on capital projects that span multiple fiscal years. Likewise, demand for homeowner repair programs can fluctuate and span multiple fiscal years. While FY24 budget anticipated utilization for demolition of blighted properties, this did not happen and is reduced in FY24 estimated actuals. Administrative and personnel costs associated with various activities will remain in compliance with the regulatory cap of 20%.

A cooperative effort with the Parks and Rec Department & the Engineering Department lead to the following neighborhood based projects in FY24:

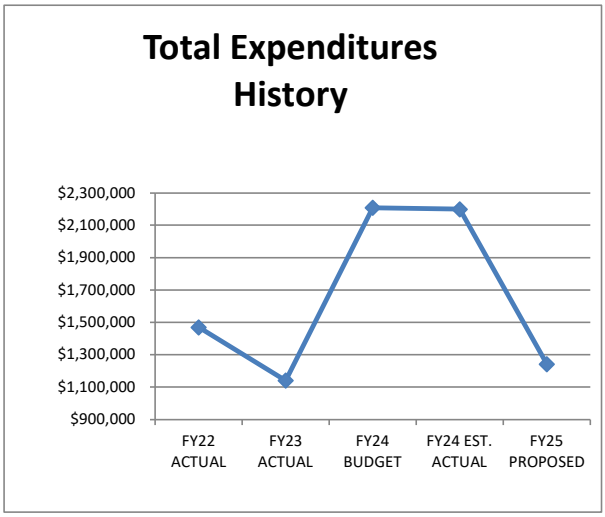
- Accessibility Ramp Improvements
- Wheaton Park Improvements
- City Park Pedestrian Bridges
- Hellane Park Basketball Hoops
- Improvements to Park Circle Triangle
- Alley Reconstruction

Adopted FY24 to Proposed FY25

The City's FY25 entitlement amount has been estimated at $780,000. Even though 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 entitlement amount for FY25 and potential carry over funds from previous years, the proposed FY25 budget has been set where expenditures are lower than entitlement funds and program income funds. The FY25 budget includes a reduction in the public facilities spending by <$493K> or 66.4% largely as a result of the Wheaton Park phase I project, alley reconstruction and park circle improvements being completed in FY24. The FY25 budget also does not include costs for properties held for resale as the sales of the 261 and 263 South Prospect Street properties were completed in December 2023 and January 2024. There are no other properties being held by CDBG for resale.

COMMUNITY DEVELOPMENT BLOCK GRANT - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES					
CDBG Grant Entitlements	$ 1,051,106	$ 1,237,859	$ 732,611	$ 1,106,156	-10.6%
HUD Cares Act Entitlements	-	91,771	91,771	-	-100.0%
Program Income-Principal Repayments	60,732	70,000	200,000	140,000	100.0%
Program Income-Other	24,146	375,000	378,000	25,000	-93.3%
Interest on Investments	17	75	75	75	0.0%
Other Revenues	-	-	-	-	0.0%
Total Operating Revenues	**1,136,001**	**1,774,705**	**1,402,457**	**1,271,231**	**-28.4%**
EXPENDITURES					
Commercial/Industrial Improvements	$ 60,183	$ 50,000	$ 60,000	$ 50,000	0.0%
Clearance and Demolition	-	75,000	-	100,000	33.3%
Public Facilities and Improvements	384,012	782,788	783,448	290,000	-63.0%
Public Services	131,500	231,771	211,771	140,000	-39.6%
Contra Principal Payments	60,732	70,000	200,000	140,000	100.0%
Cost of Properties Held for Resale	-	542,940	542,940	-	-100.0%
Housing Rehab	222,197	212,500	229,482	222,000	4.5%
Program Administration	62,733	84,896	85,821	92,839	9.4%
Administration	218,917	159,303	86,230	207,441	30.2%
Total Operating Expenditures	**1,140,274**	**2,209,198**	**2,199,692**	**1,242,280**	**-43.8%**
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ (4,273)**	**$ (434,493)**	**$ (797,235)**	**$ 28,951**	**-106.7%**
Beginning Fund Balance	**1,846,011**	**1,841,738**	**1,841,738**	**1,044,503**	**-43.3%**
Ending Fund Balance	**$ 1,841,738**	**$ 1,407,245**	**$ 1,044,503**	**$ 1,073,454**	**-23.7%**



STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full time	2.70	2.70	2.70	2.70
Staffing Total	2.70	2.70	2.70	2.70
Unfunded positions	0.00	0.00	0.00	0.00

Staffing levels are expected to remain flat with FY23 amounts into the future.

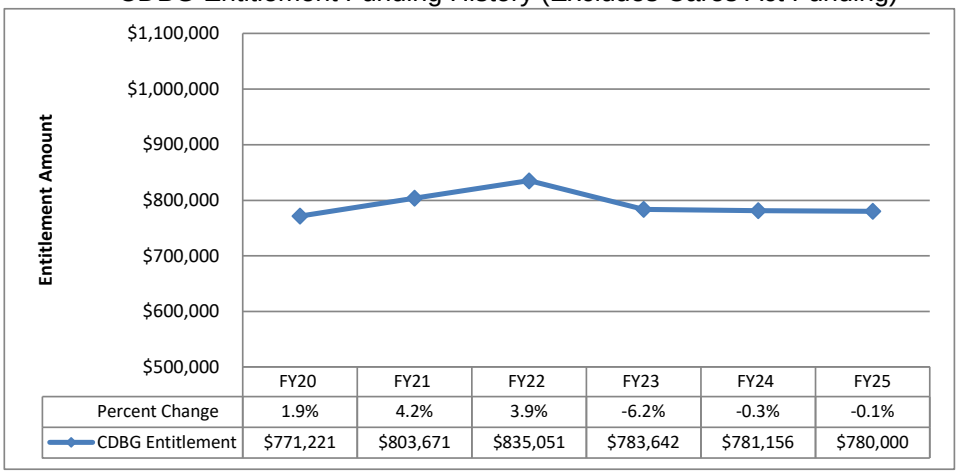
COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
GRANTS					
CDBG Grant Entitlements (HUD)					
B16 Entitlement	101,301	-	-	-	0.0%
B18 Entitlement	7,595	-	-	-	0.0%
B19 Entitlement	5,872	20,000	-	-	-100.0%
B20 Entitlement	5,000	51,040	-	-	-100.0%
B21 Entitlement	292,857	89,463	159,532	-	-100.0%
B22 Entitlement	638,211	296,200	230,495	-	-100.0%
B23 Entitlement	269	781,156	342,584	326,156	-58.2%
B24 Entitlement				780,000	100.0%
HUD Cares Act Funding Round Two	-	91,771	91,771	-	-100.0%
Total Grants	1,051,106	1,329,630	824,382	1,106,156	-16.8%
PROGRAM INCOME					
Sale of Properties	-	355,000	355,000	-	-100.0%
Principal Repayments on Loans	60,732	70,000	200,000	140,000	100.0%
Interest Income on Loans	24,146	20,000	23,000	25,000	25.0%
Total Program Income	84,878	445,000	578,000	165,000	-62.9%
INVESTMENT EARNINGS	17	75	75	75	0.0%
Total Operating Revenues	**$ 1,136,001**	**$ 1,774,705**	**$ 1,402,457**	**$ 1,271,231**	**-28.4%**

The CDBG Entitlement Funding History graph and chart below illustrate the CDBG Entitlement current year amounts awarded to the City for FY20–FY24, and the CDBG Entitlement amount estimated to be awarded to the City for FY25. 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 by 1.9%, 4.2% and 3.9% in Fiscal Years 20-22 to bring the entitlement to $78.0K above the FY19 level. The City experienced a decrease in funding for FY23 by 6.2% and 0.3% in FY24. In FY25, the City is estimating that there will be a 0.1% decrease in funding by HUD.

CDBG Entitlement Funding History (Excludes Cares Act Funding)



	FY20	FY21	FY22	FY23	FY24	FY25
Percent Change	1.9%	4.2%	3.9%	-6.2%	-0.3%	-0.1%
CDBG Entitlement	$771,221	$803,671	$835,051	$783,642	$781,156	$780,000

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
COMMERCIAL/INDUSTRIAL IMPROVEMENTS					
Microenterprise Grants	60,183	50,000	60,000	50,000	0.0%
Total Commercial/Industrial Improvements	60,183	50,000	60,000	50,000	0.0%
CLEARANCE & DEMOLITION					
City - Downtown Buildings	-	75,000	-	100,000	33.3%
Total Clearance & Demolition	-	75,000	-	100,000	33.3%
CONTRA PRINCIPAL PAYMENTS	60,732	70,000	200,000	140,000	100.0%
COST OF PROPERTIES HELD FOR RESALE	-	542,940	542,940	-	-100.0%
PUBLIC FACILITIES & IMPROVEMENTS					
Handicap Ramps	169,680	125,000	125,000	100,000	-20.0%
City Sidewalk Construction	-	-	-	150,000	100.0%
City Parks Handicap Access	25,084	-	-	-	0.0%
City Fairgrounds Park	24,535	-	-	-	0.0%
Alley Reconstruction	-	232,642	192,642	-	-100.0%
Park Circle Triangle	-	150,000	150,000	-	-100.0%
Neighborhood Parks	161,353	275,146	275,806	-	-100.0%
Loans	3,360	-	40,000	40,000	100.0%
Total Public Facilities & Improvements	384,012	782,788	783,448	290,000	-63.0%
PUBLIC SERVICES *					
REACH Shelter Security	20,500	12,000	12,000	-	-100.0%
Public Services	-	-	-	140,000	100.0%
Community Free Clinic	47,500	22,500	22,500	-	-100.0%
Girl's Inc Supper Program	10,500	10,000	10,000	-	-100.0%
Children in Need	-	7,500	7,500	-	-100.0%
Senior Living Alternative Meals	42,500	25,000	25,000	-	-100.0%
Commission on Aging (Cares Act Round 2)	-	44,959	44,959	-	-100.0%
Goodwill	10,500	12,000	12,000	-	-100.0%
Goodwill (Cares Act)	-	46,812	46,812	-	-100.0%
Literacy Council	-	6,000	6,000		-100.0%
Police Athletic League	-	20,000	-	-	-100.0%
San Mar Children's Home	-	25,000	25,000	-	-100.0%
Total Public Services	131,500	231,771	211,771	140,000	-39.6%
HOUSING REHAB					
HLD Meter Replacements				75,000	100.0%
Res Single Fam Emergency Repair	114,049	85,000	117,137	105,000	23.5%
Homeownership Program	11,348	2,000	10,875	-	-100.0%
Habitat Repair Program	7,566	18,000	42,470	18,000	0.0%
Commission on Aging	36,035	24,000	18,000	33,000	37.5%
HNDP Downpayment & Settlement	10,500	28,000	10,500	10,500	-62.5%
Single Family Loan Program	52,250	30,000	10,000	33,000	10.0%
Contra Expense - Single Family Loan Program	(64,760)	(30,000)	(50,000)	(73,000)	143.3%
CDBG Administration (Single Family)	24,676	25,000	40,000	20,000	-20.0%
Code Admin PT Inspector	30,000	30,000	30,000	-	-100.0%
Home Ownership Acq. Resale	101,094	10,000	-	100,000	900.0%
Contra Expense - Home Ownership Acq. Resale	(101,094)	(10,000)	-	(100,000)	900.0%
Residential Single Family Rehabilitation	533	500	500	500	0.0%
Total Housing Rehab	222,197	212,500	229,482	222,000	4.5%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
PROGRAM ADMINISTRATION					
Salary and Wages	42,016	56,841	58,500	61,158	7.6%
Benefits	20,717	27,780	27,321	31,681	14.0%
Overtime	-	275	-	-	-100.0%
Total Program Administration	62,733	84,896	85,821	92,839	9.4%
ADMINISTRATION **					
Salary and Wages	71,670	107,057	60,000	109,489	2.3%
Benefits	50,557	60,297	48,587	48,586	-19.4%
Overtime	1	100	-	100	0.0%
Allocated Labor - Salaried	(23,869)	(25,000)	(40,000)	(20,000)	-20.0%
Office Supplies	63	150	150	200	33.3%
Computer Software & Supplies	445	250	250	250	0.0%
Dues, Subscriptions & Periodicals	-	300	300	300	0.0%
Advertising & Printing	2,207	2,000	2,000	2,250	12.5%
Legal Fees	514	3,000	3,000	3,000	0.0%
Auditing Fees	1,984	2,037	2,037	2,100	3.1%
Consolidated Plan	-	-	-	50,000	100.0%
Public Transportation Expenses	-	100	100	100	0.0%
Lodging & Meals	42	100	100	150	50.0%
Conference & Seminar Fees	-	1,000	1,000	1,500	50.0%
Postage Expenses	1	50	50	50	0.0%
Other General Expenses	109,412	-	-	-	0.0%
Photocopy Expenses	-	75	75	75	0.0%
Buildings & Contents Insurance	2,837	2,837	3,630	3,940	38.9%
Interest Exp. - Escrowed Taxes	15	100	100	100	0.0%
Communication Expense	1,138	1,750	1,750	1,750	0.0%
Capital Outlay	1,900	3,100	3,100	3,500	12.9%
Total Administration	218,917	159,303	86,230	207,441	30.2%
Total Expenditures	**$ 1,140,274**	**$ 2,209,198**	**$ 2,199,692**	**$ 1,242,280**	**-43.8%**

* 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 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
1050001-5865 Computer Equipment	Computer equipment	Replace worn or obsolete equipment.	3,500
TOTAL CAPITAL OUTLAY			**$ 3,500**

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.

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 properties held in this fund were recently sold:

- 216 S. Propsect - sold in February 2023
- 11850 Indian Lane - sold in August 2023

11850 Indian Lane Expenditures	FY17	FY18-20	FY21-FY24	Total
Acquisition	$ 467,896	-	-	$ 467,896
Demolition/Construction/Rehabilitation	$ -	$ 102,231	$ 6,700	$ 108,931
Total	$ 467,896	$ 102,231	$ 6,700	$ 576,827

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-implemented with dedicated funding from the General Fund real estate tax rate. Funding was provided in the amounts shown for each fiscal year to support various incentive program components:

FY19 $549,000
FY20 $800,000
FY21 $804,000
FY22 $819,000
FY23 $855,000
FY24 $928,000
FY25 $975,000 Budgeted

Since FY19, the Invest Hagersown Program has leveraged more than $55.4 million in private sector investment, more than 370 new jobs, and 92 new homeowners. Additionally, the program has resulted in more than 185 new or renovated units.

Invest Hagerstown - FY25 Proposed Budget:

The FY25 Budget includes $975,000 for funding of the Invest Hagerstown Program. The components of the program are expected to model similarly to the FY24 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 from a minimum of $7,500 to a maximum of $20,000 for rental property rehabilitation to market rate rental and requiring 2:1 match. Projects $22,500 to $60,000+.

5. Commercial Sign & Facade Grant Program: Grants for commercial signs from a minimum of $250 to a maximum of $1,500 requiring a 1:1 match. Projects ranging from $500 to $3,000+. Grants for facade improvements 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+.

A chart for the actual expenditures of the Invest Hagerstown program since FY19 is shown below:

Invest Hagerstown Program Incentives	FY19-FY21	FY22	FY23	FY24	FY24	FY25
Expenditures	**Actual**	**Actual**	**Actual**	**Budget**	**Estimated Actual**	**Proposed Budget**
City Center Redevelopment	$ 1,330,000	$ 750,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000
City Wide Redevelopment	$ 294,000	$ 151,182	$ 100,979	$ 175,815	$ 187,021	$ 185,000
Homeownership	$ 209,835	$ 99,916	$ 149,835	$ 172,500	$ 172,500	$ 165,000
Rental Property Rehabilitation	$ 7,500	$ 52,500	$ 40,000	$ 96,206	$ 85,000	$ 80,000
Fascade: Invest Hagerstown	$ 14,898	$ 41,500	$ 11,550	$ 50,950	$ 50,950	$ 45,000
Total Expenditures per Year	**$ 1,856,233**	**$ 1,095,098**	**$ 802,364**	**$ 995,471**	**$ 995,471**	**$ 975,000**

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.

ECONOMIC REDEVELOPMENT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES					
State Community Legacy Grant	$ 200,000	$ 475,000	$ 75,000	$ 575,000	21.1%
State Strategic Demolition Grant	-	140,000	140,000	-	-100.0%
ARPA - Economic Incentives	-	234,573	234,573	-	-100.0%
Interest on Investments	19,250	8,000	42,000	25,000	212.5%
Other Revenues	11,628	11,950	1,996	-	-100.0%
Total Revenues	**230,878**	**869,523**	**493,569**	**600,000**	**-31.0%**
EXPENDITURES					
Administrative Expenditures	38,478	30,120	17,909	18,000	-40.2%
Property Acquisition and Renovation Costs: Properties Held for Resale	-	-	17,454	-	0.0%
Current Property Expenditures	14,964	9,660	3,644	3,633	-62.4%
PEP Subsidized Rent Payments	87,441	131,500	131,500	131,500	0.0%
Economic Incentives	54,813	35,000	35,000	35,000	0.0%
Economic Incentives: Community Legacy Grant	-	475,000	75,000	575,000	21.1%
Economic Incentives: Restaurant Ready Grant *	-	234,573	234,573	-	-100.0%
Economic Incentives: Strategic Demolition Grant	-	140,000	140,000	-	-100.0%
City Center Redevelopment: Invest Hagerstown	500,000	500,000	500,000	500,000	0.0%
City-Wide Redevelopment: Invest Hagerstown	100,979	175,815	187,021	185,000	5.2%
Homeownership Grant: Invest Hagerstown	149,835	172,500	172,500	165,000	-4.3%
Rental Property Rehab:Invest Hagerstown	40,000	96,206	85,000	80,000	-16.8%
Facade:Invest Hagerstown	11,550	50,950	50,950	45,000	-11.7%
USMH Housing Catalyst #3 **	222,260	26,000	26,000	26,000	0.0%
Loss on Sale of Capital Assets	14,181	-	-	-	0.0%
Total Expenditures	**1,234,501**	**2,077,324**	**1,676,551**	**1,764,133**	**-15.1%**
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund	200,000	200,000	200,000	347,000	73.5%
Transfers from General Fund: Third Parking Deck	120,000	-	-		0.0%
Transfers from General Fund: Invest Hag Incentives	855,000	928,000	928,000	975,000	5.1%
Transfers from GF Fund Bal: Third Parking Deck	580,000	-	-	-	0.0%
Transfers (to) Parking Fund Fund ***	(700,000)	(500,000)	(500,000)	-	-100.0%
Total Other Financing Sources	1,055,000	628,000	628,000	1,322,000	110.5%
Net Change in Fund Balance	**51,377**	**(579,801)**	**(554,982)**	**157,867**	**-127.2%**
Beginning Fund Balance	**1,196,849**	**1,248,226**	**1,248,226**	**693,244**	**-44.5%**
Ending Fund Balance	**$ 1,248,226**	**$ 668,425**	**$ 693,244**	**$ 851,111**	**27.3%**

* FY24 Budget and Estimated Actual include $235K ARPA funding utilized for Restaurant Ready Grant Incentive program.
** FY23 Actual includes a $200K Community Legacy grant pass thru for student housing projects.
*** FY24 Estimated Actual includes transfer for new Parking Deck from sale proceeds of Indian Lane.

BUSINESS REVOLVING LOAN FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES & LOAN REPAYMENTS					
Program Income:					
Interest from Loans	24,260	28,303	24,000	26,000	-8.1%
Interest on Investments	5,320	2,000	8,300	5,500	175.0%
Other Revenues	100	250	250	250	0.0%
Total Revenues	**29,680**	**30,553**	**32,550**	**31,750**	**3.9%**
EXPENDITURES, NEW LOANS & OTHER WORKING CAPITAL					
Salary and Wages	3,886	-	-	-	0.0%
Benefits	1,179	-	-	-	0.0%
Contractual Services	23	1,500	1,500	1,500	0.0%
Allowance for Uncollectible Loans	29,530	-	-	-	0.0%
Total Expenditures	**34,618**	**1,500**	**1,500**	**1,500**	**0.0%**
Net Change in Fund Balance	**(4,938)**	**29,053**	**31,050**	**30,250**	**4.1%**
Beginning Fund Balance	**1,112,102**	**1,107,164**	**1,107,164**	**1,138,214**	**2.8%**
Ending Fund Balance	**$ 1,107,164**	**$ 1,136,217**	**$ 1,138,214**	**$ 1,168,464**	**2.8%**

STAFFING SUMMARY

	FY23	FY24 Bud	FY24 Est Act	FY25
Full Time	0.15	0.00	0.00	0.00
Staffing Total	0.15	0.00	0.00	0.00

Beginning in FY24, allocated staff time from Economic Development staff will no longer be charged to this fund for administration of loans.

FOREST CONSERVATION FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 BUDGET	2024/25 % CHANGE
REVENUES					
Reforestation Fees	$ -	$ 2,000	$ -	$ -	-100.0%
Interest on Investments	95	100	25	100	0.0%
Total Revenues	**95**	**2,100**	**25**	**100**	**-95.2%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	(3,000)	(2,000)	-	-	-100.0%
Total Other Financing Sources	**(3,000)**	**(2,000)**	**-**	**-**	**-100.0%**
Net Change in Fund Balance	**(2,905)**	**100**	**25**	**100**	**0.0%**
Beginning Fund Balance	**3,083**	**178**	**178**	**203**	**14.0%**
Ending Fund Balance	**$ 178**	**$ 278**	**$ 203**	**$ 303**	**9.0%**

FLEXIBLE SPENDING FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES					
Interest on Investments	$ 3	$ 25	$ 500	$ 50	100.0%
Employer FICA Savings	-	-	-	-	0.0%
Unreimbursed Employee Deductions	264	1,000	1,000	1,000	0.0%
Total Revenues	**267**	**1,025**	**1,500**	**1,050**	**2.4%**
EXPENDITURES					
Contractual Services	-	-	-	-	0.0%
Total Expenditures	**-**	**-**	**-**	**-**	**0.0%**
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund	13,500	-	-	-	0.0%
Total Other Financing Uses	**13,500**	**-**	**-**	**-**	**0.0%**
Net Change in Fund Balance	**13,767**	**1,025**	**1,500**	**1,050**	**2.4%**
Beginning Fund Balance	**(11,662)**	**2,105**	**2,105**	**3,605**	**71.3%**
Ending Fund Balance	**$ 2,105**	**$ 3,130**	**$ 3,605**	**$ 4,655**	**48.7%**

GRANT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES:					
Federal Grants	$ 33,424	$ 108,541	$ 157,241	$ 235,900	117.3%
Federal Grants: ARPA Non Profit Grants	-	961,036	961,036	-	-100.0%
State Grants	624,557	364,127	364,127	308,677	-15.2%
Private Grants and Other Contributions	18,419	7,286	7,286	-	-100.0%
National Opioid Settlement	54,971	-	10,885	-	0.0%
Interest on Investments	3,928	2,000	7,000	4,000	100.0%
Total Revenues	**735,299**	**1,442,990**	**1,507,575**	**548,577**	**-62.0%**
EXPENDITURES:					
Salary and Wages	91,858	102,008	97,008	92,768	-9.1%
Benefits	15,581	22,503	22,503	33,837	50.4%
Overtime	67,742	101,000	153,000	142,000	40.6%
Personnel Subtotal	**175,181**	**225,511**	**272,511**	**268,605**	**19.1%**
Contractual Services	403,596	109,397	109,397	309,397	182.8%
Operating Expenditures	45,734	103,350	103,415	45,350	-56.1%
Capital Outlay	71,104	11,988	13,688	18,900	57.7%
Other General Expenses	(5)	42,266	42,266	11,400	-73.0%
Other General Expenses: ARPA Non Profit Grants	-	961,036	961,036	-	-100.0%
Operating Subtotal	**520,429**	**1,228,037**	**1,229,802**	**385,047**	**-68.6%**
TOTAL EXPENDITURES	**695,611**	**1,453,548**	**1,502,313**	**653,652**	**-55.0%**
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund	19,216	12,558	12,558	106,667	749.4%
Total Other Financing Sources	**19,216**	**12,558**	**12,558**	**106,667**	**749.4%**
Net Change in Fund Balance	**58,904**	**2,000**	**17,820**	**1,592**	**-20.4%**
Beginning Fund Balance	**175,621**	**234,525**	**234,525**	**252,345**	**7.6%**
Ending Fund Balance	**$ 234,525**	**$ 236,525**	**$ 252,345**	**$ 253,937**	**7.4%**

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

			2024/25 PROPOSED
Police Department			
	FY23 Bulletproof Vest Partnership Program	11,900	
	FY24 Lethality Assessment Coordinator	5,000	
	FY24 Bulletproof Vest Partnership Program	7,000	
	FY24 Edward J Byrne Memorial Justice Assistance	18,000	
	FY25 Maryland Criminal Intelligence Network	268,185	
	FY25 Police Recruitment and Retention	20,000	
	FY25 Lethality Assessment Coordinator	26,667	
	FY25 Community Program Fund	42,900	
	FY25 Edward J Byrne Memorial Justice Assistance	54,000	
Total Police Department			**453,652**
Economic Development	FY24 Appalachian Regional Commission	200,000	
Total Economic Development			**200,000**
Total Grant Expenditures			**$ 653,652**

GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2024/2025

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Bulletproof Vest Partnership 1610000-5834-G0493 Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vests.	11,900
Future Bulletproof Vest Partnership 1610000-5834-G9999 Fire Arms, Body Armor	Police Use	Purchase of new body armor and bulletproof vests.	7,000
TOTAL CAPITAL OUTLAY			**$ 18,900**

Grand Openings

City of Hagerstown

SERVICE AND TRUST FUNDS
SECTION 5

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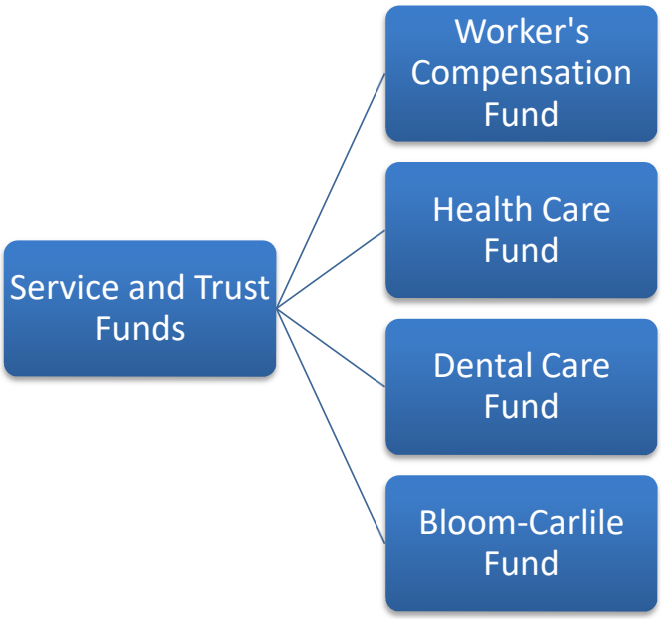
SERVICE & TRUST FUND - COMBINING STATEMENT
FISCAL YEAR 2024/2025

ACCOUNT DESCRIPTION	WORKERS COMPENSATION	HEALTH CARE	DENTAL CARE	BLOOM-CARLILE	TOTAL
OPERATING REVENUES					
Premium Revenues	$ 1,746,348	$ 8,365,924	$ 428,118	$ -	$ 10,540,390
Prescription Rebates	-	626,276	-	-	626,276
Stop Loss Reimbursements	-	500,000	-	-	500,000
Total Operating Revenues	**$ 1,746,348**	**$ 9,492,200**	**$ 428,118**	**$ -**	**$ 11,666,666**
OPERATING EXPENSES					
Medical and Dental Claims Expense	-	8,540,020	338,070	-	8,878,090
Claims Reserve, Stop Loss Reinsurance and Excess Insurance	1,561,726	644,776	5,000	-	2,211,502
Legal Fees, Administrative Expenses & Injury and Damage Awards	165,928	362,201	44,508	-	572,637
Health Savings Acct Contributions	-	50,000	-	-	50,000
Wellness Program	-	50,000	-	-	50,000
Audit Fees	340	340	340	-	1,020
OPEB Trust Contributions	-	700,000	-	-	700,000
Community Assistance Expenditures	-	-	-	4,600	4,600
Total Operating Expenses	**$ 1,727,994**	**$ 10,347,337**	**$ 387,918**	**$ 4,600**	**$ 12,467,849**
Operating Income (Loss)	**$ 18,354**	**$ (855,137)**	**$ 40,200**	**$ (4,600)**	**$ (801,183)**
NON OPERATING REVENUES (EXPENSES)					
Investment Earnings	10,000	50,000	20,000	800	80,800
Total Other Income (Expense)	**$ 10,000**	**$ 50,000**	**$ 20,000**	**$ 800**	**$ 80,800**
Net Income before Operating Transfers	**$ 28,354**	**$ (805,137)**	**$ 60,200**	**$ (3,800)**	**$ (720,383)**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from - Dental Fund	-	-	-	-	-
Transfers (to) - Health Care Fund	-	-	-	-	-
Total Transfers From (To) Funds	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Increase (Decrease) in Retained Earnings	**$ 28,354**	**$ (805,137)**	**$ 60,200**	**$ (3,800)**	**$ (720,383)**
Beginning Fund Balance	**3,639,637**	**2,349,509**	**703,725**	**71,205**	**6,764,076**
Ending Fund Balance	**$ 3,667,991**	**$ 1,544,372**	**$ 763,925**	**$ 67,405**	**$ 6,043,693**



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 serves 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 self-funded expenses required by the Maryland Workers Compensation Commission.

HEALTH CARE FUND OVERVIEW
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 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 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

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES BY TYPE					
Premium Revenues	$ 1,679,753	$ 1,682,409	$ 1,682,409	$ 1,746,348	3.8%
Interest Income from Investments	5,176	1,000	19,615	10,000	900.0%
Total Revenues	**$ 1,684,929**	**$ 1,683,409**	**$ 1,702,024**	**$ 1,756,348**	**4.3%**
EXPENDITURES BY TYPE					
Excess Insurance	205,050	215,000	215,000	222,984	3.7%
Claims Expense	506,030	1,338,742	1,338,742	1,338,742	0.0%
Administrative Expenses	38,750	60,000	60,000	62,500	4.2%
Audit Fees	321	330	330	340	3.0%
Legal Fees	93,258	55,421	55,421	55,752	0.6%
Other Professional Services Fees	47,506	47,676	47,676	47,676	0.0%
Total Expenditures & Transfers	**$ 890,915**	**$ 1,717,169**	**$ 1,717,169**	**$ 1,727,994**	**0.6%**
Expenditures, net of Revenues	**$ (794,014)**	**$ 33,760**	**$ 15,145**	**$ (28,354)**	**-184.0%**
Beginning Fund Balance	2,860,768	3,654,782	3,654,782	3,639,637	-0.4%
Ending Fund Balance	**$ 3,654,782**	**$ 3,621,022**	**$ 3,639,637**	**$ 3,667,991**	**1.3%**

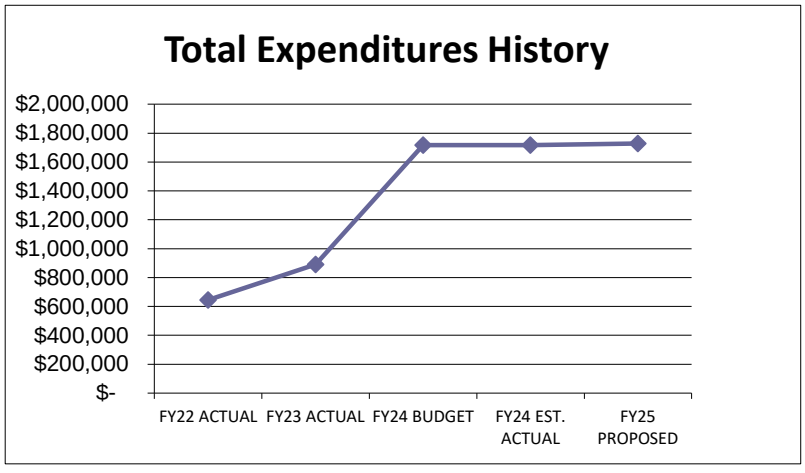
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total expenditures for FY24 estimated actual are anticipated to be in line with the FY24 budget. In addition, the revenue is anticipated to be slightly higher for estimated actual FY24 compared to the adopted budget for FY24 due to the increase of interest earnings. The premium revenues reflect amounts charged to all other City funds and were established based on anticipated expenses.

Adopted FY24 to Proposed FY25

Total expenditures for FY25 are projected to be 0.6%, or $10.8K higher than the FY25 budget, due to an anticipated increase in excess insurance and administrative expenses. Total revenue will increase by 4.3% or $72.9K primarily resulting from an increase in premium revenues.



EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES BY TYPE					
Premium Revenues-City	$ 6,156,587	$ 6,552,280	$ 6,433,086	$ 7,172,939	9.5%
Premium Revenues-Employees	975,756	991,931	951,547	951,547	-4.1%
Premium Revenues-Retirees	216,677	203,759	241,438	241,438	18.5%
Stop Loss Reimbursement	758,587	1,314,269	800,000	500,000	-62.0%
Prescription Rebates	414,184	437,705	598,530	626,276	43.1%
Interest from Investments	81,960	35,000	70,000	50,000	42.9%
Total Revenues	**$ 8,603,751**	**$ 9,534,944**	**$ 9,094,601**	**$ 9,542,200**	**0.1%**
EXPENDITURES BY TYPE					
Medical Claims Expense	8,175,338	7,929,773	7,761,359	8,540,020	7.7%
Claims Reserve Expense	288,787	75,000	100,000	100,000	33.3%
Health Savings Acct Contributions	44,625	50,000	50,000	50,000	0.0%
Administrative Expenses	455,204	471,942	362,201	362,201	-23.3%
Audit Fees	321	330	330	340	3.0%
Stop Loss Reinsurance Expense	374,039	431,748	450,848	544,776	26.2%
Wellness Program	51,320	50,000	50,000	50,000	0.0%
OPEB Trust Contributions	700,000	700,000	700,000	700,000	0.0%
Total Expenditures	**$10,089,634**	**$ 9,708,793**	**$ 9,474,738**	**$10,347,337**	**6.6%**
Transfers to General Fund	654,375	-	-	-	0.0%
Transfers to Electric Fund	65,354	-	-	-	0.0%
Transfers to Water Fund	94,601	-	-	-	0.0%
Transfers to Wastewater Fund	85,670	-	-	-	0.0%
Transfers from Dental Fund	-	(200,000)	(200,000)	-	-100.0%
Total Transfers	**$ 900,000**	**$ (200,000)**	**$ (200,000)**	**$ -**	**-100.0%**
Total Expenditures & Transfers	**$10,989,634**	**$ 9,508,793**	**$ 9,274,738**	**$10,347,337**	**8.8%**
Expenditures, net of Revenues	**$ 2,385,883**	**$ (26,151)**	**$ 180,137**	**$ 805,137**	**-3178.8%**
Beginning Fund Balance	4,915,529	2,529,646	2,529,646	2,349,509	-7.1%
Ending Fund Balance	**$ 2,529,646**	**$ 2,555,797**	**$ 2,349,509**	**$ 1,544,372**	**-39.6%**

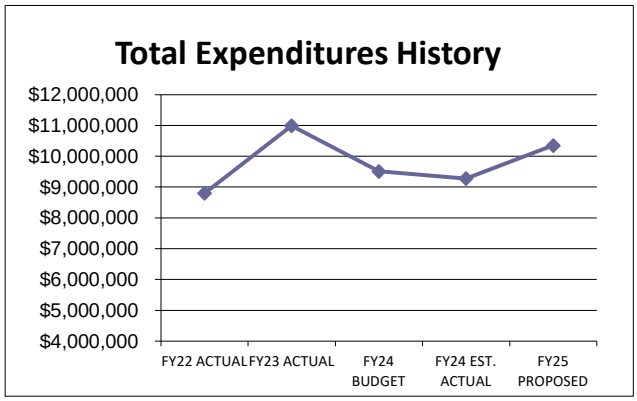
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

As a result of a decrease in medical claims and administrative expenses, total expenditures are projected to be approximately 2.4% or $234.1K less than originally included in the budget. In the current year to date, the City has experienced slightly lower actual paid claims than were anticipated when preparing the FY24 budget as a result of a decrease in high claimants. The associated premium revenues charged and paid by the City show a decrease when compared with the FY24 budget but the stop loss reimbursements are projected at $800K to help assure that the City does not pay more than the maximum projected expense for each individual covered under the plan.

Adopted FY24 to Proposed FY25

As a result of current trends for medical claims expense as recommended by CBIZ, the expenditures for proposed FY25 are projected to be 6.6% or $638.5K higher than FY24 budget. This includes a 26.2% or $113K increase in Stop Loss Reinsurance expense. With the projected increase in expenses, City funding toward employee medical claims in FY25 is projected to be higher by 9.5% or $620.7K when compared to the FY24 budget.



DENTAL CARE FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2024/2025

EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES BY TYPE					
Premium Revenues-City	$ 184,745	$ 185,880	$ 185,589	$ 194,935	4.9%
Premium Revenues-Employees	143,094	230,548	156,615	156,615	-32.1%
Premium Revenues-Retirees	72,609	71,083	76,568	76,568	7.7%
Interest from Investments	23,906	10,000	30,000	20,000	100.0%
Total Revenues	**$ 424,354**	**$ 497,511**	**$ 448,772**	**$ 448,118**	**-9.9%**
EXPENDITURES BY TYPE					
Dental Claims Expense	312,099	316,470	327,830	338,070	6.8%
Claims Reserve Expense	(1,006)	5,000	5,000	5,000	0.0%
Administrative Expenses	43,906	45,720	44,508	44,508	-2.7%
Audit Fees	321	330	330	340	3.0%
Total Expenditures	**$ 355,320**	**$ 367,520**	**$ 377,668**	**$ 387,918**	**5.6%**
Transfers to Health Care Fund	-	200,000	200,000	-	-100.0%
Total Transfers	**$ -**	**$ 200,000**	**$ 200,000**	**$ -**	**-100.0%**
Total Expenditures & Transfers	**$ 355,320**	**$ 567,520**	**$ 577,668**	**$ 387,918**	**-31.6%**
Expenditures, net of Revenues	**$ (69,034)**	**$ 70,009**	**$ 128,896**	**$ (60,200)**	**-186.0%**
Beginning Fund Balance	763,587	832,621	832,621	703,725	-15.5%
Ending Fund Balance	**$ 832,621**	**$ 762,612**	**$ 703,725**	**$ 763,925**	**0.2%**

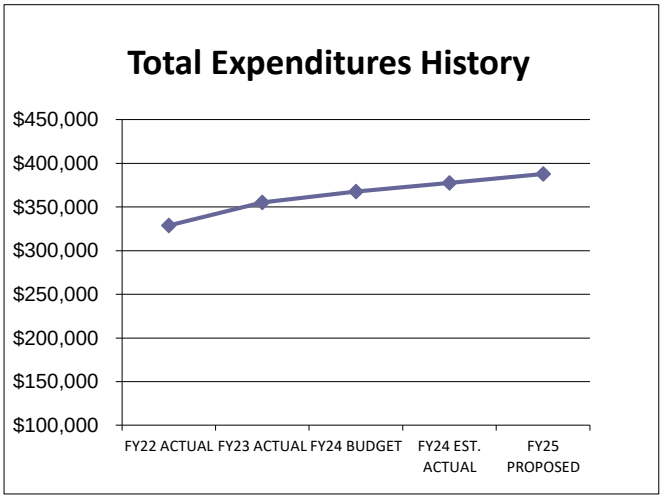
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

Total expenditures for FY24 estimated actual compared to FY24 budget are anticipated to be higher by 1.8% or $10.1K as a result of higher actual dental claims paid. Revenues decreased from FY24 budget by 9.8% or $48.7K primarily due to lower premium contributions by employees resuting from less participants than budgeted. Also, in FY24 there was a transfer to the Health Care Fund of $200K to help offset the health care fund escalating costs while remaining in compliance with the City's fund balance retained earnings policy.

Adopted FY24 to Proposed FY25

The dental claims expenditures for proposed FY25 budget are expected to increase by 6.8% or $21.6K from FY24 budget which generates increases in overall expenses by $20.4K. Additionally, the revenues and premiums charged are expected to decrease by 9.9% or $49.3K as a result of the trends for participants currently enrolled in the dental insurance program.



EXPENDITURE AND REVENUE SUMMARY

	2022/23 ACTUAL	2023/24 BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED	2024/25 % CHANGE
REVENUES BY TYPE					
Interest Earned	$ 853	$ 400	$ 900	$ 800	100.0%
Total Revenues	**$ 853**	**$ 400**	**$ 900**	**$ 800**	**100.0%**
EXPENDITURES BY TYPE					
Utilities	5,571	4,600	4,600	4,600	0.0%
Total Expenditures & Transfers	**$ 5,571**	**$ 4,600**	**$ 4,600**	**$ 4,600**	**0.0%**
Expenditures, net of Revenues	**$ 4,717**	**$ 4,200**	**$ 3,700**	**$ 3,800**	**-9.5%**
Beginning Fund Balance	79,622	74,905	74,905	71,205	-4.9%
Ending Fund Balance	**$ 74,905**	**$ 70,705**	**$ 71,205**	**$ 67,405**	**-4.7%**

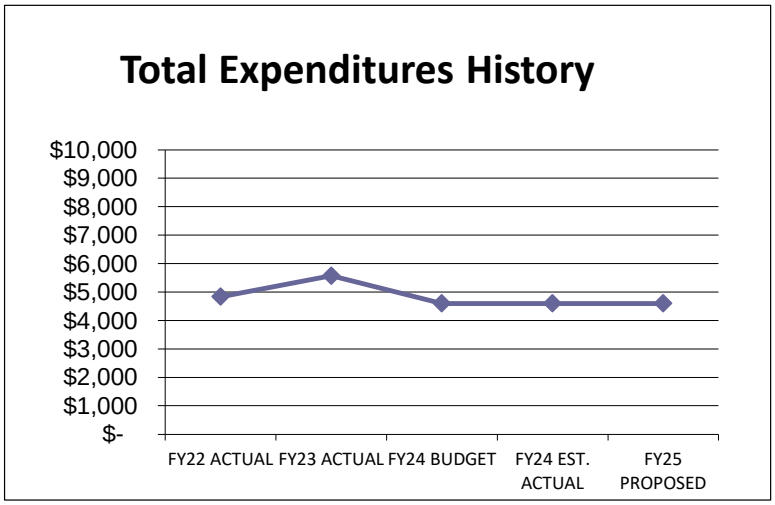
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY24 to Estimated Actual FY24

It is anticipated that we will need to appropriate about $3.7K from accumulated prior years earnings to cover the shortfall between FY24 interest earnings and FY24 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.

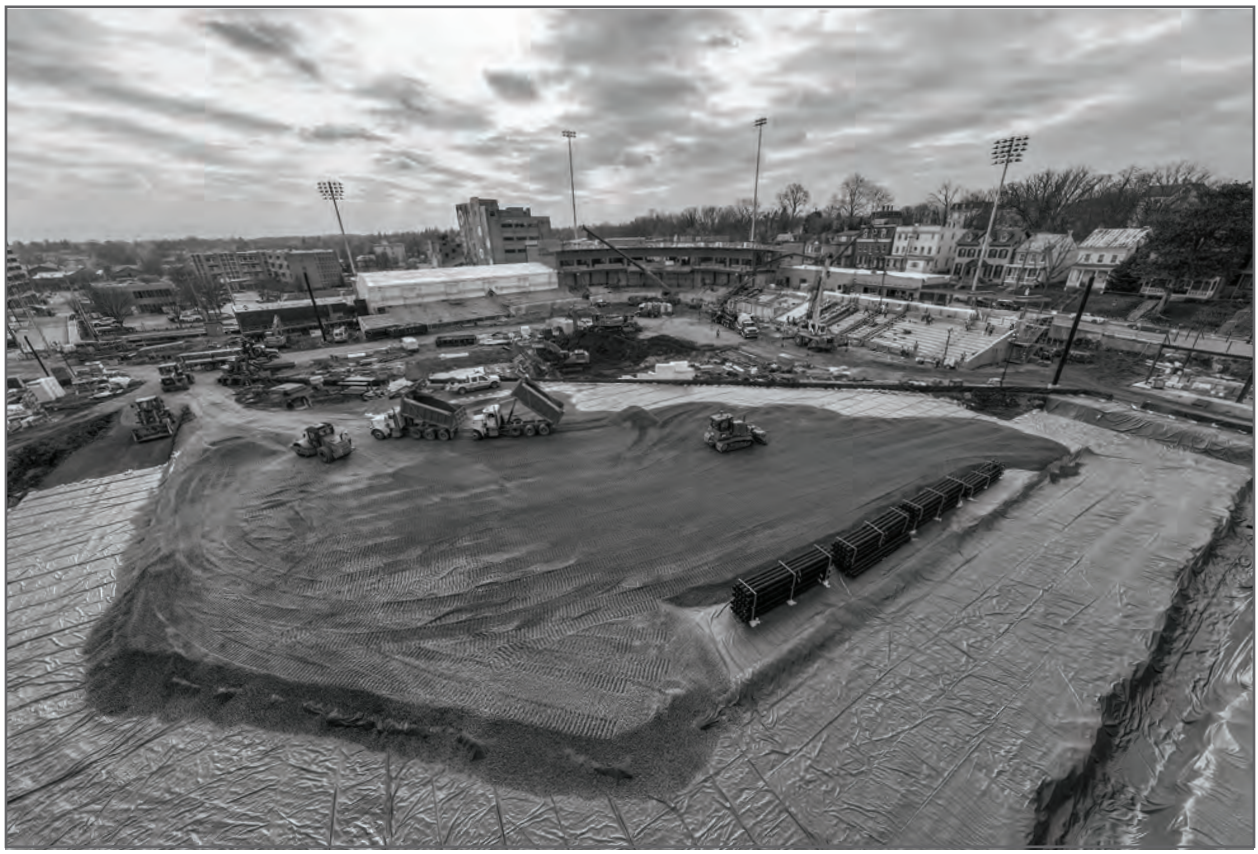
Adopted FY24 to Proposed FY25

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 FY25 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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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 FY2024/25 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, 2024. 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 FY2024/25 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 FY2024/25 and future years as a result of rising interest market rates, pending estimates for future interest rates adjustments to be made by the Federal Reserve System, and available cash balances in individual funds.
- The Wage & Benefits projections contain salary enhancements for FY2024/25 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 FY2024/25 through FY2028/29. 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 FY2028/29. The City has four collective bargaining union groups and three of the four groups have approved contracts in place for FY2024/25.
- The overall average projected increase in employee benefits range from 5.4% to 7.0% primarily due to expected increases over the next several years in the City's Health, Workers Compensation, and Retirement Program costs.
- 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 2.5% through 5.5% 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 FY2024/25 is $700K and is projected to decrease slightly to $650K annually starting FY2025/26 through FY2028/29 dependent upon claim experience trends and no premium adjustments for employees.

- In general, total revenue growth (excluding the "NEEDED REVENUE SOURCE" amount) is projected to increase from $63.1 million in FY2024/25 to $63.4 million in FY2025/26. Due to several contributing factors, new and / or increased revenue sources are needed beginning in FY2025/26 to help offset estimates for future periods. The primary factors that impact the projections for FY2025/26 include:
    - Funding equipment and Capital Improvement Program with annual operating revenue
    - Preliminary projection of 5.1% increase for all salary and related benefits costs
    - Annual debt service requirements increase of 34.7% or $718K 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 at $1.002 per $100 for real estate; and $2.505 per $100 for personal property. The annual Constant Yield certification from the State Department of Assessments & Taxation received in February 2024 reflects market value growth of 6.5% during the second year of the City's triennial assessment period. The total estimated property tax revenue represents 66.1% of current revenue sources in FY2024/25 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 FY2025/26 through FY2028/29 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 and 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 2024/25. All municipalities within the County receive the same amount of tax differential despite the differences in services provided by each municipality.

- From FY2023/24 to FY2024/25 budget, the overall City portion of Income & Other Taxes is expected to increase by 17.3% to reflect growth some categories of revenue.
    - The local income tax revenue is anticipated to grow despite a reduction by Washington County in the withholding rate from 3.0% to 2.95% effective January 1, 2023. This growth is based on current trends experiencing with increased minimum wage rates and a return to more normal and routine reporting years since COVID. It is anticipated that this income source will grow approximately 2.5% annually beginning in FY2025/26 through FY2028/29.
    - Admission and amusement tax reflects growth beginning in FY2024/25 through FY2028/29 based on current trend. It is anticipated that the two new entertainment venues, a new multiuse stadium in downtown and indoor Sports complex, will contribute to the growth in this area over the future fiscal years.
    - Hotel/motel room tax reflects a slow growth of 2.0% beginning in FY2025/26 through the future, based on current trends and new growth and venues that are planned to open soon.

- Most operating grant revenues and related expenditures are separately reflected in the Grants Fund. The largest component included in FY2023/24 estimated actual reflect $1.5M in American Rescue Plan Act of 2021 (ARPA) dollars utilized to cover a Grant Coordinator position, a Community Liaison position, some cameras and drones for Police Department, ENVY related items from Police Department to youth basketball league, Portable defibrillators and safety equipment for all public City buildings, trash totes for all City trash customers, grant given to Convention & Visitors Bureau related to tourism activities, and grant given to United Brothers Who Care. Beginning in FY2024/25, grant revenues decline significantly as the ARPA grant funding must be spent or obligated by December 2024. For FY2025/26 and future periods 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. In total, Wages & Benefits are 38.8% of total overall operating expenditures in the FY2024/25 budget. Based on negotiated contracts and competitive market trends, the projections include a continuation of combined salary enhancements annually through FY2028/29. 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 FY2024/25 budget for unfunded positions and savings. The overall projected increases from FY2025/26 through FY2028/29 range from 5.4% to 7.0% increases resulting from continued salary enhancements and rising benefit costs. As noted on the Insurance and Pension Costs charts in this section, employer portion of Police & Fire pension contributions are increasing by 14.3% from 14.0% of base salaries to 16.0% of base salaries for sworn public safety staff in FY2024/25 budget and anticipated to remain at that level through FY2028/29. Employer costs for health insurance trends continue to increase with no offsetting increase to employees' premiums.

- Annual debt service expenditures represent 3.3% of all general fund expenditures in FY2024/25 budget, or $2.1 million. As reflected on the debt service schedule on page 12, annual debt service requirements are expected to increase annually from FY2024/25 through FY2028/29 as the city continues to pay-off prior bonds and issue new bonds for infrastructure investments. There is significant increases in FY2025/26 of 34.7% and FY2028/29 of 50.7% as the City finances the majority of costs to build an indoor Sports complex and new fire stations. The changes in between that in FY2026/27 and FY2027/28 are respectively 10.4% and 13.4% increases. The detail on each project that will be funded by future debt issues are reflected in Section 7, page 16. It is important to note that if all planned projects move forward as reflected, the City will be over its debt limit capacity in FY2027/28 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 2025/2029
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
REVENUES										
Property Taxes	$ 31,784	$ 33,209	$ 34,847	$ 35,455	$ 37,456	S	$ 38,188	$ 39,992	$ 41,112	$ 41,902
Payments in Lieu of Taxes	2,809	2,794	2,799	2,800	2,805	S	2,808	2,810	2,813	2,815
Total property taxes	**34,593**	**36,003**	**37,646**	**38,255**	**40,261**		**40,996**	**42,802**	**43,925**	**44,718**
	3.5%	*4.1%*	*4.6%*	*1.6%*	*6.9%*		*1.8%*	*4.4%*	*2.6%*	*1.8%*
Income Tax	3,811	4,151	3,500	4,000	4,200	2.5%	4,305	4,413	4,523	4,636
Highway User Revenues	100	134	135	135	125		138	138	138	140
Police / Fire Protection	754	1,175	1,078	1,144	1,070	0.5%	1,075	1,081	1,086	1,092
Admission Tax	300	260	300	547	457		457	507	527	537
Financial Corporations	34	34	34	34	34		34	34	34	34
Room Tax - Tourism Promotion	255	330	250	290	325	2.0%	332	338	345	352
Enterprise Zone Tax Credits	402	525	538	543	571		600	600	500	500
Sales Tax - Cannabis	-	-	-	48	64	2.0%	65	67	68	69
Total Income & Other Taxes	**5,656**	**6,609**	**5,835**	**6,741**	**6,846**		**7,006**	**7,177**	**7,221**	**7,360**
	18.9%	*16.8%*	*-11.7%*	*15.5%*	*17.3%*		*2.3%*	*2.4%*	*0.6%*	*1.9%*
Total Tax & Shared Revenues	**40,249**	**42,612**	**43,481**	**44,996**	**47,107**		**48,002**	**49,979**	**51,146**	**52,077**
	5.4%	*5.9%*	*2.0%*	*3.5%*	*8.3%*		*1.9%*	*4.1%*	*2.3%*	*1.8%*
Refuse Service Fees	2,852	3,267	3,611	3,755	4,878	2.5%	5,000	5,125	5,253	5,384
Other Service Charges	862	436	857	811	873	2.0%	890	908	926	945
Residential Rental Licenses & Vacant Structures	753	587	825	800	815	0.5%	819	823	827	831
Cable TV Franchise	306	299	280	258	258	2.0%	263	268	274	279
Other Licenses & Permits	1,607	1,680	1,284	1,882	1,283	2.0%	1,309	1,335	1,362	1,389
Safe Speed for Students Program	683	733	900	825	825		800	750	700	700
Red Light Camera Program	176	186	160	210	210		210	210	260	260
Other Fines & Forfeitures	79	51	90	88	93	3.0%	96	99	102	105
Admin Allocation	1,998	1,998	1,998	1,998	1,998	0.0%	1,998	1,998	1,998	1,998
Interest	6	1,011	310	1,975	1,255		750	500	500	500
Rental Income	197	185	165	184	147		180	185	190	195
Intergovernmental Revenues	487	1,088	2,322	2,252	970	S	593	593	593	593
Other Revenues	740	1,000	135	171	152	S	475	475	475	475
NEEDED REVENUE SOURCE*	-	-	-	-	-		***6,902***	***3,867***	***5,494***	***7,293***
Total Other Revenues	**10,746**	**12,521**	**12,937**	**15,209**	**13,757**		**20,285**	**17,136**	**18,954**	**20,947**
Total Revenues	**50,995**	**55,133**	**56,418**	**60,205**	**60,864**		**68,287**	**67,116**	**70,100**	**73,025**
% Revenue Growth	*-1.2%*	*8.1%*	*2.3%*	*6.7%*	*7.9%*		*12.2%*	*-1.7%*	*4.4%*	*4.2%*
Appropriated Fund Balance to CIP Fund:Capital Expenditures	-	-	4,630	-	2,202		2,000	-	-	-
Total Other Funding Sources	**-**	**-**	**4,630**	**-**	**2,202**		**2,000**	**-**	**-**	**-**
Total Funding Sources	**$ 50,995**	**$ 55,133**	**$ 61,048**	**$ 60,205**	**$ 63,066**		**$ 70,287**	**$ 67,116**	**$ 70,100**	**$ 73,025**

FY26 projections currently estimate additional $6.9M in changes needed. This $6.9M reflects funding equipment and CIP transfers with annual operations, combined 0.9% growth in current revenue sources, an overall preliminary estimate of 7.1% 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 2025/2029
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
EXPENDITURES										
Salaries and Wages	$ 20,776	$ 22,799	$ 24,751	$ 24,562	$ 26,405	S	$ 27,508	$ 28,700	$ 29,946	$ 31,112
Fringe Benefits -										
Active Employees	8,520	8,925	9,614	9,284	10,535	S	11,278	11,881	12,524	13,179
Retirees	1,466	1,445	1,665	1,510	1,656	S	1,769	1,890	2,019	2,157
Total Wages & Benefits	**30,762**	**33,169**	**36,030**	**35,356**	**38,596**		**40,555**	**42,470**	**44,489**	**46,448**
	-2.3%	*7.8%*	*8.6%*	*-1.9%*	*7.1%*		*5.1%*	*4.7%*	*4.8%*	*4.4%*
Contracted Services	5,651	5,857	6,526	6,518	7,775	S	7,977	8,184	8,396	8,616
Advertising & Printing	175	199	222	204	201	2.0%	205	209	213	218
Rentals	112	105	91	101	177		110	110	110	110
Maintenance & Repairs	1,840	1,686	2,023	1,953	2,283		1,900	2,000	2,100	2,200
Vehicle Expenses	817	896	968	976	1,057	2.0%	1,078	1,100	1,122	1,144
Materials, Supplies & Utilities	1,988	1,944	3,418	3,415	2,847	3.0%	2,932	3,020	3,111	3,204
Professional Development	105	177	239	212	281		200	200	205	210
Communication	325	385	419	289	434		370	372	374	376
Wage & Overhead Allocation	(1,464)	(1,488)	(1,593)	(1,171)	(1,690)		(1,776)	(1,860)	(1,948)	(2,034)
Other General Expenditures	704	843	1,227	754	1,119		1,124	1,129	1,134	1,139
Insurance	277	288	365	372	401	5.0%	421	442	464	487
Unallocated Gen'l Expenditures	718	630	725	651	550		553	553	555	557
Capital Outlay - Non-CIP	136	200	252	291	358		360	380	385	395
Debt Service	2,218	1,569	1,887	1,629	2,068	S	2,786	3,075	3,488	5,258
Operating Transfers to Other Funds	1,247	1,331	1,391	1,391	1,579	S	1,642	1,667	1,752	1,827
Capital Transfers to CIP Fund	1,497	3,175	2,226	2,246	2,823		9,850	4,064	4,150	2,869
Fund Balance Transfers to CIP Fund	4,473	840	4,630	3,231	2,202		-	-	-	-
Total Expenditures	**51,581**	**51,806**	**61,046**	**58,418**	**63,061**		**70,287**	**67,116**	**70,100**	**73,024**
% Expenditures Growth	*9.5%*	*0.4%*	*17.8%*	*-4.3%*	*3.3%*		*11.5%*	*-4.5%*	*4.4%*	*4.2%*
Surplus / (Deficit)	**$ (586)**	**$ 3,327**	**$ 2**	**$ 1,787**	**$ 5**		**$ (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	**$ 277**	**$ 290**	**$ 308**	**$ 311**	**$ 330**		**$ 337**	**$ 354**	**$ 365**	**$ 373**
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	**$ 17**	**$ 18**	**$ 17**	**$ 18**	**$ 19**		**$ 19**	**$ 19**	**$ 19**	**$ 19**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2025/2029
PROPERTY TAXES
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG% *	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Real Estate - Full Year Levy	**$ 29,043**	**$ 30,493**	**$ 32,585**	**$ 33,200**	**$ 35,076**		**$ 35,713**	**$ 37,431**	**$ 38,449**	**$ 39,214**
% Increase	***6.1%***	***5.0%***	***6.9%***	***1.9%***	***7.6%***		***1.8%***	***4.8%***	***2.7%***	***2.0%***
Personal Property - UnInc	48	30	48	100	100	0.5%	101	101	102	102
Personal Property - Corp	4,281	4,461	4,200	4,450	4,588	0.5%	4,661	4,684	4,708	4,731
Homestead Tax Credit	(60)	(74)	(275)	(509)	(500)		(480)	(460)	(440)	(440)
Enterprise Zone Tax Credit Progra	(734)	(1,049)	(1,076)	(1,086)	(1,143)		(1,143)	(1,103)	(1,067)	(1,067)
Tax Exemption - Real Estate	(578)	(579)	(625)	(630)	(625)		(625)	(625)	(605)	(605)
Total Current Year's Levy	**32,000**	**33,282**	**34,857**	**35,525**	**37,496**		**38,227**	**40,028**	**41,147**	**41,935**
Reserve for Uncollect Taxes	35	(94)	(100)	(100)	(100)		(100)	(100)	(100)	(100)
Total Adj - Prior Yrs Levies	**35**	**(94)**	**(100)**	**(100)**	**(100)**		**(100)**	**(100)**	**(100)**	**(100)**
Current Years Levy	(211)	56	150	75	100		102	107	110	112
Total Interest on Delinq Tax	**(211)**	**56**	**150**	**75**	**100**		**102**	**107**	**110**	**112**
Tax Discounts/Allows - C/Yr	(40)	(35)	(60)	(45)	(40)		(41)	(43)	(44)	(45)
Total Tax Discounts/Allows	**(40)**	**(35)**	**(60)**	**(45)**	**(40)**		**(41)**	**(43)**	**(44)**	**(45)**
Total Property Taxes	**31,784**	**33,209**	**34,847**	**35,455**	**37,456**		**38,188**	**39,992**	**41,112**	**41,902**
% Increase	*3.7%*	*4.5%*	*4.9%*	*1.7%*	*7.5%*		*2.0%*	*4.7%*	*2.8%*	*1.9%*
Hag Housing Authority	99	103	105	105	110	0.8%	111	112	113	114
Bethel Gardens	39	16	16	16	16	0.8%	16	16	16	17
Liberty Property	171	175	179	179	179	0.8%	180	182	183	185
CW Brooks Mid-Rise	10	10	9	10	10	0.8%	10	10	10	10
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	**2,809**	**2,794**	**2,799**	**2,800**	**2,805**		**2,808**	**2,810**	**2,813**	**2,815**
% Increase	*1.5%*	*-0.5%*	*0.2%*	*0.0%*	*0.2%*		*0.1%*	*0.1%*	*0.1%*	*0.1%*
Total Property Taxes	**$ 34,593**	**$ 36,003**	**$ 37,646**	**$ 38,255**	**$ 40,261**		**$ 40,996**	**$ 42,802**	**$ 43,925**	**$ 44,718**
% Increase	*3.5%*	*4.1%*	*4.6%*	*1.6%*	*6.9%*		*1.8%*	*4.4%*	*2.6%*	*1.8%*

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2025/2029
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 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%*
Actual 2021/2022: All	*2,934*	4.3%	1.002	0.0%	32,000	4.7%
Actual 2021/2022: Apts	*245*	1.4%	*1.032*	0.0%	*2,530*	*1.4%*
Actual 2022/2023: All	*3,053*	4.0%	1.002	0.0%	33,282	4.0%
Actual 2022/2023: Apts	*250*	1.8%	*1.032*	0.0%	*2,577*	*1.8%*
Estimated 2023/2024: All	**3,273**	**7.2%**	**1.002**	**0.0%**	**35,525**	**6.7%**
Proposed 2024/2025: All	**3,461**	**5.8% ****	**1.002**	**0.0%**	**37,496 ****	**5.5%**
Projected 2025/2026: All	3,530	2.0%	1.002	0.0%	38,227	2.0%
Projected 2026/2027: All	3,708	5.1%	1.002	0.0%	40,028	4.7%
Projected 2027/2028: All	3,818	3.0%	1.002	0.0%	41,147	2.8%
Projected 2028/2029: All	3,896	2.0%	1.002	0.0%	41,936	1.9%

*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 2024 Constant Yield Notice memos reflect a combined expected real property assessed value of 3,362 which is an increase of 6.5% compared to current levels. The City chart above assumes a slightly lower average assessable base value which includes personal property values. In addition, the chart above reflects the average value for all of FY23 and not just the value estimated to be on July 1.

***In addition, the City eliminated the tow tier real estate tax rate for all Apartment classifications in FY24. 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 2025/2029
ASSESSABLE BASE TABLE
(IN THOUSANDS)

	ACTUAL 2021/22	ACTUAL 2022/23	EST. ACTUAL 2023/24	PROPOSED BUDGET 2024/25	PROJECTED 2025/26
For Full Year Levy	$ 29,043	$ 30,493	$ 33,200	$ 35,076	$ 35,713
Enterprise Zone Tax Credit Program	(734)	(1,049)	(1,086)	(1,143)	(1,143)
Tax Exemption - Real Estate	(578)	(579)	(630)	(625)	(625)
Homestead Tax Credit Cap	(60)	(74)	(509)	(500)	(480)
Net Real Estate Taxes	**27,671**	**28,791**	**30,975**	**32,808**	**33,465**
	4.0%	4.0%	7.6%	5.9%	2.0%
Unincorporated Personal Property	48	30	100	100	101
Corporate Personal Property	4,281	4,461	4,450	4,588	4,661
Total Personal Property	**4,329**	**4,491**	**4,550**	**4,688**	**4,762**
	9.6%	3.7%	1.3%	3.0%	1.6%
Current Year's Levy	**$ 32,000**	**$ 33,282**	**$ 35,525**	**$ 37,496**	**$ 38,227**
	4.7%	4.0%	6.7%	5.5%	2.0%
Real EstateTax Rate	**$ 1.002**	**$ 1.002**	**$ 1.002**	**$ 1.002**	**$ 1.002**
Real EstateTax Rate - Apartments Only	*$ 1.032*	*$ 1.032*	*$ 1.002*	*$ 1.002*	*$ 1.002*
Business Property Tax Rate	**$ 2.505**	**$ 2.505**	**$ 2.505**	**$ 2.505**	**$ 2.505**
Assessable Base					
Real Property	$ 2,761,577	$ 2,873,353	$ 3,091,317	$ 3,274,251	$ 3,339,867
	4.0%	4.0%	7.6%	5.9%	2.0%
[(Net Real Estate Taxes / Tax Rate)/10)]					
Business Personal Property	172,814	179,281	181,637	187,146	190,100
	9.6%	3.7%	1.3%	3.0%	1.6%
[Total Personal Property / Tax Rate]					
Total Assessable Base	**$ 2,934,391**	**$ 3,052,635**	**$ 3,272,954**	**$ 3,461,397**	**$ 3,529,967**
	4.3%	4.0%	7.2%	5.8%	2.0%

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2025/2029
GRANT AND OTHER REVENUES
(IN THOUSANDS)

INTERGOVERNMENTAL REVENUES

	2021/22 ACTUAL	2022/2023 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Various Departments: Grants										
Event Grants	9	23	6	10	-		-	-	-	-
Arts & Entertainment Grants	18	14	16	55	-		-	-	-	-
Main Street Grants	-	21	-	4	25		-	-	-	-
American Rescue Plan Act of 2021 (ARPA)	112	557	1,538	1,540	276		-	-	-	-
All Other Departmental Grants	-	-	165	80	80		-	-	-	-
Police Department: Grants										
DEA Reimbursed Overtime	32	24	20	3	4		4	4	4	4
HIDTA NTF Reimbursed Overtime	6	7	26	8	4		8	8	8	8
School Resource Officers Grant	310	442	551	551	581		581	581	581	581
Total Intergovernmental Revenues	**$ 487**	**$ 1,088**	**$ 2,322**	**$ 2,252**	**$ 970**		**$ 593**	**$ 593**	**$ 593**	**$ 593**

OTHER REVENUES

	2021/22 ACTUAL	2022/2023 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Sale of Land & Other Property										
Fire & Police Dept Equipment	2	-	3	3	3		5	5	5	5
Other	7	41	-	21	1		5	5	5	5
Total Land Sale/Other	**9**	**41**	**3**	**24**	**4**		**10**	**10**	**10**	**10**
Contributions & Donations	36	64	33	37	31		35	35	35	35
Miscellaneous Revenues	124	211	57	68	117		400	400	400	400
Other Revenues	**160**	**275**	**90**	**105**	**148**		**435**	**435**	**435**	**435**
Transfers from CDBG Fund	29	30	30	30	-		30	30	30	30
Transfers from Health Ins Fund	542	654	-	-	-		-	-	-	-
Transfers from Capital Improvements Fund	-	-	12	12	-		-	-	-	-
Total Transfers from Other Funds	**571**	**684**	**42**	**42**	**-**		**30**	**30**	**30**	**30**
Total Other Revenues	**$ 740**	**$ 1,000**	**$ 135**	**$ 171**	**$ 152**		**$ 475**	**$ 475**	**$ 475**	**$ 475**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2025/2029
SALARIES AND FRINGE BENEFITS
(IN THOUSANDS)

SALARIES AND WAGES

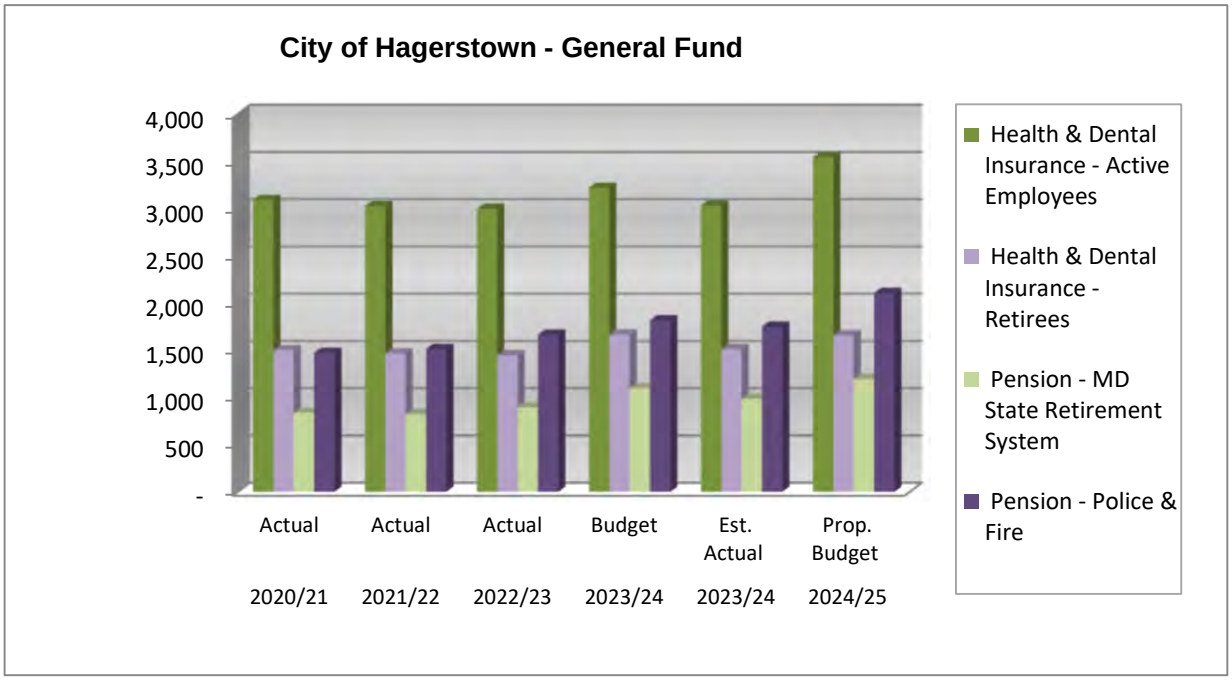
	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ. *5.000%*	2026/27 PROJ. *4.500%*	2027/28 PROJ. *4.500%*	2028/29 PROJ. *4.000%*
BASE WAGES										
Regular Wages-Salaried	$ 5,153	$ 5,473	$ 6,820	$ 7,035	$ 7,728		$ 8,114	$ 8,480	$ 8,861	$ 9,216
Regular Wages-Hourly	10,095	11,256	15,243	14,378	15,368		16,136	16,863	17,621	18,326
Regular Wages-Stipend	-	-	-	-	-		-	-	-	-
Sick Leave Pay	722	641	-	1	-		-	-	-	-
Holiday Pay	885	992	-	4	-		-	-	-	-
Vacation Pay	1,336	1,457	5	1	-		-	-	-	-
Compensatory Time Used	165	197	2	-	-		-	-	-	-
Personal Leave	218	232	-	1	-		-	-	-	-
Temporary & Seasonal	686	741	857	875	1,188	3.00%	1,224	1,260	1,298	1,337
Sick Pay - PT and Seasonal	19	14	13	16	16		16	16	17	17
Sick Pay - Federal COVID	-	-	-	-	-		-	-	-	-
Vacation Pay on Termination	118	133	152	218	289		175	175	200	200
Unfunded Positions Savings	-	-	-	-	-		-	-	-	-
Additional Vacancy Savings	-	-	(156)	-	(264)		(300)	(300)	(325)	(325)
Total Base Wages	**19,397**	**21,136**	**22,936**	**22,529**	**24,325**		**25,365**	**26,493**	**27,673**	**28,771**
% Increase	*-3.2%*	*9.0%*	*8.5%*	*-1.8%*	*6.1%*		*4.3%*	*4.4%*	*4.5%*	*4.0%*
ADDITIONAL WAGES										
Overtime Pay	1,336	1,674	1,815	2,033	2,080	3.00%	2,142	2,207	2,273	2,341
Comp Time Earned	43	(11)	-	-	-		-	-	-	-
Total Additional Wages	**1,379**	**1,663**	**1,815**	**2,033**	**2,080**		**2,142**	**2,207**	**2,273**	**2,341**
% Increase	*-2.6%*	*20.6%*	*9.1%*	*12.0%*	*14.6%*		*3.0%*	*3.0%*	*3.0%*	*3.0%*
Total Wages	**$ 20,776**	**$ 22,799**	**$ 24,751**	**$ 24,562**	**$ 26,405**		**$ 27,508**	**$ 28,700**	**$ 29,946**	**$ 31,112**
% Increase	*-3.2%*	*9.7%*	*8.6%*	*-0.8%*	*6.7%*		*4.2%*	*4.3%*	*4.3%*	*3.9%*

FRINGE BENEFITS

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Active Employees										
Holiday Pay on Termination	$ 2	$ 5	$ -	$ 9	$ -		$ -	$ -	$ -	$ -
Sick Pay on Termination	73	77	161	176	220		145	145	145	145
Pension - Police & Fire	1,512	1,664	1,815	1,750	2,105	3.0%	2,261	2,432	2,617	2,802
Pension - MD State	820	894	1,096	984	1,195		1,271	1,328	1,387	1,442
MD State Deficit Payment	225	236	248	248	260		260	273	287	301
Pension - 401(a) Plan	2	2	2	2	2		2	2	2	2
F.I.C.A. Taxes (7.65%)	1,536	1,689	1,672	1,670	1,743		2,104	2,196	2,291	2,380
Health Insurance	2,944	2,917	3,134	2,955	3,462	7.0%	3,704	3,964	4,241	4,538
Dental Insurance	80	79	84	76	82	1.0%	83	84	84	85
Life Insurance	31	34	35	34	37		39	40	42	44
Long-Term Disability	5	5	5	5	5		6	6	6	6
Workmans Compensation	1,148	1,162	1,164	1,164	1,208		1,212	1,216	1,220	1,224
Emply Discounted Parking	77	74	87	90	90		82	84	89	94
Unemployment Taxes	34	38	63	73	74		70	70	70	70
Employee Assistance Prog	9	9	9	9	9		10	11	12	13
City Employee Picnic/Turkey	-	14	14	14	14		-	-	-	-
HPD Housing Allowance	13	20	19	19	23		23	25	26	27
Employee Longevity	9	6	6	6	6		6	6	6	6
Total	**8,520**	**8,925**	**9,614**	**9,284**	**10,535**		**11,278**	**11,881**	**12,524**	**13,179**
% Increase	*-0.2%*	*4.8%*	*7.7%*	*-3.4%*	*9.6%*		*7.1%*	*5.3%*	*5.4%*	*5.2%*
Retirees										
Health Insurance	1,417	1,397	1,615	1,460	1,606	7.0%	1,718	1,839	1,967	2,105
Dental Insurance	49	48	50	50	50	1.0%	51	51	52	52
Total	**1,466**	**1,445**	**1,665**	**1,510**	**1,656**		**1,769**	**1,890**	**2,019**	**2,157**
% Increase	*-2.1%*	*-1.4%*	*15.2%*	*-9.3%*	*-0.5%*		*6.8%*	*6.8%*	*6.8%*	*6.8%*
Total Fringe Benefits	**$ 9,986**	**$ 10,370**	**$ 11,279**	**$ 10,794**	**$ 12,191**		**$ 13,047**	**$ 13,770**	**$ 14,543**	**$ 15,336**
% Increase	*-0.5%*	*3.8%*	*8.8%*	*-4.3%*	*8.1%*		*7.0%*	*5.5%*	*5.6%*	*5.4%*

GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2021 THROUGH FISCAL YEAR 2025
EMPLOYER SHARE OF INSURANCE AND PENSION COSTS
(IN THOUSANDS)

	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24 Budget	2023/24 Est. Actual	2024/25 Prop. Budget
Health & Dental Insurance - Active Employees	3,090	3,024	2,996	3,218	3,031	3,544
Health & Dental Insurance - Retirees	1,498	1,466	1,445	1,665	1,510	1,656
Pension - MD State Retirement System	836	820	894	1,096	984	1,195
Pension - Police & Fire	1,471	1,512	1,664	1,815	1,750	2,105
	6,895	6,822	6,999	7,794	7,275	8,500
	-0.5%	-1.1%	2.6%	11.4%	-6.7%	9.1%



GENERAL FUND HISTORICAL TRENDS
FISCAL YEAR 2021 THROUGH FISCAL YEAR 2025
PENSIONS COSTS AS PERCENT OF SALARY

	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24 Budget	2023/24 Est. Actual	2024/25 Prop. Budget
Retirement - State of MD Fund Employer	10.24%	10.57%	10.93%	11.32%	11.32%	11.97%
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%	16.00%
Retirement - Police/Fire Employee	8.00%	9.00%	9.00%	N/A	9.00%	N/A

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2025/2029
CONTRACTED SERVICES AND OPERATING TRANSFERS
(IN THOUSANDS)

CONTRACTED SERVICES

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Medical Services	$ 77	$ 91	$ 102	$ 96	$ 106	2.0%	$ 108	$ 110	$ 112	$ 114
Grounds Services	194	205	311	289	297	2.0%	303	309	315	321
Miss Utility	4	4	5	5	5	0.0%	5	5	5	5
Contracted Staffing	35	15	38	14	35	2.0%	36	37	38	39
Other Contracted Services	2,105	2,173	2,029	2,116	2,121	2.0%	2,163	2,206	2,250	2,295
Trash Collection	2,764	2,998	3,340	3,391	4,536	3.0%	4,672	4,812	4,956	5,105
Legal Fees	216	201	262	267	279	2.0%	285	291	297	303
Auditing	25	25	26	26	27	5.0%	28	29	30	32
Consulting	66	12	32	26	32	2.0%	33	34	35	36
Engineering	47	17	40	48	40	2.0%	41	42	43	44
Building Services	21	23	22	21	27	2.0%	28	29	30	31
Safety Program	3	3	6	6	6	0.0%	6	6	6	6
Other Professional Services	94	90	313	213	264	2.0%	269	274	279	285
Total Contracted Services	**$ 5,651**	**$ 5,857**	**$ 6,526**	**$ 6,518**	**$ 7,775**		**$ 7,977**	**$ 8,184**	**$ 8,396**	**$ 8,616**
% Increase	*12.3%*	*3.6%*	*11.4%*	*-0.1%*	*19.1%*		*2.6%*	*2.6%*	*2.6%*	*2.6%*

OPERATING TRANSFERS TO OTHER CITY FUNDS

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Economic Redevelopment Fund	$ 1,030	$ 1,175	$ 1,128	$ 1,128	$ 1,322		$ 1,342	$ 1,342	$ 1,342	$ 1,392
Golf Course Fund	200	123	250	250	150		275	300	385	410
Grant Fund	17	19	13	13	107		25	25	25	25
Flex Fund	-	14	-	-	-		-	-	-	-
Total Operating Transfers	**$ 1,247**	**$ 1,331**	**$ 1,391**	**$ 1,391**	**$ 1,579**		**$ 1,642**	**$ 1,667**	**$ 1,752**	**$ 1,827**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2025/2029
ANNUAL DEBT SERVICE REQUIREMENTS
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
2005/06 Pub Facilities Bonds									
Interest	$ 12	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Principal ($7,490,666)	639	-	-	-	-	-	-	-	-
2008/09 Pub Imprv BAB									
Interest	169	153	199	199	172	144	115	84	51
Principal ($5,074,007)	443	460	475	475	492	511	533	554	577
2014 Pub Imprv Bonds									
Interest (2.50% over 15 years)	6	6	5	5	4	4	3	2	1
Principal ($428,427)	30	30	31	31	32	33	33	34	35
2015A Pub Imprv Bonds									
Interest (3.06% over 20 years)	76	71	66	66	61	58	54	50	46
Principal ($3,599,066 after reprogram)	150	157	164	164	173	182	188	198	204
Issuance Costs	-	-	-	-	-	-	-	-	-
2015B Pub Imprv Bonds									
Interest (3.89% over 20 years)	18	17	17	17	16	15	14	13	11
Principal ($650,000)	28	28	30	30	30	32	32	33	35
Issuance Costs	-	-	-	-	-	-	-	-	-
2017A Pub Imprv Bonds									
Interest (2.58% over 20 years)	110	103	94	94	87	81	75	69	63
Principal ($4,293,526)	169	177	185	185	196	203	215	222	226
Issuance Costs	1	1	1	1	1	1	1	1	1
2017B Pub Imprv Bonds									
Interest (3.45% over 20 years)	15	14	13	13	13	12	11	10	10
Principal ($500,000)	20	22	22	22	22	23	23	25	25
Issuance Costs	-	-	-	-	-	-	-	-	-
2018B Pub Imprv Bonds**									
Interest (4.30% over 15 years)	23	22	20	20	19	17	15	13	11
Principal ($1,265,000 to $645,000)	36	37	39	39	40	42	44	46	48
Issuance Costs	-	-	-	-	-	-	-	-	-
2019A Pub Imprv Bonds									
Interest (2.98% over 15 years)	81	76	70	70	64	58	52	46	40
Principal ($3,105,000)	192	195	198	198	201	204	207	210	213
Issuance Costs	-	-	-	-	-	-	-	-	-
Interest & Issuance Costs	**511**	**463**	**485**	**485**	**437**	**390**	**340**	**288**	**234**
Principal	**1,707**	**1,106**	**1,144**	**1,144**	**1,186**	**1,230**	**1,275**	**1,322**	**1,363**
Subtotal Current Debt Service Issues	**$ 2,218**	**$ 1,569**	**$ 1,629**	**$ 1,629**	**$ 1,623**	**$ 1,620**	**$ 1,615**	**$ 1,610**	**$ 1,597**
2025 Future Pub Imprv Bonds									
Interest (5.25% over 25 years)	-	-	*258*	-	*445*	*445*	*445*	*445*	*445*
Principal ($15,950,000)	-	-	-	-	-	*657*	*657*	*657*	*657*
2026 Future Pub Imprv Bonds									
Interest (5.50% over 20 years)	-	-	-	-	-	*64*	*129*	*129*	*129*
Principal ($4,390,000)	-	-	-	-	-	-	*227*	*227*	*227*
2027 Future Pub Imprv Bonds									
Interest (5.50% over 20 years)	-	-	-	-	-	-	*2*	*5*	*5*
Principal ($150,000)	-	-	-	-	-	-	-	*8*	*8*
2028 Future Pub Imprv Bonds									
Interest (5.25% over 20 years)	-	-	-	-	-	-	-	*27*	*54*
Principal ($1,920,000)	-	-	-	-	-	-	-	-	*99*
2028 Future Pub Imprv Bonds									
Interest (5.75% over 30 years)	-	-	-	-	-	-	-	*380*	*760*
Principal ($25,000,000)	-	-	-	-	-	-	-	-	*859*
2029 Future Pub Imprv Bonds									
Interest (5.25% over 20 years)	-	-	-	-	-	-	-	-	*38*
Principal ($2,735,000)	-	-	-	-	-	-	-	-	-
2029 Future Pub Imprv Bonds									
Interest (5.75% over 30 years)	-	-	-	-	-	-	-	-	*380*
Principal ($25,000,000)	-	-	-	-	-	-	-	-	-
Total All Debt Service Issues									
Interest & Issuance Costs	**511**	**463**	**743**	**485**	**882**	**899**	**916**	**1,274**	**2,045**
Principal	**1,707**	**1,106**	**1,144**	**1,144**	**1,186**	**1,887**	**2,159**	**2,214**	**3,213**
Total All Debt Service Issues	**$ 2,218**	**$ 1,569**	**$ 1,887**	**$ 1,629**	**$ 2,068**	**$ 2,786**	**$ 3,075**	**$ 3,488**	**$ 5,258**
	2.5%	*-29.3%*	*20.3%*	*-13.7%*	*9.6%*	*34.7%*	*10.4%*	*13.4%*	*50.7%*

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2025/2029
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
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%
2022	2,934,391	44	14,886	0.51%	342	4.40%
2023	3,052,635	44	13,756	0.45%	315	2.88%
Estimated 2023/24	3,272,954	44	12,588	0.38%	288	2.71%
Proposed 2024/25	3,461,397	44	27,328	0.79%	625	3.40%
Projected 2025/26	3,529,967	44	29,807	0.84%	682	4.08%
Projected 2026/27	3,708,253	44	27,774	0.75%	636	4.58%
Projected 2027/28	3,818,483	44	52,456	1.37%	***1,200***	4.98%
Projected 2028/29	3,895,730	44	76,953	1.98%	***1,761***	7.20%
City Debt Policy Guidelines				**10.00%**	**1,000**	**10.00%**

General Fund Financial Projections
Fiscal Year 2025/2029
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							
	2022/23	3,052,635	13,756	44	315	-	-
	Estimated 2023/24	3,272,954	12,588	44	288	-	1,168
	Proposed Bud 2024/25	3,461,397	27,328	44	625	15,950	1,210
	Projected 2025/26	3,529,967	29,807	44	682	4,390	1,912
	Projected 2026/27	3,708,253	27,774	44	636	150	2,183
	Projected 2027/28	3,818,483	52,456	44	***1,200***	26,920	2,238
	Projected 2028/29	3,895,730	76,953	44	***1,761***	27,735	3,237
Subtotal Future Issuances						**75,145**	**11,948**
City Debt Policy Limit			**43,701**	**44**	**1,000**		
Additional General Fund Debt Issue Capacity							
	Over FY 2022/23 level		29,945				
	Beyond 5 year proposed projections		***(33,252)***				

- Percentages of projected changes are indicated in the column following the FY2024/25 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 and Wastewater. Rate considerations are currently being evaluated for Parking and Stormwater Protection 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, Golf and Property Management funds based on FY2023/24 budget to the proposed budget in FY2024/25. The overall operating expense increases range from a low of 3.6% in the Water Fund to a high of 24.2% in the Golf Fund which is specifically notated within each individual fund's assumption section that follows. The Stormwater Protection funds operating expenses are projected to be flat from the FY2023/24 budget to the proposed budget in FY2024/25. The increases in all funds for future periods through FY2028/29 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 FY2028/29 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 FY2024/25 but slowly be reduced in future periods based on current market estimates. Interest earnings may not occur or grow in individual funds due to declining or negative cash balances. Specifics on each unique 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 5.5% primarily for 20 and 25 year terms. Typically, MDE bond issues are low interest rates at 2.5% 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.

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2025/2029
ASSUMPTIONS

- The new wholesale power contract with AEP Energy Partners is effective June 1, 2024 through December 31, 2026 at a rate of $54.05/MWh for all energy delivered. City staff is in the process of completing a cost-of-service study for retail rate design with the intent of submitting a filing to the Maryland Public Service Commission by the end of April 2024. While the projections include no changes, the City is hopeful that rates will change since there has not been an adjustment since 2006.

- The increase in service charge revenue from FY2023/24 budget compared to FY2024/25 proposed budget is 6.8% or $1.8M. The majority of the increase can be associated with additional revenue from Residential Customers. Residential revenue reflects an increase of $2.0M or 14.8% in the FY2024/25 proposed budget due to overall increase in wholesale power rates effective in June 2024. Going forward, the projections for revenue from FY2025/26 through FY2028/29 will remain flat unless there is a rate increase approved by the PSC.

- The purchased power expense for FY2024/25 budget represents approximately 76.3% of total service revenue charges. The projections for the purchase power expense include an increase from FY2023/24 estimated actuals to proposed FY2024/25 budget. The is due to an anticipated increase in the cost of purchased power with a new contract in place for FY2024/25. Just like the revenue projections for future years, the purchase power expense category will remain unchanged from FY2025/26 through FY2028/29.

- Operating expenses, excluding depreciation and purchased power, are estimated to increase by 6.7% or $425K from the FY2023/24 budget compared to the proposed budget for FY2024/25. Distribution costs are projected to increase by $203K primarily as a result to an increase in salaries and wages and an increase of $28.2K for software support and maintenance. Based on historical data trends, the future projections reflect annual increases of 2.0% and 1.5% from FY2025/26 through FY2028/29 in distribution and administrative costs.

- Depreciation expense for proposed FY2024/25 budget is 3.7% higher than current FY2023/24 budget. This increase is a result of anticipated investment in new capital projects and assets in FY2024/25. Beginning in FY2025/26 through FY2028/29, it is anticipated that more capital equipment and infrastructure investments will be made which will result in the following projected annual increases in the depreciation expenses: 5.4%, 4.6%, 4.7% and 4.6%.

- It is anticipated that total interest earned will increase in FY2024/25 compared to FY2023/24 budget due to higher market rates than in FY2023/24. It is anticipated that there will be a downward trend in market interest rates in the future. Due to negative cash balances no interest earned is projected from FY2026/27 thru FY2028/29.

- There are no future debt issues in projections through FY2028/29. 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 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 <$86K> in FY2024/25 to a loss of <$1.2M> in FY2028/29.

- 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 FY2023/24 is closed and audited to determine if any transfer is possible.

- The ending total cash balance projections reflect a decrease from <$755K> in FY2024/25 to <$14.3M> in FY2028/29 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 2025/29
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 ESTIMATED ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG %	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Operating Revenues										
Service Charges:										
Residential	$ 13,007	$ 11,482	$ 13,152	$ 11,614	$ 15,104	0.0%	$ 15,104	$ 15,104	$ 15,104	$ 15,104
Commercial	4,927	4,293	4,913	4,365	5,573	0.0%	5,573	5,573	5,573	5,573
Industrial	5,790	5,278	7,863	5,243	6,935	0.0%	6,935	6,935	6,935	6,935
Other Rates	833	430	706	665	834	0.0%	834	834	834	834
Total Service Charges	**24,558**	**21,484**	**26,633**	**21,887**	**28,445**		**28,445**	**28,445**	**28,445**	**28,445**
Other Operating Revenues	985	885	759	591	591	2.0%	603	615	627	640
Total Operating Revenue	**25,542**	**22,369**	**27,392**	**22,477**	**29,036**		**29,048**	**29,060**	**29,072**	**29,085**
Operating Expenses										
Purchased Power	18,744	16,331	20,336	16,690	21,707	0.0%	21,707	21,707	21,707	21,707
Distribution	2,543	2,601	2,869	2,701	3,072	2.0%	3,133	3,196	3,260	3,325
General & Administration	3,187	3,503	3,475	3,484	3,698	1.5%	3,753	3,809	3,867	3,925
Total Operating Expenses	**24,474**	**22,435**	**26,680**	**22,875**	**28,476**		**28,593**	**28,712**	**28,833**	**28,956**
Cash Operating Income (Loss)	**1,068**	**(66)**	**712**	**(397)**	**560**		**455**	**348**	**239**	**128**
Depreciation	928	940	1,058	1,001	1,097		1,156	1,209	1,265	1,323
Operating Income (Loss)	**140**	**(1,007)**	**(346)**	**(1,398)**	**(537)**		**(701)**	**(861)**	**(1,026)**	**(1,195)**
Non-Operating Revenues (Expenses)										
Interest Earned	2	178	50	228	228		-	-	-	-
Interest/Bond Issuance Expense	(9)	(8)	(7)	(7)	(7)		(6)	(6)	(6)	(5)
Gain (loss) on Sale of Capital Assets	165	(27)	(15)	(15)	(15)		20	20	20	20
Total Non-Operating Revenue (Expense)	**158**	**143**	**28**	**206**	**206**		**14**	**14**	**14**	**15**
Net Income (Loss) Before Operating Transfers	**298**	**(863)**	**(318)**	**(1,193)**	**(331)**		**(688)**	**(847)**	**(1,012)**	**(1,180)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(12)	(30)	(8)	(8)	(66)		(22)	(23)	(23)	(23)
Transfers from Health Insurance Fund	53	65	-	-	-		-	-	-	-
Total Transfers From (To) Funds	**42**	**35**	**(8)**	**(8)**	**(66)**		**(22)**	**(23)**	**(23)**	**(23)**
Capital Contributions										
Non-Cash Developer Contributions	73	218	380	458	186		110	80	50	-
Grants in Aid of Construction	-	-	282	282	125		100	100	-	-
Capital Contributions	**73**	**218**	**662**	**739**	**311**		**210**	**180**	**50**	**-**
Increase (Decrease) in Retained Earnings	**413**	**(611)**	**335**	**(461)**	**(86)**		**(499)**	**(690)**	**(985)**	**(1,203)**
Adjust to a Cash Flow Basis										
Depreciation	928	940	1,058	1,001	1,097		1,156	1,209	1,265	1,323
Principal Payments on Long-Term Debt	(47)	(18)	(19)	(19)	(20)		(21)	(21)	(22)	(23)
Non-Cash Developer Contributions	(73)	(218)	(380)	(458)	(186)		(110)	(80)	(50)	-
Changes in Working Capital	(3,739)	1,415	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**(2,931)**	**2,120**	**659**	**525**	**891**		**1,025**	**1,107**	**1,193**	**1,300**
Funds Available for Capital Outlay	(2,519)	1,510	995	63	805		526	417	208	97
Capital Outlay	1,450	1,727	4,286	2,846	4,161		3,447	3,675	3,940	3,745
Cash After Capital Outlay	**(3,969)**	**(218)**	**(3,291)**	**(2,783)**	**(3,355)**		**(2,921)**	**(3,258)**	**(3,732)**	**(3,648)**
Net Surplus (Deficit)	**$ (3,969)**	**$ (218)**	**$ (3,291)**	**$ (2,783)**	**$ (3,355)**		**$ (2,921)**	**$ (3,258)**	**$ (3,732)**	**$ (3,648)**
Beginning Cash Balance	$ 9,569	$ 5,600	$ 5,383	$ 5,383	$ 2,600		$ (755)	$ (3,676)	$ (6,934)	$ (10,666)
Ending Cash Balance	$ 5,600	$ 5,383	$ 2,091	$ 2,600	$ (755)		$ (3,676)	$ (6,934)	$ (10,666)	$ (14,314)
Unrestricted Cash Balance, Beginning	$ 5,982	$ 5,600	$ 5,383	$ 5,383	$ 2,600		$ (755)	$ (3,676)	$ (6,934)	$ (10,666)
Unrestricted Cash Balance, Ending	$ 5,600	$ 5,383	$ 2,091	$ 2,600	$ (755)		$ (3,676)	$ (6,934)	$ (10,666)	$ (14,314)
Restricted Cash Balance, Beginning	$ 3,587	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -
*Restricted Cash Balance, Ending	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -
Dividend Affordability Formula										
Operating & Maintenance Expenses	$ 24,474	$ 22,435	$ 26,680	$ 22,875	$ 28,476		$ 28,593	$ 28,712	$ 28,833	$ 28,956
Reserved Retained Earnings (2 Months)	$ 4,079	$ 3,739	$ 4,447	$ 3,812	$ 4,746		$ 4,766	$ 4,785	$ 4,806	$ 4,826
Cash in Excess of Reserve after Dividend	$ 1,521	$ 1,643	$ (2,355)	$ (1,213)	$ (5,502)		$ (8,442)	$(11,719)	$ (15,471)	$ (19,140)

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2025/29
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 ESTIMATED ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG %	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Vehicles-C0090	$ 22	$ 88	$ 165	$ 50	$ 470		$ 205	$ 185	$ 370	$ 325
Telemetry Equipment-C0111	2	-	50	10	50		10	5	5	5
Central Substation-C0118	-	-	-	-	-		-	200	500	200
Building Security Improvements - C0178	12	39	35	5	55		55	105	5	5
Wesel Boulevard-C0220	252	-	-	-	-		-	-	-	-
System Reconductoring-C0259	4	41	207	42	207		60	60	60	60
SCADA System-C0441	10	-	5	-	5		5	5	5	5
Underground Replacement-C0540	-	-	33	13	13		13	13	13	13
Building & Site Improvements-C0542	19	62	25	25	50		25	25	25	25
Bulldog Substation- C0544	-	-	-	-	-		-	-	-	50
Street Light Replacement-C0546	-	-	233	233	200		10	10	10	10
Kilpatrick Woods - C0550	-	26	259	63	174		124	50	50	-
Test Equipment-C0609	15	24	15	3	15		15	15	15	15
Substation Controls - C0616	17	13	80	25	80		40	40	40	40
Meter Replacement - C0679	-	-	1,000	300	1,500		1,500	1,500	1,500	1,500
Brookmeadow - C0703	-	-	128	-	53		128	40	-	-
Burhans Village - C0707	-	159	25	-	-		-	-	-	-
Substation Breaker Replacement-C0776	24	-	120	120	80		80	80	80	80
GIS Facility Mapping-C0777	-	5	-	-	12		-	-	-	-
Substation Upgrades - C0778	-	-	-	-	75		75	205	125	275
Spare Regulators-C0797	30	39	70	60	75		75	75	75	75
Wildlife Protection-C0802	-	5	15	-	50		50	50	50	50
Feeder Coordination-C0833	-	3	15	5	15		15	15	15	15
Circuit Upgrades-C0842	-	-	-	9	116		116	150	150	150
Other - Non-Specific	1,044	1,223	1,808	1,885	868		848	848	848	848
Total Capital Outlay	**$ 1,450**	**$ 1,727**	**$ 4,286**	**$ 2,846**	**$ 4,161**		**$ 3,447**	**$ 3,675**	**$ 3,940**	**$ 3,745**

- Total service charge revenue projections reflect a 0.5% average increase in the FY2024/25 proposed budget. Per preliminary projections from a new cost rate study currently in process, an annual rate increase of 14.0% is anticipated for three years and is included in projections for FY2025/26 through FY2027/28 followed by 3% for FY2028/29 due to inflation, cost to maintain operations and significant infrastructure improvements.

- Total operating expenses (excluding depreciation) increased by 3.6% from the FY2023/24 budget compared to the proposed budget for FY2024/25. Primarily this reflects an increase in the "Selling, General & Administration" category with an increase of $1.8M or 44.3% largely due to a $950K increase in consulting and engineering fees for numerous CIP projects and an $845.3K allocation to fund joint water/wastewater projects (under the Wastewater CIP #'s 54-C0745 Laboratory Equipment and 54-C0585 WWT Buildings/Structures/Equipment and Software). The projections include increases in future periods with the overall estimated increase for each period from FY2025/26 through FY2028/29 at 2.0% annually in the "Pumping & Water Treatment" and "Transmission & Distribution" categories and 1.5% annually in the "Source of Supply" and "Selling, General & Administration" categories (with the joint Water/Wastewater projects completed by FY2026/27).

- 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 FY2023/24 budget to FY2024/25 budget by 2.1%. Based on the amount of investments in capital projects, the trend reflects increases in future periods. In the four years from FY2025/26 through FY2028/29 the increase in expense is projected to be 14.2%, 18.7%, 11.6%, and 6.2%.

- Given the current trend with interest rates and projected Water cash balance, it is anticipated investment earnings will increase significantly in FY2024/25 from FY2023/24 budget. Investment earnings in FY2025/26 over proposed FY2024/25 are anticipated to be lower as the cash balance declines along with anticipated Federal Reserve interest rate reductions. Interest is projected to continue to decline in FY2026/27 and FY2027/28 as a result of utilizing existing cash balances to cover expenses then show no earnings in FY2028/29 as cash is depleted.

- 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 FY2023/24 budget to proposed FY2024/25 budget, benefit charges are estimated to decrease slightly to $500K. The projections are anticipated to increase in FY2025/26 and FY2026/27 to $550K and then increase to $600K in each FY2027/28 and FY2028/29 related to development.

- The projections for Maryland Department of the Environment (MDE) Loan Program Bond financing reflected in years FY2024/25, FY2027/28 and FY2028/29 include a low interest rate at 2.5% for a twenty year term and at 2.5% for twenty and thirty year terms in FY2025/26 and FY2026/27. 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 occured in FY2023/24. In addition, FY2028/29 includes loan forgiveness of $251K from MDE bond financing for the R.C. Willson Plants travelling screens replacement.

- 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 decline from an anticipated loss of <$2.4M> in FY2024/25 to a gain of $2.2M in FY2028/29.

- The ending total cash balance projection will decrease from $13.4M in FY2024/25 to <$7.0M> in FY2028/29 primarily as a result of significant capital projects and annual debt service requirements scheduled in future periods. 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.

WATER FUND PROJECTIONS
FISCAL YEAR 2025/29
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Operating Revenues										
Service Charges										
Metered City Water	$ 2,772	$ 2,793	$ 2,846	$ 2,865	$ 2,875	14/3%	$ 3,278	$ 3,736	$ 4,259	$ 4,387
Metered County Water	9,472	9,917	10,201	10,420	10,480	14/3%	11,947	13,620	15,527	15,992
Total Service Charges	**12,244**	**12,710**	**13,047**	**13,285**	**13,355**		**15,225**	**17,356**	**19,786**	**20,380**
Other Operating Revenues	987	956	1,216	1,016	1,046	0.5%	1,051	1,056	1,061	1,067
Total Operating Revenue	**13,231**	**13,666**	**14,263**	**14,301**	**14,401**		**16,275**	**18,412**	**20,847**	**21,446**
Operating Expenses										
Source of Supply	125	156	1,059	1,051	308	1.5%	313	317	322	327
Pumping & Water Treatment	4,529	4,512	5,995	4,512	5,355	2.0%	5,463	5,572	5,683	5,797
Transmission & Distribution	2,352	2,645	2,681	2,581	2,749	2.0%	2,804	2,860	2,918	2,976
Selling, General & Administration	2,708	2,583	4,101	3,860	5,917	1.5%	6,006	5,002	5,077	5,153
Total Operating Expenses	**9,713**	**9,895**	**13,836**	**12,005**	**14,330**		**14,585**	**13,752**	**14,000**	**14,253**
Cash Operating Income (Loss)	**3,518**	**3,771**	**427**	**2,296**	**71**		**1,690**	**4,660**	**6,847**	**7,193**
Depreciation	3,883	3,936	4,144	4,014	4,229		4,828	5,732	6,398	6,792
Operating Income (Loss)	**(365)**	**(165)**	**(3,717)**	**(1,718)**	**(4,158)**		**(3,138)**	**(1,071)**	**449**	**401**
Non-Operating Revenues (Expenses)										
Interest Earned	4	419	200	1,400	1,400		500	200	50	0
Premium on Bonds	4	4	4	4	4		4	4	4	4
Interest/Bond Issuance Expense	(378)	(351)	(375)	(362)	(347)		(541)	(874)	(1,112)	(1,208)
Gain (Loss) on Sale of Capital Assets	(56)	7	-	20	5		5	5	5	5
Total Non-Operating Revenue (Expense)	**(426)**	**78**	**(171)**	**1,062**	**1,063**		**(32)**	**(665)**	**(1,052)**	**(1,199)**
Net Income (Loss) Before Operating Transfers	**(791)**	**(87)**	**(3,889)**	**(656)**	**(3,096)**		**(3,171)**	**(1,736)**	**(604)**	**(798)**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(12)	(30)	(8)	(8)	(66)		(22)	(23)	(23)	(23)
Transfers from Health Insurance Fund	83	95	-	-	-		-	-	-	-
Total Transfers From (To) Other Funds	**72**	**64**	**(8)**	**(8)**	**(66)**		**(22)**	**(23)**	**(23)**	**(23)**
Capital Contributions										
Benefits Charges	1,637	1,738	503	500	500		550	550	600	600
Grants in Aid of Construction	-	-	250	500	-		-	-	-	-
MDE Loan Forgiveness	-	-	1,500	1,500	-		-	-	-	251
Non Cash Developer Contributions	1,419	-	300	250	250		700	1,650	1,550	2,150
Capital Contributions	**3,055**	**1,738**	**2,553**	**2,750**	**750**		**1,250**	**2,200**	**2,150**	**3,001**
Increase (Decrease) in Retained Earnings	**2,336**	**1,716**	**(1,344)**	**2,086**	**(2,412)**		**(1,942)**	**441**	**1,524**	**2,180**
Adjust to a Cash Flow Basis										
Add Back Depreciation	3,883	3,936	4,144	4,014	4,229		4,828	5,732	6,398	6,792
Principal Payments on Long-term Debt	(1,692)	(1,691)	(1,721)	(1,721)	(1,735)		(1,685)	(2,955)	(4,070)	(5,128)
Non-Cash Developer Contributions	(1,419)	-	(300)	(250)	(250)		(700)	(1,650)	(1,550)	(2,150)
MDE Loan Forgiveness	-	-	(1,500)	(1,500)	-		-	-	-	(251)
Changes in Working Capital	962	(909)	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**1,734**	**1,336**	**623**	**543**	**2,244**		**2,443**	**1,127**	**779**	**(736)**
Cash Available for Capital Outlay	**4,071**	**3,052**	**(721)**	**2,629**	**(168)**		**501**	**1,568**	**2,302**	**1,444**
Capital Outlay										
Non-Growth Related	799	1,047	7,277	3,155	7,377		30,795	19,880	10,545	7,165
Growth Related	1,435	14	679	540	686		9,100	12,500	10,400	3,400
Total Capital Outlay	**2,235**	**1,061**	**7,957**	**3,695**	**8,063**		**39,895**	**32,380**	**20,945**	**10,565**
Cash After Capital Outlay	**1,836**	**1,991**	**(8,678)**	**(1,066)**	**(8,231)**		**(39,394)**	**(30,812)**	**(18,643)**	**(9,121)**
Additional Funding										
MDE Bond Financing	-	-	2,500	-	2,750		31,500	26,000	15,000	5,000
Total Additional Funding	**0**	**0**	**2,500**	**0**	**2,750**		**31,500**	**26,000**	**15,000**	**5,000**
Net Surplus (Deficit)	**$ 1,836**	**$ 1,991**	**$ (6,178)**	**$ (1,066)**	**$ (5,481)**		**$ (7,894)**	**$ (4,812)**	**$ (3,643)**	**$ (4,121)**
Beginning Cash Balance	$ 16,158	$ 17,994	$ 19,986	$ 19,986	$ 18,920		$ 13,439	$ 5,545	$ 734	$ (2,909)
Ending Cash Balance	$ 17,994	$ 19,986	$ 13,808	$ 18,920	$ 13,439		$ 5,545	$ 734	$ (2,909)	$ (7,030)
Unrestricted Cash Balance - Beginning	$ 10,452	$ 12,055	$ 13,475	$ 13,475	$ 12,799		$ 7,654	$ 1,660	$ (2,301)	$ (5,094)
Unrestricted Cash Balance - Ending	$ 12,055	$ 13,475	$ 7,826	$ 12,799	$ 7,654		$ 1,660	$ (2,301)	$ (5,094)	$ (8,965)
Restricted Cash Balance - Beginning	$ 5,706	$ 5,939	$ 6,511	$ 6,511	$ 6,121		$ 5,785	$ 3,885	$ 3,035	$ 2,185
Restricted Cash Balance - Ending	$ 5,939	$ 6,511	$ 5,982	$ 6,121	$ 5,785		$ 3,885	$ 3,035	$ 2,185	$ 1,935
Dividend Affordability Formula:										
Operating & Maintenance Expenses	$ 9,713	$ 9,895	$ 13,836	$ 12,005	$ 14,330		$ 14,585	$ 13,752	$ 14,000	$ 14,253
Reserved Retained Earnings (2 Months)	$ 1,619	$ 1,649	$ 2,306	$ 2,001	$ 2,388		$ 2,431	$ 2,292	$ 2,333	$ 2,376
Cash in Excess of Reserve after Dividend	$ 10,436	$ 11,826	$ 5,520	$ 10,798	$ 5,266		$ (770)	$ (4,593)	$ (7,427)	$ (11,341)

WATER FUND PROJECTIONS
FISCAL YEAR 2025/29
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Water Vehicles-C0117	$ 130	$ 261	$ 512	$ 500	$ 440		$ 185	$ 300	$ 345	$ 345
R.C. Willson Plant Improvements-C0166	35	131	1,491	750	1,650		2,500	750	750	750
Willson Transmission Main-C0167	-	-	700	250	700		15,700	15,700	5,700	5,700
Edgemont Reservoir Improvements-C0168	-	-	900	520	250		250	250	250	250
Risk and Resiliency/Security-C0322	164	123	140	15	100		150	150	50	50
Breichner WTP Improvements-C0405	-	-	-	10	20		20	20	20	20
Administrative/Engineering Equip.-C0648	-	-	9	150	263		-	-	-	-
Pump Station Improvements-C0651	-	-	125	100	145		575	1,525	1,425	2,025
Distribution Services-C0653	363	401	340	250	575		575	575	575	575
Distribution System Rehabilitation-C0709	1,385	132	720	300	670		690	710	730	750
Laboratory Equipment-C0745	22	-	-	-	-		-	-	-	-
Water System SCADA Improvements-C0820	136	14	100	100	100		100	100	100	100
Antietam Creek Intake and Water Plant-C0823	-	-	-	-	250		7,000	11,000	11,000	-
Water Zone #5 System Improvements-C0877	-	-	520	750	250		9,900	1,300	-	-
Mack Water Tank - C0274	-	-	2,400	-	2,650		2,250	-	-	-
Total Capital Outlay	**$ 2,235**	**$ 1,061**	**$ 7,957**	**$ 3,695**	**$ 8,063**		**$ 39,895**	**$ 32,380**	**$ 20,945**	**$ 10,565**
Schedule B - Capital Outlay Detail										
Capital Outlay										
Non-Growth Related										
Cash Funded										
Water Vehicles-C0117	$ 130	$ 261	$ 512	$ 500	$ 440		$ 185	$ 300	$ 345	$ 345
R.C. Willson Plant Improvements-C0166	31	131	1,341	600	1,650		2,000	600	600	600
Willson Transmission Main-C0167	-	-	700	250	200		700	700	700	700
Edgemont Reservoir Improvements-C0168	-	-	400	520	250		250	250	250	250
Risk and Resiliency/Security-C0322	164	123	140	15	100		150	150	50	50
Breichner WTP Improvements-C0405	-	-	-	10	20		20	20	20	20
Administrative/Engineering Equip.-C0648	-	-	5	75	131		-	-	-	-
Pump Station Improvements-C0651	-	-	110	85	116		125	125	125	125
Distribution Services-C0653	216	401	340	250	575		575	575	575	575
Distribution System Rehabilitation-C0709	114	132	210	-	420		440	460	480	500
Laboratory Equipment-C0745	22	-	-	-	-		-	-	-	-
Water System SCADA Improvements-C0820	122	-	100	100	100		100	100	100	-
Antietam Creek Intake and Water Plant-C0823		-	-	-	75		600	300	300	0
Water Zone #5 System Improvements-C0877	-	-	520	750	-		400	300	-	-
Mack Water Tank - C0274	-	-	400	-	650		250	-	-	-
Total Cash Funding	**799**	**1,047**	**4,777**	**3,155**	**4,727**		**5,795**	**3,880**	**3,545**	**3,165**
MDE Bond Funded										
Willson Transmission Main-C0167	-	-	-	-	400		12,000	12,000	4,000	4,000
Edgemont Reservoir Improvements-C0168	-	-	500	-	-		-	-	-	-
Mack Water Tank - C0274	-	-	2,000	-	2,000		2,000	-	-	-
Antietam Creek Intake and Water Plant-C0823	-	-	-	-	-		1,500	3,000	3,000	
Water Zone #5 System Improvements-C0877	-	-	-	-	250		9,500	1,000	-	-
Total MDE Bond Funding	**0**	**0**	**2,500**	**0**	**2,650**		**25,000**	**16,000**	**7,000**	**4,000**
Total Non-Growth Related Capital Outlay	**799**	**1,047**	**7,277**	**3,155**	**7,377**		**30,795**	**19,880**	**10,545**	**7,165**
Growth Related										
Contributions by Others										
Distribution Services-C0653	147	-	-	-	-		-	-	-	-
Pump Station Improvements-C0651	-	-	-	-	-		450	1,400	1,300	1,900
Distribution System Rehabilitation-C0709	1,271	-	300	250	250		250	250	250	250
Total Contributions by Developers	**1,418**	**0**	**300**	**250**	**250**		**700**	**1,650**	**1,550**	**2,150**
Benefit Charges/Restricted Cash Funded										
R.C. Willson Plant Improvements-C0166	3	-	150	150	-		500	150	150	150
Administrative/Engineering Equip.-C0648	-	-	4	75	132		-	-	-	-
Pump Station Improvements-C0651	-	-	15	15	29		-	-	-	-
Distribution System Rehabilitation-C0709	-	-	210	50	-		-	-	-	-
Antietam Creek Intake and Water Plant-C0823		-	-	-	175		1,400	700	700	-
Water System SCADA Improvements-C0820	14	14	-	-			-	-	-	100
Total Benefit Charge Funded	**17**	**14**	**379**	**290**	**336**		**1,900**	**850**	**850**	**250**
MDE Bond Funded										
Willson Transmission Main-C0167	-	-	-	-	100		3,000	3,000	1,000	1,000
Antietam Creek Intake and Water Plant-C0823	-	-	-	-	-		3,500	7,000	7,000	-
Total MDE Bond Funding	**0**	**0**	**0**	**0**	**100**		**6,500**	**10,000**	**8,000**	**1,000**
Total Growth Related Capital Outlay	**1,435**	**14**	**679**	**540**	**686**		**9,100**	**12,500**	**10,400**	**3,400**
Total Capital Outlay	**$ 2,235**	**$ 1,061**	**$ 7,957**	**$ 3,695**	**$ 8,063**		**$ 39,895**	**$ 32,380**	**$ 20,945**	**$ 10,565**

- Total service charge revenue projections reflect a 3.0% average increase in the FY2024/25 proposed budget. Per preliminary projections from a new cost rate study currently in process, an annual rate increase of 13.0% is anticipated for three years and is included in projections for FY2025/26 through FY2027/28 followed by 3% for FY2028/29. In FY2025/26, 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 13.0% rate increase is applied.

- Total operating expenses (excluding depreciation) increased by 9.9% from the FY2023/24 budget compared to the proposed budget for FY2024/25. A portion of this increase is reflected in the “Plant Expenses” category as a result of increases to salaries and wages, costs to repair equipment and in chemical costs. In addition “Collection Systems” reflect increases in communication and fixed equipment, pipe and fittings, stone-blacktop and concrete, and salaries and wages. Overall estimated expenses are projected to increase from FY2025/26 to FY2028/29 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 FY2024/25 budget will increase by 8.2% from the current FY2023/24 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 FY2025/26 through FY2028/29 the estimated increases in expense reflect growth of 11.6%, 10.2%, 6.3%, and 3.5%.

- With the anticipation for upcoming market rate reductions, combined with the projected decline in the cash balance, it is anticipated that there will be a decrease in investment interest earnings in FY2025/26 over proposed FY2024/25. Investment earnings are expected to show no earnings in FY2026/27 through FY2028/29 based on negative 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 decrease over the FY2023/24 budget due to timing of new development. From our current FY2023/24 budget to the proposed FY2024/25 budget, benefit charges are estimated to remain at $500K. From FY2025/26 to FY2026/27 benefit charges are projected to be at $550K annually before increasing to $600K in FY2027/28 and FY2028/29.

- 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 $4.7M in FY2024/25 to a gain of $1.9M in FY2028/29.

- The projections for Maryland Department of the Environment (MDE) Loan Program Bond financing reflected in years FY2024/25 through FY2028/29 include a low interest rate at 2.5% for a twenty year term. In addition, MDE bonds include an administrative fee of 5.0% of debt service issued annually.

- The ending total cash balance projections reflect a decrease from $2.9M in FY2024/25 to <$9.2M> in FY2028/29 as a result of capital improvement costs being funded with cash on hand. 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. However, based on current utilization projections, this restricted cash balance would be $0 at the end of each fiscal year beginning in FY2026/27.

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2025/29
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Operating Revenues										
Service Charges										
Metered City Sewer	$ 7,799	$ 8,032	$ 8,017	$ 7,980	$ 8,219	13/3%	$ 9,288	$ 10,495	$ 11,860	$ 12,216
Metered County Sewer	3,629	3,742	3,032	3,720	$ 3,832	13/3%	4,330	4,893	5,529	5,694
Metered Joint Sewer	2,739	2,774	2,741	2,815	$ 2,899	13/3%	1,638	1,851	2,092	2,155
Low -Pressure System Charge	105	106	111	109	$ 112	0.0%	111	111	111	111
Total Service Charges	**14,272**	**14,654**	**13,901**	**14,624**	**15,063**		**15,367**	**17,350**	**19,591**	**20,176**
Other Operating Revenues	385	335	177	322	297	0.5%	298	299	301	302
Total Operating Revenue	**14,657**	**14,988**	**14,079**	**14,946**	**15,359**		**15,665**	**17,650**	**19,892**	**20,478**
Operating Expenses										
Plant Expenses	5,477	5,277	6,156	6,032	6,667	1.5%	6,767	6,868	6,971	7,076
Laboratory Expenses	303	364	383	373	437	2.0%	446	455	464	473
Collection Systems	1,590	1,495	1,642	1,517	1,987	2.0%	2,027	2,067	2,109	2,151
Selling, General & Administration	2,703	3,926	3,942	3,725	4,227	1.5%	4,290	4,355	4,420	4,486
Total Operating Expenses	**10,073**	**11,062**	**12,123**	**11,647**	**13,318**		**13,530**	**13,745**	**13,964**	**14,186**
Cash Operating Income (Loss)	**4,584**	**3,926**	**1,955**	**3,299**	**2,041**		**2,135**	**3,904**	**5,928**	**6,292**
Depreciation	2,696	3,107	3,334	3,279	3,609		4,027	4,436	4,717	4,882
Operating Income (Loss)	**1,888**	**819**	**(1,379)**	**20**	**(1,568)**		**(1,893)**	**(532)**	**1,211**	**1,410**
Non-Operating Revenues (Expenses)										
Intergovernmental Revenue	141	-	-	-	320		-	-	-	-
Interest Earned	2	296	15	545	545		150	-	-	-
Premium on Bonds	4	4	4	4	4		4	4	4	4
Interest/Bond Issuance Expense	(250)	(230)	(239)	(239)	(224)		(252)	(345)	(381)	(371)
Gain (Loss) on Sale of Capital Assets	10	36	2	-	2		2	2	2	2
Total Non-Operating Revenues (Expenses)	**(93)**	**106**	**(219)**	**310**	**646**		**(96)**	**(339)**	**(374)**	**(365)**
Net Income (Loss) Before Operating Transfers	**1,795**	**926**	**(1,597)**	**330**	**(922)**		**(1,989)**	**(870)**	**837**	**1,045**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund	(12)	(30)	(8)	(8)	(66)		(22)	(23)	(23)	(23)
Transfer from Health Insurance Fund	71	86	-	-	-		-	-	-	-
Total Transfers From (To) Funds	**60**	**55**	**(8)**	**(8)**	**(66)**		**(22)**	**(23)**	**(23)**	**(23)**
Capital Contributions										
Benefits Charges	1,781	1,003	500	350	500		550	550	600	600
Intergovernmental Revenue- ARPA	415	-	5,461	3,041	1,700		-	-	-	-
Intergovernmental Revenue- Capital	265	440	1,100	320	3,220		1,000	-	-	-
Non-Cash Developers Contributions	193	-	150	100	250		250	250	250	250
Total Capital Contributions	**2,654**	**1,443**	**7,210**	**3,810**	**5,670**		**1,800**	**800**	**850**	**850**
Increase (Decrease) in Retained Earnings	**4,508**	**2,424**	**5,605**	**4,132**	**4,682**		**(210)**	**(93)**	**1,664**	**1,873**
Adjust Retained Earnings to a Cash Flow Basis										
Add Back Depreciation	2,696	3,107	3,334	3,279	3,609		4,027	4,436	4,717	4,882
Principal Payments on Current Long-Term Debt	(1,483)	(1,391)	(1,412)	(1,412)	(1,412)		(1,145)	(1,637)	(2,101)	(2,172)
Non-Cash Developers Contributions	(193)	-	(150)	(100)	(250)		(250)	(250)	(250)	(250)
Changes in Working Capital	(484)	332	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**537**	**2,048**	**1,772**	**1,767**	**1,947**		**2,633**	**2,549**	**2,366**	**2,460**
Cash Available for Capital Outlay	**5,046**	**4,472**	**7,377**	**5,899**	**6,629**		**2,422**	**2,455**	**4,030**	**4,332**
Capital Outlay										
Non-Growth Related	1,370	1,621	4,179	4,836	11,681		15,486	14,583	6,545	5,535
Growth Related	315	22	5,115	3,015	4,514		1,794	812	540	550
Total Capital Outlay	**1,685**	**1,643**	**9,294**	**7,851**	**16,195**		**17,280**	**15,395**	**7,085**	**6,085**
Cash After Capital Outlay	**3,360**	**2,829**	**(1,918)**	**(1,952)**	**(9,566)**		**(14,858)**	**(12,940)**	**(3,055)**	**(1,753)**
MDE Bond Financing	-	-	-	-	1,500		9,200	8,500	900	1,900
Total Additional Funding	**-**	**-**	**-**	**-**	**1,500**		**9,200**	**8,500**	**900**	**1,900**
Net Surplus (Deficit)	**$ 3,360**	**$ 2,829**	**$ (1,918)**	**$ (1,952)**	**$ (8,066)**		**$ (5,658)**	**$ (4,440)**	**$ (2,155)**	**$ 147**
Total Cash Balance - Beginning	$ 6,720	$ 10,080	$ 12,909	$ 12,909	$ 10,957		$ 2,892	$ (2,766)	$ (7,206)	$ (9,360)
Total Cash Balance - Ending	$ 10,080	$ 12,909	$ 10,991	$ 10,957	$ 2,892		$ (2,766)	$ (7,206)	$ (9,360)	$ (9,213)
Unrestricted Cash Balance - Beginning	$ 4,949	$ 8,009	$ 10,339	$ 10,339	$ 8,044		$ 1,356	$ (3,514)	$ (7,205)	$ (9,361)
Unrestricted Cash Balance - Ending	$ 8,009	$ 10,339	$ 9,274	$ 8,044	$ 1,356		$ (3,514)	$ (7,205)	$ (9,361)	$ (9,213)
Restricted Cash Balance & 3R's - Beginning	$ 1,771	$ 2,071	$ 2,570	$ 2,570	$ 2,913		$ 1,536	$ 747	$ (0)	$ 0
Restricted Cash Balance & 3R's - Ending	$ 2,071	$ 2,570	$ 1,717	$ 2,913	$ 1,536		$ 747	$ (0)	$ 0	$ 0
Dividend Affordability Formula:										
Operating & Maintenance Expenses	$ 10,073	$ 11,062	$ 12,123	$ 11,647	$ 13,318		$ 13,530	$ 13,745	$ 13,964	$ 14,186
Reserved Retained Earnings (2 Months)	$ 1,679	$ 1,844	$ 2,021	$ 1,941	$ 2,220		$ 2,255	$ 2,291	$ 2,327	$ 2,364
Cash in Excess of Reserve after Dividend	$ 6,330	$ 8,495	$ 7,254	$ 6,103	$ (864)		$ (5,769)	$ (9,496)	$ (11,688)	$ (11,577)

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2025/29
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Sewer Vehicles-C0004	$ 525	$ 765	$ 240	$ 250	$ 370		$ 120	$ 210	$ 100	$ 150
Manhole Raising-C0267	-	-	150	50	1,100		1,100	1,100	1,100	1,100
Pump Station #11 Generator -C0352	-	-	41	41	-		-	-	-	-
Pump Station Improvements-C0299	17	90	100	75	100		100	100	100	100
Collection System Rehabilitation-C0327	70	-	-	-	-		-	-	-	-
East End Pump Station-C0565	-	118	1,650	3,750	2,890		-	-	-	-
PS 13 Reconstruction Project-C0574	-	-	3,295	-	2,650		1,100	-	-	-
WWTP Equipment-C0584	458	365	1,176	1,300	6,000		11,000	10,000	1,000	1,000
Buildings & Structures-C0585	52	75	337	150	500		275	50	50	50
WWTP - Phase III - Disinfection-C0657	13	-	170	10	200		200	20	20	20
WWTP/Phase V/Solids Processing-C0711	-	75	150	150	200		250	250	250	250
Synagro Facility Upgrade Improvements-C0712	246	-	300	500	600		470	2,750	3,150	1,100
Collection System Equipment-C0713	28	-	-	-	-		-	-	-	-
Laboratory Equipment-C0745	16	-	846	150	1,295		2,125	25	25	25
Grinder Pump Replacement-C0767	60	89	125	25	125		125	125	125	125
SSES City Wide-C0800	6	-	500	1,400	-		-	-	-	-
Eliminate Pump Station #12-C0832	-	67	50	-	-		250	600	1,000	2,000
New Laterals-C0834	193	-	165	-	165		165	165	165	165
Total Capital Outlay	**$ 1,685**	**$ 1,643**	**$ 9,294**	**$ 7,851**	**$ 16,195**		**$ 17,280**	**$ 15,395**	**$ 7,085**	**$ 6,085**
Schedule B - Capital Outlay Detail										
Capital Outlay Non-Growth Related										
Cash Funded										
Sewer Vehicles-C0004	110	765	240	250	296		96	168	80	120
Manhole Raising-C0267	-	-	150	50	1,000		1,000	1,000	1,000	1,000
Pump Station Improvements-C0299	13	67	80	60	80		80	80	80	80
Collection System Rehabilitation-C0327	35	-	-	-	-		-	-	-	-
East End Pump Station-C0565	-	118	-	750	1,190		-	-	-	-
PS 13 Reconstruction Project-C0574	-	-	-	-	930		100	-	-	-
WWTP Equipment-C0584	233	365	856	980	2,250		1,500	1,500	750	750
Buildings & Structures-C0585	52	75	337	150	500		275	50	50	50
WWTP Phase III Disinfection-C0657	9	-	170	10	200		200	20	20	20
WWTP/Phase V/Solids Processing-C0711	-	75	150	150	200		250	250	250	250
Synagro Facility Upgrade Improvements-C0712	172	-	300	500	600		470	2,750	3,150	1,100
Collection System Equipment-C0713	28	-	-	-	-		-	-	-	-
Laboratory Equipment-C0745	16	-	846	150	1,295		2,125	25	25	25
Grinder Pump Replacement-C0767	60	89	125	25	125		125	125	125	125
SSES City Wide-C0800	-	-	250	1,400	-		-	-	-	-
Eliminate Pump Station #6 & #15-C0832	-	67	50	-	-		50	100	100	100
New Laterals-C0834	-	-	15	-	15		15	15	15	15
Total Cash Funding	**730**	**1,621**	**3,568**	**4,475**	**8,681**		**6,286**	**6,083**	**5,645**	**3,635**
Grants in Aid of Construction										
Camera Rig Truck - C0004 (ARPA)	415	-	-	-	-		-	-	-	-
WWTP Equipment-C0584 (MDE)	225	-	320	320	1,500		-	-	-	-
Pump Station #11 Generator -C0352 (ARPA)	-	-	41	41	-		-	-	-	-
SSES City Wide-C0800 (ARC)	-	-	250	-	-		-	-	-	-
Total Grant in Aid of Construction	**640**	**-**	**611**	**361**	**1,500**		**-**	**-**	**-**	**-**
MDE Bond Funded										
WWTP Equipment-C0584	-	-	-	-	1,500		9,000	8,000	-	-
Eliminate Pump Station #6 & #15-C0832	-	-	-	-	-		200	500	900	1,900
Total MDE Bond Funding	**-**	**-**	**-**	**-**	**1,500**		**9,200**	**8,500**	**900**	**1,900**
Total Non-Growth Related Capital Outlay	**1,370**	**1,621**	**4,179**	**4,836**	**11,681**		**15,486**	**14,583**	**6,545**	**5,535**
Growth Related										
Grants in Aid of Construction										
East End Pump Station-C0565 (ARPA)	-	-	1,650	3,000	1,700		-	-	-	-
PS 13 Reconstruction Project-C0574 (ARPA)	-	-	2,765	-	-		-	-	-	-
PS 13 Reconstruction Project-C0574 (ARC)	-	-	530	-	780		-	-	-	-
PS 13 Reconstruction Project-C0574 (MDE)	-	-	-	-	940		1,000	-	-	-
Total Grants in Aid of Construction	**-**	**-**	**4,945**	**3,000**	**3,420**		**1,000**	**-**	**-**	**-**
Contributions by Developers										
Manhole Raising-C0267	-	-	-	-	100		100	100	100	100
Trunk Lines and Laterals -C0834	193		150	-	150		150	150	150	150
Total Developer Contributions	**193**	**-**	**150**	**-**	**250**		**250**	**250**	**250**	**250**
Benefit Charges/Restricted Cash Funded										
Sewer Vehicles-C0004	-	-	-	-	74		24	42	20	30
Pump Station Improvements-C0299	4	22	20	15	20		20	20	20	20
Collection System Rehabilitation-C0327	35	-	-	-	-		-	-	-	-
WWTP - Phase II Improvements-C0567	4	-	-	-	-		-	-	-	-
WWTP Equipment-C0584	-	-	-	-	750		500	500	250	250
Synagro Facility Upgrade Improvements -C0712	74	-	-	-	-		-	-	-	-
SSES City Wide -C0800	6	-	-	-	-		-	-	-	-
Total Benefit Charge Funding	**122**	**22**	**20**	**15**	**844**		**544**	**562**	**290**	**300**
Total Growth Related Capital Outlay	**315**	**22**	**5,115**	**3,015**	**4,514**		**1,794**	**812**	**540**	**550**
Total Capital Outlay	**$ 1,685**	**$ 1,643**	**$ 9,294**	**$ 7,851**	**$ 16,195**		**$ 17,280**	**$ 15,395**	**$ 7,085**	**$ 6,085**

- Parking rates were last increased for the parking decks and parking lots by Mayor & Council on July 1, 2021. While no rate increases are reflected separately for FY25, rates are being reviewed to determine overall pricing strategy for rates in the two parking decks and the new HUB Garage. Current parking deck rates in University District and A&E 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 FY2025/26 through FY2028/29.

- The City's third parking deck is being 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 will 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 365 available spaces in the new deck. Additionally, HUB parking garage expenses and fees are included in the projections and are based on average expenditure trends reflected in our existing two decks for FY2025/26 then 3.5% thereafter. With the inclusion of a third parking garage, it is projected that there will be a growth in the deficit in FY2023/24, after spending the $10.0M in bond proceeds received in FY23.

- Total operating expenses (excluding depreciation) increased by 8.9% from the FY2023/24 budget compared to the budget proposed for FY2024/25. This increase is reflected in operating costs associated with opening and maintaining the HUB Parking Garage while reducing operating expenses for the Arts and Entertainment Deck and the Parking Lots. Based on historical trends, the projections will include increases in future periods. With an increase in the third parking garage operational costs, the increase in FY2025/26 is estimated to be 13.9%. The overall increase for all future periods from FY2026/27 through FY2027/28 is estimated at 3.1% annually and 3.2% in FY2028/29.

- Depreciation expense is expected to increase from FY2023/24 to FY2024/25 budget by 100.2% or $263.4K as a result of the addition of the $10.2M HUB Parking Garage and a full year of depreciation to be recorded in FY2024/25. Depreciation expense is estimate to grow by 1.9% in FY2025/26 and by estimated increases annually of 0.19%, 0.37% and 0.19% from FY2026/27 through FY2028/29.

- As a combined result of a larger cash balance and the current interest market, it is projected that interest earnings will increase in FY2024/25 proposed over the FY2023/24 budget. The interest earned will be significantly reduced in FY2024/25 compared to estimated FY2023/24 actual as the interest being earned on the $10.6M bond issue will no longer be applicable as all bond proceeds will be spent. With the forecasted projections of reduced interest rates and declining cash balances it is anticipated that investment earnings will decrease from FY2025/26 through FY2028/29.

- The city received $10.6M in FY2023/24 through a Bond Anticipation note to be paid off in FY2024/25 by a bond issuance of $10.6M. The future bond interest rates for the new parking deck are estimated at a rate of 5.25% over 25 years. 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 gain of $84K in FY2023/24 to a loss of <$607K> in FY2028/29 due to significant increases in depreciation and debt service expenses for HUB garage.

- The ending total cash balance projection will decrease from $805K in FY2024/25 to <$1.5M> in FY2028/29 primarily as a result of the HUB parking garage capital project and annual debt service requirements scheduled in future periods.

PARKING FUND PROJECTIONS
FISCAL YEAR 2025/2029
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Operating Revenues										
Parking Deck Revenues										
University District Parking Deck										
Parking Deck Permits	$ 234	$ 252	$ 236	$ 240	$ 240	2.5%	$ 246	$ 252	$ 258	$ 265
Parking Deck Fees	44	46	40	45	45	2.5%	46	47	48	50
General Free Parking	(3)	(3)	(1)	(2)	(2)	1.5%	(2)	(2)	(2)	(2)
Validations	26	28	26	40	30	1.5%	30	31	31	32
Other Revenues	-	-	-	2	-		-	-	-	-
Arts & Entertainment Parking Deck										
Parking Deck Permits	128	128	110	150	150	2.5%	154	158	162	166
Parking Deck Fees	110	104	95	95	95	2.5%	97	100	102	105
HUB Parking Garage										
Parking Deck Permits	-	-	-	-	220	2.5%	226	231	237	243
Parking Deck Fees	-	-	-	-	100	2.5%	103	105	108	110
Total Parking Deck Revenue	**539**	**557**	**506**	**570**	**878**		**900**	**922**	**945**	**968**
Parking Meter & Lot Revenues										
Street Meters	85	92	82	82	82	1.5%	98	100	101	103
Free Parking	(3)	(3)	(3)	(3)	(3)	0.0%	(3)	(3)	(3)	(3)
Market House Lot	38	6	-	-	-	0.0%	-	-	-	-
Church Street Lot	45	50	50	63	65	1.5%	66	67	68	69
Rochester Lot	5	19	11	20	11	1.5%	11	12	12	12
Central Lot	130	99	94	110	92	1.5%	93	95	96	98
Antietam St. Lot	15	17	14	20	14	1.5%	14	14	15	15
Bryan Centre Lot	0	0	0	0	0	0.0%	0	0	0	0
Departmental Charges	27	21	22	23	25	1.5%	25	25	26	26
Total Parking Meter & Lot Revenue	**342**	**300**	**269**	**316**	**285**		**305**	**309**	**314**	**319**
Parking Enforcement	**149**	**137**	**148**	**115**	**113**	1.5%	**134**	**136**	**138**	**140**
Other Operating Revenues										
Other Revenues	1	1	1	1	1		1	1	2	2
Total Other Operating Revenue	**1**	**1**	**1**	**1**	**1**		**1**	**1**	**2**	**2**
Total Operating Revenue	**1,030**	**996**	**924**	**1,001**	**1,277**		**1,340**	**1,368**	**1,399**	**1,429**
Operating Expenses										
HUB Parking Garage	-	4	-	23	126	3.5%	234	242	251	259
University District Parking Deck	157	157	219	219	219	3.5%	226	234	242	251
Arts & Entertainment Parking Deck	207	199	252	217	233	3.5%	241	250	259	268
Parking Lots	198	248	295	239	236	2.5%	242	248	255	261
Parking Enforcement Expenses	87	81	110	90	139	2.5%	143	146	150	154
Total Operating Expense	**648**	**690**	**876**	**788**	**954**		**1,087**	**1,121**	**1,156**	**1,193**
Cash Operating Income (Loss)	**382**	**305**	**47**	**213**	**323**		**253**	**248**	**243**	**236**
Depreciation	267	249	263	524	526		536	537	539	540
Operating Income (Loss)	**115**	**56**	**(216)**	**(311)**	**(204)**		**(283)**	**(290)**	**(296)**	**(304)**
Non-Operating Revenue (Expense)										
Interest Earned	0	80	21	432	49		20	5	-	-
Interest/Bond Issuance Expense	(15)	(91)	(533)	(533)	(326)		(306)	(304)	(303)	(301)
Gain (loss) on Sale of Capital Assets	-	325	-	-	-		-	-	-	-
Total Non-Operating Revenue (Expense)	**(14)**	**314**	**(512)**	**(100)**	**(277)**		**(286)**	**(299)**	**(303)**	**(301)**
Net Income (Loss) Before Operating Transfers	**101**	**370**	**(728)**	**(411)**	**(481)**		**(569)**	**(589)**	**(599)**	**(605)**
Transfers From (To) Other Funds										
Transfers from Economic Development Fund	-	700	500	500	-		-	-	-	-
Transfers (to) Capital Improvements Fund	(2)	(5)	(5)	(5)	(11)		(2)	(2)	(2)	(2)
Total Transfers From (To) Other Funds	**(2)**	**695**	**495**	**495**	**(11)**		**(2)**	**(2)**	**(2)**	**(2)**
Capital Contributions										
Intergovernmental Revenue-ARPA	24	-	-	-	-		-	-	-	-
Capital Contributions	**24**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**124**	**1,065**	**(232)**	**84**	**(492)**		**(571)**	**(591)**	**(601)**	**(607)**

PARKING FUND PROJECTIONS
FISCAL YEAR 2025/2029
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Adjust to a Cash Flow Basis										
Add Back Depreciation	$ 267	$ 249	$ 263	$ 524	$ 526		$ 536	$ 537	$ 539	$ 540
Changes in Working Capital	36	(233)	-	-	-		-	-	-	-
Principal Payments on Long-Term Debt.	(69)	(31)	(33)	(33)	(10,634)		(472)	(474)	(475)	(477)
Total Adjustments to Retained Earnings	**233**	**(16)**	**230**	**491**	**(10,107)**		**63**	**63**	**64**	**64**
Cash Available for Capital Outlay	**357**	**1,050**	**(2)**	**576**	**(10,600)**		**(507)**	**(528)**	**(537)**	**(543)**
Capital Outlay										
Parking Facilities 3rd Parking Deck - C0173	114	1,397	10,210	11,580	10		10	10	10	10
Parking Lot Former M&T Building -ARP06	24	-	-	-	-		-	-	-	-
Upgrades to Parking Decks - C0749	-	-	15	-	15		10	10	10	10
Vehicles/Equipment - C0829	-	41	-	10	-		45	-	-	-
Parking Lot Improvements - C0857	-	-	80	-	10		80	10	10	10
Total Capital Outlay	**139**	**1,438**	**10,305**	**11,590**	**35**		**145**	**30**	**30**	**30**
Cash After Capital Outlay	**218**	**(388)**	**(10,307)**	**(11,014)**	**(10,635)**		**(652)**	**(558)**	**(567)**	**(573)**
Additional Funding										
Bond Financing	-	10,600	-	-	10,600		-	-	-	-
Total Additional Funding	**-**	**10,600**	**-**	**-**	**10,600**		**-**	**-**	**-**	**-**
Net Surplus (Deficit)	**$ 218**	**$ 10,212**	**$ (10,307)**	**$ (11,014)**	**$ (35)**		**$ (652)**	**$ (558)**	**$ (567)**	**$ (573)**
Beginning Cash Balance	$ 1,424	$ 1,642	$ 11,854	$ 11,854	$ 840		$ 805	$ 153	$ (405)	$ (972)
Ending Cash Balance	$ 1,642	$ 11,854	$ 1,547	$ 840	$ 805		$ 153	$ (405)	$ (972)	$ (1,546)

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2025/2029
ASSUMPTIONS

- The last rate increases implemented at the Golf Course became effective July 1, 2023. There are no rate increases proposed for the FY2024/25 budget. The operating revenue proposed in the FY2024/25 budget anticipates a net 4.1% increase compared to estimated actuals for FY2023/24. The increase is primarily due to the addition of $10K or 35.7% in other revenue through increased sponsorship revenue including $5K for Tee Marker/Scorecard Sponsorships which are received every two years. Small revenue growth is anticipated annually in FY2025/26 through FY2028/29. The changes to operating revenue for each of the respective periods beginning in FY2025/26 are as follows: 1.3%, 3.4%, 0.5%, and 3.3%.

- Total operating expense (excluding depreciation) increased by 24.2% from FY2023/24 estimated actuals to proposed FY2024/25 budget. The majority of the increase is a result of an increase in salaries and wages, temporary and seasonal staff wages and health insurance costs. Beginning in FY2025/26 through FY2028/29, the change in total expenses range annually from 3.5%, 3.0%, 3.2%, and 3.0% respectively. The increase reflects annual salary enhancements and associated benefits of 4.2% for FY2025/26 and 3.2%, 3.3% and 3.3% in each year from FY2026/27 through FY2028/29. In addition, several expense categories (Material, Supplies, & Utilities; Maintenance and Repairs 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 reflects an increase of 12.1% or $8.2K from FY2023/24 to FY2024/25 budget. This increase is a result of the additional $32K budgeted for fixed asset additions of vehicle and equipment replacement. The four remaining periods from FY2025/26 through FY2028/29 are anticipated to increase by 18.9%, 18.2%, 13.5% and 15.3% respectively. These trends reflect growing and constant infrastructure purchases.

- With the anticipation of upcoming market rate declines and the lack of growth in the Golf cash fund, it is anticipated that annual interest earned will drop to $8K in FY2025/26 and to $7K in FY2026/27 before being reduced to $1K in FY2027/28 and FY2028/29.

- The Golf Course currently has no debt service and is not estimated to incur any through FY2028/29.

- Currently, the Golf Course receives a subsidy from the General Fund. It will be necessary to continue this subsidy through FY2028/29 based on the projections and trends. The proposed budget for FY2024/25 includes a subsidy of $150K down from $250K in the FY2023/24. FY2025/26 reflects an increase to the subsidy of $125K as a result of planned improvements and increased operating expenses. In the remaining future projections from FY2026/27 through FY2028/29, annual stipend requirements from the General Fund are estimated at $300K, $385K, and $410K respectively.

- Based on the assumptions outlined above for revenues, increasing expenses, and the subsidy received by the General Fund, the ending cash balance is expected to decrease from $180K in the proposed FY2024/25 budget to $2K in FY2028/29.

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2025/2029
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Operating Revenues										
Green Fees	$ 191	$ 221	$ 188	$ 215	$ 215		$ 221	$ 228	$ 235	$ 242
Cart Rentals	108	121	110	110	115		118	118	118	118
Tournaments & Specials	10	12	10	10	10		10	10	10	10
State Shared:Highway User Income	-	49	-	-	-		-	-	-	-
Other Revenues	32	43	27	28	38		34	40	35	41
Total Operating Revenues	**341**	**447**	**335**	**363**	**378**		**383**	**396**	**398**	**411**
Operating Expenses										
Salaries & Wages	203	148	204	158	250		257	264	272	280
Wage & O/H Allocation	3	-	-	-	-		-	-	-	-
Fringe Benefits	104	103	122	111	131		140	145	151	157
Materials, Supplies, & Utilities	59	57	81	74	75	3.0%	78	80	83	85
Maintenance & Repairs	1	15	5	14	16	2.0%	16	17	17	17
Vehicle Operating Expenses	27	12	46	16	18	1.5%	18	19	19	20
Advertising & Printing	7	10	10	10	10		11	12	12	13
Machinery & Equipment Rentals	17	16	20	21	29		29	29	30	30
Contracted Services	37	65	41	91	91	2.5%	93	96	99	102
Other General Expenses	14	20	14	16	16		16	16	17	17
Insurance	2	2	3	3	3		3	4	4	4
Communication Expenses	1	1	1	1	1		1	1	1	1
Operating Capital Expenditures	-	-	1	1	1		1	1	1	1
Total Operating Expenses	**475**	**448**	**547**	**515**	**641**		**663**	**683**	**706**	**727**
Cash Operating Income (Loss)	**(134)**	**(1)**	**(212)**	**(152)**	**(263)**		**(280)**	**(287)**	**(308)**	**(316)**
Depreciation	45	43	66	53	74		88	104	118	136
Operating Income (Loss)	**(179)**	**(44)**	**(278)**	**(205)**	**(337)**		**(368)**	**(391)**	**(426)**	**(452)**
Non-Operating Revenues (Expense)										
Interest Earned	-	9	4	15	10		8	7	1	1
Gain (Loss) on Capital Assets	(5)	-	-	-	-		-	-	-	-
Total Non-Operating Revenue (Expense)	**(5)**	**9**	**4**	**15**	**10**		**8**	**7**	**1**	**1**
Transfers From (To) Other Funds										
Transfers from General Fund	200	123	250	250	150		275	300	385	410
Total Transfers From (To) Other Funds	**200**	**123**	**250**	**250**	**150**		**275**	**300**	**385**	**410**
Increase (Decrease) in Retained Earnings	**17**	**88**	**(24)**	**60**	**(177)**		**(85)**	**(84)**	**(40)**	**(41)**
Adjust to Cash Flow Basis										
Add Back Depreciation	45	43	66	53	74		88	104	118	136
Changes in Working Capital	(4)	30	-	-	-		-	-	-	-
Total Adjustment to Retained Earnings	**41**	**73**	**66**	**53**	**74**		**88**	**104**	**118**	**136**
Cash Available for Capital Outlay	**58**	**161**	**42**	**113**	**(103)**		**3**	**20**	**78**	**95**
Capital Outlay										
Vehicle/Equipment Replace - C0395	33	-	45	37	107		69	70	65	90
Golf Course Improvements - C0825	19	76	30	38	-		10	50	10	10
Total Capital Outlay	**52**	**76**	**75**	**75**	**107**		**79**	**120**	**75**	**100**
Net Surplus (Deficit)	**$ 6**	**$ 85**	**$ (33)**	**$ 38**	**$ (210)**		**$ (76)**	**$ (100)**	**$ 3**	**$ (5)**
Beginning Cash	$ 260	$ 266	$ 351	$ 351	$ 389		$ 180	$ 103	$ 3	$ 6
Ending Cash	$ 266	$ 351	$ 318	$ 389	$ 180		$ 103	$ 3	$ 6	$ 2
Self Supporting Level	65.6%	91.0%	54.7%	63.9%	52.9%		51.0%	50.3%	48.3%	47.6%

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2025/2029
ASSUMPTIONS

- Overall, rental revenue projections are estimated to decrease by 15.1% or $41.1K from FY2023/24 budget to FY2024/25 budget. The FY2024/25 budget includes all current leases, with an anticipated move by the Department of Community and Economic Development at 14 N. Potomac Street to be completed by the end of FY2023/24. At this time, the Fire Police Headquarters on Valley Road remains occupied for just a $1.00 per year. Additionally, the Maryland Watch Works (14 N Potomac St., Suite B-3) rent contract has an expiration date in 2025. Future periods only reflect the two current lease agreements that span those time periods.

- Total operating expenses (excluding depreciation) are expected to increase by 11.3% from FY2023/24 budget compared to the FY2024/25 budget. Primarily, this increase is a result of increases in salary and wages and fringe benefits due to staffing reallocations. The overall estimated increase for each consecutive year from FY2025/26 to FY2028/29 is 2.0%.

- Depreciation expense is expected to increase by 2.7% from the FY2023/24 budget to the proposed FY2024/25 budget. It is expected that depreciation will increase annually with increases of 0.9% in FY2025/26 through FY2027/28 and 1.8% in FY2028/29.

- The investment interest amount is assumed to increase in FY2024/25 over FY2023/24 budget due to the rise in interest rates. A decline is expected in FY2025/26 followed by further decreases in FY2026/27 through FY2028/29 as a result of anticipated declining cash balances.

- At this time, there are no additional future bond issues. As a result, interest expense will continue to decrease through FY2028/29 as the current bond continues to be paid off.

- Based on the assumptions outlined above for both revenues and expenses, our net increase (decrease) in retained earnings is estimated to decrease from an anticipated loss of <$140K> in FY2023/24 estimated actual to a loss of <$190K> in FY2024/25.

- The ending total cash balance is projected to be $307K beginning with the FY2024/25 budget and declining to <$417K> in FY2028/29. 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 2025/2029
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Operating Revenues										
Rent - 2-6 N Potomac Street, 1st Floor	$ 162	$ 162	$ 172	$ 167	$ 172		$ 172	$ 172	$ 172	$ 172
Rent - 14 N Potomac Street, Suite 200A/B	36	24	14	15	-		-	-	-	-
Rent - 6 N Potomac Street	15	25	21	8	-		-	-	-	-
Rent - 14 N Potomac Street, Suite B-3	22	24	25	25	26		-	-	-	-
Rent - 60 W Washington Street, Suite 102	8	8	8	6	-		-	-	-	-
Rent - 790-800 Potomac Avenue	8	-	-	-	-		-	-	-	-
Rent - 60 W Washington Street, Rear	32	33	33	33	33		33	33	33	33
Other Revenues	5	4	-	-	-		-	-	-	-
Total Operating Revenues	**287**	**280**	**272**	**255**	**231**		**205**	**205**	**205**	**205**
Operating Expenses										
Rental Properties Operational Expense	291	246	299	312	333	2.0%	340	347	354	361
Depreciation	106	105	108	105	111		112	113	114	116
Total Operating Expenses	**397**	**351**	**408**	**418**	**444**		**451**	**460**	**468**	**476**
Operating Income (Loss)	**(110)**	**(70)**	**(135)**	**(162)**	**(213)**		**(246)**	**(255)**	**(263)**	**(271)**
Non-Operating Revenues (Expenses)										
*Intergovernmental Revenue-CARES Act	0	1	-	-	-		-	-	-	-
Interest Earned	7	15	6	26	26		15	10	-	-
Interest/Bond Issuance Expense	(4)	(4)	(4)	(4)	(3)		(3)	(3)	(3)	(3)
Loss on Disposal of Capital Assets	(521)	(48)	-	-	-		-	-	-	-
Total Non-Operating Revenues (Expenses)	**(518)**	**(36)**	**3**	**23**	**23**		**12**	**7**	**(3)**	**(3)**
Net Income (Loss) Before Operating Transfers	**(628)**	**(106)**	**(133)**	**(140)**	**(190)**		**(235)**	**(248)**	**(266)**	**(274)**
Transfers From (To) Other Funds										
Transfers from General Fund	446	-	-	-	-		-	-	-	-
Total Transfers From (To) Other Funds	**446**	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
Capital Contributions										
Contribution in Aid of Construction	-	-	200	-	-		-	-	-	-
Total Capital Contributions	**-**	**-**	**200**	**-**	**-**		**-**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**$ (182)**	**$ (106)**	**$ 67**	**$ (140)**	**$ (190)**		**$ (235)**	**$ (248)**	**$ (266)**	**$ (274)**
Adjust to a Cash Flow Basis										
Add Back Depreciation	106	105	108	105	111		112	113	114	116
Changes in Working Capital	544	71	-	-	-		-	-	-	-
Principal Payments on Long-term Debt	(6)	(6)	(6)	(6)	(6)		(6)	(6)	(7)	(7)
Total Adjustments to Retained Earnings	**644**	**169**	**102**	**99**	**105**		**105**	**106**	**107**	**109**
Cash Available for Capital Outlay	**462**	**63**	**170**	**(40)**	**(85)**		**(130)**	**(141)**	**(158)**	**(165)**
Capital Outlay										
Elizabeth Hager Center - C0803	-	-	220	18	40		-	-	-	-
60 W Washington St - C0828	195	-	-	-	25		10	40	40	40
Total Capital Outlay	**195**	**-**	**220**	**18**	**90**		**10**	**40**	**40**	**40**
Net Surplus (Deficit)	**$ 267**	**$ 63**	**$ (50)**	**$ (58)**	**$ (175)**		**$ (140)**	**$ (181)**	**$ (198)**	**$ (205)**
Beginning Cash Balance	$ 210	$ 477	$ 540	$ 540	$ 483		$ 307	$ 168	$ (13)	$ (212)
Ending Cash Balance	$ 477	$ 540	$ 489	$ 483	$ 307		$ 168	$ (13)	$ (212)	$ (417)

*FY2021/22 actual includes $375 reimbursed by the Cares Act legislation.

- Stormwater rates were approved for three years by Mayor & Council. Due to implementation delays resulting from Covid, the three year rates became effective March 2021. FY2024/25 represents the third year approved when rates became $36.00 per 1,000 square feet impervious area on January 2023 and extended through June 2024. A new cost rate plan is currently being calculated by a third party consultant that could impact FY2024/25 and future years. The projections for FY2024/25 include a slight decrease with overall 2.5% for rates and growth combined in FY2025/26 through FY2028/29.

- Total operating expenses (excluding depreciation) are anticipated to remain flat from the FY2023/24 budget compared to the budget proposed for FY2024/25. The anticipated expenses will include increases in future periods as the program and projects take time to complete. FY2025/26 percentage increase reflects storm drain inspections and video contractor to proactively maintain current and new systems. The overall increase for all future periods from FY2026/27 through FY2028/29 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 15.4% from the FY2023/24 budget to the proposed FY2024/25 budget. The depreciation expense increase for FY2024/25 is primarily the result of $1.6M to be spent in stream restoration projects (#59-C0866) and $1.1M toward stormwater protection program implementation projects (#59-C0637). FY2025/26 is projected to increase by 20.7% over FY2024/25 primarily as a result of a full year of depreciation for projects added in FY2024/25 and $1.2M in spending for stormwater projects in FY2025/26. Further, it is anticipated that depreciation will increase in FY2026/27 and FY2027/28 by 32.5% and 10.3% respectively with $1.5M and $950K projected to be spent on capital projects. Lastly, depreciation expense is estimated to have a smaller increase in FY2028/29 by 5.2%.

- Interest rates set in place by the Federal Reserve are expected to reduce in the future, but with the growth in the stormwater cash balance, interest income is anticipated to increase from FY2024/25 to FY2025/26. Growth is projected to remain steady in FY2026/27 through FY2028/29 due to projected declining interest rates but with increasing cash balances.

- 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 decrease from an anticipated gain of $2.8M in FY2024/25 to a gain of $2.1M in FY2028/29.

STORMWATER PROTECTION FUND PROJECTIONS
FISCAL YEAR 2025/2029
INCOME STATEMENT
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Operating Revenues										
Stormwater Fixed Fee	$ 2,944	$ 3,244	$ 3,382	$ 3,520	$ 3,400	2.5%	$ 3,485	$ 3,572	$ 3,661	$ 3,753
Credit SWM Program	(49)	(84)	(125)	(124)	(130)	2.5%	(133)	(137)	(140)	(143)
Other Revenue	-	7	-	-	-		-	-	-	-
Late Fees	33	30	35	20	25		36	37	38	39
Total Operating Revenues	**2,928**	**3,196**	**3,292**	**3,416**	**3,295**		**3,388**	**3,473**	**3,559**	**3,648**
Operating Expenses										
Infrastructure Maintenance	528	605	647	804	777	3.5%	804	833	862	892
Capital Construction	14	-	-	-	-	3.5%	-	-	-	-
Selling, General & Administrative	212	272	548	220	418	3.5%	533	552	571	591
Total Operating Expense	**754**	**878**	**1,196**	**1,024**	**1,196**		**1,337**	**1,384**	**1,433**	**1,483**
Cash Operating Income (Loss)	**2,174**	**2,319**	**2,096**	**2,392**	**2,099**		**2,050**	**2,088**	**2,127**	**2,165**
Depreciation	77	91	139	109	160		193	256	283	297
Operating Income (Loss)	**2,097**	**2,228**	**1,957**	**2,283**	**1,939**		**1,857**	**1,832**	**1,844**	**1,868**
Non-Operating Revenue (Expense)										
Interest Earned	0	82	26	193	193		197	200	200	200
Interest/Bond Issuance Expense	(22)	(21)	(19)	(19)	(18)		(16)	(14)	(12)	(11)
Total Non-Operating Revenue (Expense)	**(22)**	**62**	**6**	**173**	**175**		**181**	**186**	**188**	**189**
Net Income (Loss) Before Operating Transfers	**2,075**	**2,289**	**1,964**	**2,457**	**2,114**		**2,038**	**2,018**	**2,032**	**2,058**
Transfers From (To) Other Funds										
Transfers (to) Capital Improvements Fund			-	-	(100)		-	-	-	-
Total Transfers From (To) Other Funds	**-**	**-**	**-**	**-**	**(100)**		**-**	**-**	**-**	**-**
Capital Contributions										
Intergovernmental Grant-ARPA	-	-	700	-	410		-	-	-	-
Grants in Aid of Construction	-	30	40	137	410		75	-	-	-
Capital Contributions	**-**	**30**	**740**	**137**	**820**		**75**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**2,075**	**2,319**	**2,704**	**2,593**	**2,834**		**2,113**	**2,018**	**2,032**	**2,058**
Adjust to a Cash Flow Basis										
Add Back Depreciation	77	91	139	109	160		193	256	283	297
Principal Payments on Long-Term Debt	(34)	(36)	(37)	(37)	(39)		(41)	(42)	(44)	(46)
Changes in Working Capital	(395)	83	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**(352)**	**138**	**102**	**72**	**121**		**153**	**214**	**238**	**251**
Cash Available for Capital Outlay	**1,723**	**2,457**	**2,805**	**2,665**	**2,955**		**2,266**	**2,232**	**2,270**	**2,309**
Capital Outlay										
Stormwater Vehicles - C0064	-	-	-	-	365		140	365	-	-
Stormwater Facilities - C0255	74	-	-	-	-		-	-	-	-
Stormdrain System Upgrades - C0444	20	-	300	340	150		150	150	150	150
Curb Replacement Program - C0459	95	105	100	100	100		100	100	100	100
Reforestation Using SPP Funds - C0594	-	89	50	65	50		50	50	50	50
Hagerstown Field House - C0634	-	-	700	-	410		-	-	-	-
Stormwater Protection Program - C0637	82	4	411	352	1,135		550	350	300	300
Green Streets - C0639	-	208	-	-	-		175	-	-	-
Marsh Run Walls Rehabilitation - C0853	-	-	-	-	350		-	-	350	-
Stream Restorations - C0866	-	2	1,060	707	1,610		-	500	-	-
Total Capital Outlay	**271**	**407**	**2,621**	**1,564**	**4,170**		**1,165**	**1,515**	**950**	**600**
Cash After Capital Outlay	**1,452**	**2,050**	**184**	**1,101**	**(1,215)**		**1,101**	**717**	**1,320**	**1,709**
Net Surplus (Deficit)	**$ 1,452**	**$ 2,050**	**$ 184**	**$ 1,101**	**$ (1,215)**		**$ 1,101**	**$ 717**	**$ 1,320**	**$ 1,709**
Beginning Cash Balance	$ 0	$ 1,452	$ 3,502	$ 3,502	$ 4,603		$ 3,389	$ 4,489	$ 5,206	$ 6,526
Ending Cash Balance	$ 1,452	$ 3,502	$ 3,686	$ 4,603	$ 3,389		$ 4,489	$ 5,206	$ 6,526	$ 8,235

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. It is important to note that the employee premium rates have not changed since July 2010. 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 current 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 but will decrease to $3,600 in FY2024/25. 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 FY2023/24, the estimated cash balances of $3.2 million will provide future funding for any required Claims Reserve. Additionally, the fund balance reserve is estimated to decrease over FY2023/24 budget amount and total $2.3 million as a result of current claims trends less stop loss reimbursement revenue collected in current fiscal year.

Health Insurance Fund: Proposed FY 2024/25 Budget

The proposed FY2024/25 budget reflects a projected deficit after an increase in Medical Claims expenses of 10.0% over projected FY2023/24 amounts. For FY2024/25, it is anticipated that $500K will reimbursed per the City's stop-loss insurance policy to cover claims beyond the City's predetermined deductible for each of the City's covered employees. It is expected that medical claims will continue to increase including high dollar claims which is reflected in escalating expenditures. At the end of FY2024/25, it is estimated that the ending cash balance on hand will be approximately $2.4 million.

Health Insurance Fund: Four Year Forecast Beyond Proposed Fiscal Year 2024/25 Budget

As a result of claims expense trends and the financial impact of current legislative regulations, the future projections include 7% annual increases for actual medical expense claims in FY2025/26 through FY2028/29. Given the offsetting premiums and revenues, it is estimated that the cash balance will decline to <$600K> at the end of FY2028/29.

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 $700K in Fiscal Year 2023/24 estimated actual for this contribution. Based on the current structure and trends of the Health Insurance Fund's plan, the contribution will remain at $700,000 in FY2024/25 and will be $650K from FY2025/26 through FY2028/29.

HEALTH CARE FUND PROJECTIONS
FISCAL YEAR 2025/2029
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
Premium Revenues										
Premium Revenues - City	$ 6,204	$ 6,156	$ 6,552	$ 6,433	$ 7,173	7.0%	$ 7,675	$ 8,212	$ 8,787	$ 9,402
Premium Revenues - Employees	969	976	992	952	952	2.0%	1,142	1,165	1,188	1,212
Premium Revenues - Retirees	203	217	204	241	241	2.0%	246	251	256	261
Total Premium Revenue	**7,376**	**7,349**	**7,748**	**7,626**	**8,366**		**9,063**	**9,628**	**10,231**	**10,875**
Stop Loss Reimbursement	-	759	1,314	800	500		600	600	600	600
Prescription Rebates	406	414	438	599	626	2.0%	639	651	664	678
Interest From Investments	1	82	35	70	50		45	30	10	-
Total Revenue	**7,783**	**8,604**	**9,535**	**9,095**	**9,542**		**10,346**	**10,909**	**11,505**	**12,153**
Medical Claims Expense	6,000	8,175	7,930	7,761	8,540	7.0%	9,138	9,777	10,462	11,194
Claims Reserve Expense	91	289	75	100	100	2.0%	102	104	106	108
Health Savings Account Contributions	50	45	50	50	50		53	55	58	60
Administrative & Audit Expenses	421	456	472	363	362	3.0%	373	384	396	407
Stop Loss Reinsurance Expenses	301	374	432	451	545	5.0%	572	601	631	662
Wellness Program	49	51	50	50	50		53	53	53	53
OPEB Trust Contributions	1,134	700	700	700	700		650	650	650	650
Total Expenditures	**8,046**	**10,090**	**9,709**	**9,475**	**10,347**		**10,940**	**11,624**	**12,355**	**13,135**
Transfers from Dental Fund	-	-	200	200	-		55	46	36	31
Transfers (to) General Fund	(542)	(654)	-	-	-		-	-	-	-
Transfers (to) Electric Fund	(53)	(65)	-	-	-		-	-	-	-
Transfers (to) Water Fund	(83)	(95)	-	-	-		-	-	-	-
Transfers (to) Wastewater Fund	(72)	(86)	-	-	-		-	-	-	-
Total Transfers From (To) Other Funds	**(750)**	**(900)**	**200**	**200**	**-**		**55**	**46**	**36**	**31**
Operating Income (Loss)	**(1,013)**	**(2,386)**	**26**	**(180)**	**(805)**		**(539)**	**(669)**	**(813)**	**(952)**
Increase (Decrease) in Retained Earnings	**$ (1,013)**	**$ (2,386)**	**$ 26**	**$ (180)**	**$ (805)**		**$ (539)**	**$ (669)**	**$ (813)**	**$ (952)**
Beginning Fund Balance	5,929	4,916	2,530	2,530	2,349		1,544	1,005	336	(478)
Ending Fund Balance	**$ 4,916**	**$ 2,530**	**$ 2,556**	**$ 2,349**	**$ 1,544**		**$ 1,005**	**$ 336**	**$ (478)**	**$ (1,429)**
Total Cash Balance -Beginning	$ 6,281	$ 5,345	$ 3,368	$ 3,368	$ 3,188		$ 2,383	$ 1,844	$ 1,175	$ 361
Total Cash Balance-Ending	$ 5,345	$ 3,368	$ 3,394	$ 3,188	$ 2,383		$ 1,844	$ 1,175	$ 361	$ (590)
Unrestricted Cash Balance-Beginning	$ 5,369	$ 4,355	$ 2,375	$ 2,375	$ 2,195		$ 1,390	$ 851	$ 182	$ (631)
Unrestricted Cash Balance-Ending	$ 4,355	$ 2,375	$ 2,401	$ 2,195	$ 1,390		$ 851	$ 182	$ (631)	$ (1,583)
Restricted Cash Balance-Beginning	$ 912	$ 990	$ 993	$ 993	$ 993		$ 993	$ 993	$ 993	$ 993
Restricted Cash Balance-Ending*	$ 990	$ 993	$ 993	$ 993	$ 993		$ 993	$ 993	$ 993	$ 993

*Ending Cash balance at June 30, 2023 includes $163,000 currently on deposit with United Healthcare and $829,726 in Health Reimbursement Accounts.

DENTAL INSURANCE FUND
FISCAL YEAR 2025/2029
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2021/22 ACTUAL	2022/23 ACTUAL	2023/24 REVISED BUDGET	2023/24 EST. ACTUAL	2024/25 PROPOSED BUDGET	PROJ. CHG%	2025/26 PROJ.	2026/27 PROJ.	2027/28 PROJ.	2028/29 PROJ.
							0.0%	*0.0%*	*0.0%*	*0.0%*
Premium Revenues										
Premium Revenues - City	$ 183	$ 184	$ 186	$ 186	$ 195		$ 195	$ 195	$ 195	$ 195
Premium Revenues - Employees	150	143	231	156	156		156	156	156	156
Premium Revenues - Retirees	71	73	71	77	77		77	77	77	77
Total Premium Revenue	**404**	**400**	**488**	**419**	**428**		**428**	**428**	**428**	**428**
Interest From Investments	-	24	10	30	20		20	15	10	10
Total Revenue	**404**	**424**	**498**	**449**	**448**		**448**	**443**	**438**	**438**
Dental Claims Expense	288	312	316	328	338	1.0%	342	345	349	352
Claims Reserve Expense	(4)	(1)	5	5	4		4	4	4	4
Administrative & Audit Expenses	45	44	46	45	45	3.0%	47	48	50	51
Total Expenses	**329**	**355**	**368**	**378**	**388**		**393**	**397**	**402**	**407**
Transfers From (To) Other Funds										
Transfers (to) Health Care Fund	-	-	(200)	(200)	-		(55)	(46)	(36)	(31)
Total Transfers From (To) Other Funds	**-**	**-**	**(200)**	**(200)**	**-**		**(55)**	**(46)**	**(36)**	**(31)**
Increase (Decrease) in Retained Earnings	**$ 75**	**$ 69**	**$ (70)**	**$ (129)**	**$ 60**		**$ 0**	**$ (0)**	**$ (0)**	**$ (0)**
Beginning Fund Balance	688	763	832	832	704		764	764	764	763
Ending Fund Balance	**$ 763**	**$ 832**	**$ 762**	**$ 704**	**$ 764**		**$ 764**	**$ 764**	**$ 763**	**$ 763**
Total Cash Balance -Beginning	$ 696	$ 785	$ 839	$ 839	$ 656		$ 716	$ 716	$ 716	$ 716
Total Cash Balance-Ending	$ 785	$ 839	$ 715	$ 656	$ 716		$ 716	$ 716	$ 716	$ 715
Unrestricted Cash Balance-Beginning	$ 665	$ 754	$ 808	$ 808	$ 625		$ 685	$ 685	$ 685	$ 685
Unrestricted Cash Balance-Ending	$ 754	$ 808	$ 684	$ 625	$ 685		$ 685	$ 685	$ 685	$ 684
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, 2023 includes $31,300 currently on deposit with United Concordia.

Parks

City of Hagerstown

CAPITAL IMPROVEMENT PROGRAM
SECTION 7

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Acknowledgements

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All Departments – Consolidated

PROGRAM OVERVIEW

Hagerstown plans its capital improvement projects over a five-year period. Capital improvements programming and budgeting involves the development of a long-term plan for capital expenditures. Capital expenditures include buildings and facilities, significant ongoing maintenance and improvements to current facilities, land, major equipment, and other commodities which are of significant value and have a useful life of several years. It is both a fiscal and planning document that allows the City to monitor and inventory all capital project costs, funding sources, departmental responsibilities, and project schedules. The program includes a comprehensive review of all capital needs and then providing the information and criteria to assist Mayor and Council as they choose among competing projects.

The proposed Capital Improvements Program (CIP) for FY24 and FY25 is summarized below:

	FY24		FY25
Fund	**Revised Budget**	**Estimated Actual**	**Proposed Budget**
General / CIP Fund	$ 34,502,464	$ 28,221,619	$ 27,393,522
Electric Fund *	2,478,350	961,698	3,293,000
Water Fund	7,956,859	3,695,000	8,062,500
Wastewater Fund	9,293,973	7,850,927	16,195,072
Parking Fund	10,305,000	11,590,036	35,000
Golf Course Fund	75,000	75,000	107,000
Property Management Fund	220,000	17,700	90,000
Stormwater Protection Fund	2,621,000	1,563,700	4,170,000
TOTALS	**$ 67,452,646**	**$ 53,975,679**	**$ 59,346,094**

* Excludes capital expenditures not included in specific projects of $1,807,500, $1,884,650 and $867,500 respectively.

MAJOR FY25 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 $240K for public art, downtown beautification programs, tree installation, and accessibility ramps.

Public Safety
To ensure that all who live, work and play in the City of Hagerstown are safe, $5.8M has been designated to reline the block of the live-fire training building, relocate and/or renovate the fire stations, upgrade fire radios and in-station alerting, purchase fire and EMS equipment, replace a fire pumper, replace police vehicles, and, upgrade police radios and public safety technology.

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 $36.8M for new technologies that provide and promote a more customer-oriented and safe parking experience including upgrades to parking decks and lots, 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 FY25 CIP budget for this focus area, ARC grant funding of $100K 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 $1.7M 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, $390K 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 $850K will be utilized to upgrade/replace the current ERP and financial systems to stay on up-to-date technology, take advantage of system improvements, and utilize the latest innovations to enhance daily operational capabilities.

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 and enhanced amenities at City Park, The Greens at Hamilton Run, Fairground Park, Potterfield Pool, 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 $1.8M 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 $64K to continue to support information technology needs across the City, upgrade the GIS system and upgrade features of the electronic time and attendance system.

Community Promotion/Pride
The City will improve its community image by releasing factual, timely and transparent messaging. To help achieve this goal in FY25, funds of $286K 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 FY25 CIP budget reflects funding of $13.1M for the construction of the Hagerstown Field House and upgrades to the Hager House Museum, Steam Engine Museum, and the Hagerstown Ice Rink.

Miscellaneous Projects, Goals and Legislative Priorities
While no funding has been included in the FY25 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, collaborate with others to address food deserts, solutions based meetings approach, expanding “Operation Take Back” approach, and addressing long term MRGA water/wastewater plan.

OVERVIEW OF THE PROJECTS IN THE CIP

The CIP section presents comprehensive descriptions of major project needs for FY25 through FY29. Pages 15 through 46 provide summary schedules by Fund outlining funding sources and project expenditures and are organized by Fund and department. Pages 47 through 177 contain detailed descriptions pertaining to individual CIP projects and are organized by Fund and project number. These pages describe each project in more detail, and include a justification section. Additionally, these pages include information relating to the potential budget impact that each recurring and non-recurring capital investment may have on current and future operating budgets and services provided by the City.

The City’s Capital Improvement Program budget for FY25 at $59.3M is 12.0% lower than the $67.5M in the FY24 revised budget. The FY25 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 FY25 budget includes $4.3M for vehicle replacements. Of this amount, $1.8M is funded by Enterprise Funds and includes the replacement for two Electric Division pick-up trucks; one Water Department service truck, one Chevy Equinox, a backhoe and a generator; four Wastewater Department vehicles, a tractor and a Kohler Generator; for Golf, two mowers; and for stormwater, an Elgin Sweeper. General funds of $1.2M and CIP fund balance of $1.3M will be for the replacement of 8 police cruisers ($611K), funding for the KME Reserve Engine Pumper ($970K), a dump truck and a backhoe for Public Works ($360K), and other miscellaneous vehicles ($606K).

- Completely relying on State Highway user revenue (HUR), the City included $1.4M in the FY25 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 Mayor and Council goals of fiscal accountability and Citizen based government, the City has included $850K in the FY25 budget toward investment in new technologies and a replacement system for the Enterprise Resource Planning (ERP) software currently in use by the City (45-C0739). The current ERP software is over 13 years old. The ERP will cover all areas of municipal services, including financials, human resources, utility billing, permits and a host of other city services. This project will span multiple years and has overall $1.7M in funding. In addition $390K (45-C0006) will be invested in computer equipment and software to enhance security procedures, embrace newer, cost-effective, and up-to-date technology to minimize downtime and negative impact to the City's daily operations and customer offerings.

- To address public safety and infrastructure upgrades, the City has included $1.3M in the FY25 proposed budget for Traffic Signalization upgrades (45-C0243). Traffic signals starting in FY24 and finishing in FY25 will be replaced at Antietam Street at Summit Avenue and Salem Avenue at West Side Avenue. Also, in FY25 construction on signal upgrades will take place at Potomac at Baltimore street. Traffic signals at these locations are not in compliance with current standards. Pedestrian signals will also be upgraded with APS and ramps. Federal Funding will be provided from the Safe Routes to School grant (SRTS) ($640K) and ARPA ($500K) to help pay for this new infrastructure.

- To address fire department communication needs, there is $750K in the FY25 proposed budget in the Public Safety Radios and In-Station Alerting CIP (45-C0849). This project will encompass upgrades to the county radio infrastructure, computer-aided dispatch systems and station alerting at 6 facilities. In addition, another $1.5M is included for the planning, design and acquisition of property for the relocation of HFD headquarters (45-C0870).

- In 2021, the City contracted with Eastern Sports Management to be a long- term partner and operator of the Hagerstown Field House 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.). In FY25, the City will fund an estimated $12.1M for the construction of the Hagerstown Field House in addition to the estimated $13.7M in FY22-FY24. Construction of the project will be completed in FY25 at a total cost of $25.8M with an additional Stormwater Component (59-C634) of $410K

- Several other large projects within the FY25 proposed GF CIP budget include: Wheaton Park Phase II improvements including play equipment, stage and resurfacing the tennis courts, $270K (45-C0293); construction of the Antietam Creek Waterway Trail, $355K (45-C0751); City Park Improvements, $640K (45-C0522), including $600K to improve the upper parking lot; renovation of the locomotive and building of a new cover pavilion at the Steam Engine museum, $793K (45-C0439) and, City Hall Improvements including the remodel of the lobby and first floor areas and installation of an elevator $979K (45-C0326).

- In the Electric Fund fund, there is $1.5M proposed in FY25 to 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. This is a multi year project and is expected to be completed in FY29.

- In the Wastewater fund, Pump station #13 (54-C0574) on Western Maryland Parkway will be rebuilt and returned to service in accordance with the requirements in the Joint Service Area Agreement with the County, $2.7M with $940K being funded by and MDE Grant and an additional $780K from an ARC Grant.

- East End Pump Station #33 (54-C0565) will encompass a total cost of $6.6M over FY24 & FY25. This project costs includes; decommission of Pump Station #9, construction of new Pump Station #33, I&I lining work, engineering costs and all equipment supplies.

- In the Water Fund $2.7M is included in the FY25 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 FY25-FY26 projected cost is $4.9M. In addition, $1.7M is budgeted for improvements to the Willson Treatment Plant (52-C0166) including $500K towards the replacement of aging equipment including motors, chemical feed equipment, etc., $500K for a high service pump VFD replacement and $200K to rebuild the carbon feed system.

- In the Stormwater Protection fund, $1.6M will be utilized for stream restorations, (59-C0866), to include $1.4M for the construction of the Hamilton Run restoration at Longmeadow Park and $200,000 at City Park.

UTILIZATION OF ARPA FUNDING

The City received $20.4M from federal government ARPA monies. This funding has restricted uses and falls into seven IRS defined expenditure categories (Public Health, Negative Economic Impacts, Services to Disproportionately Impacted Communities, Premium Pay, Infrastructure, Revenue Replacement, and Administrative & Other). The chart below summarized ARPA funding that the City plans to use in capital improvement projects during FY2024 and FY2025:

Funding Source: American Rescue Plan Act of 2021 (ARPA)	ARPA Expenditure Category	Capital Project Number	FY24 Estimated Actual	FY25 Proposed Budget
Capital Improvement Program Projects:				
General Fund				
Engineering: Survey Grade RTK GPS Receiver	Revenue Replacement	45-C0132	-	13,000
Engineering: Traffic Signal Upgrades at Antietam St & Summit Ave and Salem Ave & West Side Ave	Revenue Replacement	45-C0243	300,000	500,000
Engineering: Sidewalk Replacement Program	Revenue Replacement	45-C0458	-	135,000
Engineering: Professional Boulevard Extension	Revenue Replacement	45-C0685	1,150,000	-
Finance: 32 N Potomac St Building	Negative Econ Impact	45-C0854	884,673	-
Finance: 32 N Potomac St Building Payment Kiosk	Negative Econ Impact	45-C0854	57,781	-
Fire: Ladder Truck	Revenue Replacement	45-C0010	467,664	-
Fire: Flashover Simulator	Negative Econ Impact: Public Sector	45-C0241	-	100,000
Fire: Natural Gas Generator	Revenue Replacement	45-C0870	132,533	-
Fire: Community Risk Reduction Boards	Negative Econ Impact: Public Sector	45-C0871	-	150,000
IT: Backup Generator for Server Room	Revenue Replacement	45-C0006	-	75,000
IT: Microsoft Office 365	Negative Econ Impact Public Sector	45-C0006	79,957	-
IT: Arctic Wolf Software	Revenue Replacement	45-C0006	97,907	-
Parks: Wheaton Park Phase II Improvements	Negative Econ Impact: Public Sector	45-C0293	-	250,000
Parks: Hellane Park Fence	Negative Econ Impact: Public Sector	45-C0665	-	45,000
Police: Firing Range Additional Storage Space	Negative Econ Impact: Public Sector	45-C0226	-	40,000
Police: Firing Range Security	Revenue Replacement	45-C0226	12,659	-
Police: Community Outreach Vehicle	Negative Econ Impact: Public Sector	45-C0129	43,200	-
Police: Operation Take Back - Cameras	Negative Econ Impact	45-C0130	185,029	-
Public Works: Trash Truck	Revenue Replacement	45-C0065	121,875	-
Public Works: Gasboy Fleet System	Revenue Replacement	45-C0352	12,575	-
Public Works: Elevator Replacement	Negative Econ Impact: Public Sector	45-C0326	1,158	579,322
Subtotal General Fund:			**3,547,011**	**1,887,322**
Wastewater Fund				
East End Pump Station #33: Funding for Construction of new Pump Station at Hebb Road	Infrastructure	54-C0565	3,000,000	1,700,000
Pump Station #11 Generator Replacement	Revenue Replacement	54-C0352	40,927	-
Subtotal Wastewater Fund:			**3,040,927**	**1,700,000**
Stormwater Fund				
Hagerstown Field House: Stormwater modifications	Infrastructure	59-C0634	**-**	410,000
Subtotal Stormwater Fund:			**-**	**410,000**
Total ARPA Funding Used			**6,587,938**	**3,997,322**

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 2025/2029
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
Computer Equipment and Software	45-C0006	Planned Improvement
Time & Attendance Software and Equip	45-C0007	Planned Improvement
Municipal Broadband	45-C0008	Improve Service
Fire Department Vehicle Replacement	45-C0010	Planned Improvement
Pavement Preservation Program	45-C0025	Planned Improvement
Hagerstown Field House	45-C0041	Planned Improvement
City Park Lake Improvements	45-C0047	Planned Improvement
Hager House Visitor Center Improvements	45-C0061	Grant Commitment
Public Works Vehicles	45-C0065	Planned Improvement
Pavement Markings	45-C0093	Public Safety
Police Radios	45-C0128	Public Safety
Police Vehicles	45-C0129	Public Safety
Public Safety Technology	45-C0130	Public Safety
Engineering Equipment	45-C0132	Improve Service
Engineering Vehicles	45-C0133	Cost Avoidance
Police Crime Lab Equipment	45-C0182	Planned Improvement
Police Software	45-C0196	Public Safety
Accessibility Ramps	45-C0217	Probable Grant
Police Firing Range	45-C0226	Planned Improvement
Park Equipment	45-C0237	Planned Improvement
Fire Department Training Center	45-C0241	Planned Improvement
Traffic Signalization Upgrades	45-C0243	Planned Improvement
LED Signal Lights	45-C0245	Cost Avoidance
Community and Economic Development Vehicles	45-C0249	Cost Avoidance
Public Works Operations Center Improvement Program	45-C0250	Planned Improvement
Downtown Beautification Program	45-C0280	Planned Improvement
Wheaton Park Renovations	45-C0293	Planned Improvement
Police Building Renovation	45-C0308	Planned Improvement
Alley Reconstruction	45-C0324	Planned Improvement
City Hall Improvements	45-C0326	Planned Improvement
Mansion House	45-C0336	Cost Avoidance
Fuel Station Improvements	45-C0352	Planned Improvement
Bridge Repair Program	45-C0400	Cost Avoidance
Signal Controller Upgrades	45-C0433	Planned Improvement
Steam Engine Museum	45-C0439	Planned Improvement
Geographic Information System	45-C0451	Planned Improvement
Sidewalk Replacement Program	45-C0458	Planned Improvement
City Park Improvements	45-C0522	Planned Improvement
Traffic Calming	45-C0560	Planned Improvement
Cable Inet	45-C0568	Contract Obligation
Cable PEG	45-C0569	Contract Obligation
Parks Vehicles and Equipment	45-C0570	Planned Improvement
Recreation Vehicles and Equipment	45-C0576	Planned Improvement
Installation of Street Trees Using FCA Funds	45-C0594	Planned Improvement
New Sidewalks	45-C0595	Public Safety
Eastern Boulevard North Extension	45-C0606	Planned Improvement
Fairground Grandstand Improvements	45-C0624	Planned Improvement
Fairgrounds Park Improvements	45-C0626	Planned Improvement
Parks Citywide Upgrades	45-C0665	Documented Savings

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2025/2029
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
Planning & Code Admin Vehicles	45-C0678	Cost Avoidance
Consolidation of Public Safety Assets	45-C0687	Planned Improvement
Multi-Use Trails	45-C0717	Probable Grant
Public Works Storage Yard Expansion	45-C0718	Planned Improvement
Northwest Connector	45-C0735	Planned Improvement
Municipal Financial System	45-C0739	Planned Improvement
Neighborhood Parks	45-C0751	Planned Improvement
Potterfield Pool Improvements	45-C0822	Improve Service
Hagerstown Ice Rink	45-C0843	Planned Improvement
Public Safety Radios and In-Station Alerting	45-C0849	Public Safety
Marsh Run Walls Rehabilitation	59-C0853	Cost Avoidance
Public Art	45-C0868	Planned Improvement
Fire Facilities City Owned Buildings	45-C0870	Planned Improvement
Fire and EMS Equipment	45-C0871	Planned Improvement
Traffic Beacons	45-C0872	Public Safety
Electric Vehicles	50-C0090	Planned Improvement
Telemetry Equipment	50-C0111	Planned Improvement
Central Substation	50-C0118	Planned Improvement
Security Improvements	50-C0178	Planned Improvement
System Reconductoring	50-C0259	Planned Improvement
Pedestrian Lighting	50-C0388	Planned Improvement
SCADA System	50-C0441	Planned Improvement
Underground Replacement	50-C0540	Planned Improvement
HLD Distribution and Administrative Office Building	50-C0542	Planned Improvement
Bulldog Substation Upgrade	50-C0544	Planned Improvement
Streetlight Replacement	50-C0546	Planned Improvement
Kilpatrick Woods	50-C0550	Planned Improvement
Test Equipment	50-C0609	Planned Improvement
Substation Controls	50-C0616	Planned Improvement
Meter Replacement	50-C0679	Planned Improvement
Brookmeadow	50-C0703	Planned Improvement
Substation Breaker Replacement	50-C0776	Planned Improvement
GIS Facility Software	50-C0777	Planned Improvement
Substation Upgrades	50-C0778	Planned Improvement
Equipment Refurbishment	50-C0797	Planned Improvement
Wildlife Protection on Distribution System	50-C0802	Planned Improvement
Feeder Coordination	50-C0833	Planned Improvement
Circuit Upgrades	50-C0842	Planned Improvement
Water Vehicles	52-C0117	Planned Improvement
Willson Treatment Plant	52-C0166	Planned Improvement
Willson Transmission Mains	52-C0167	Planned Improvement
Edgemont Reservoir Improvements	52-C0168	Planned Improvement
Mack Water Tank	52-C0274	Planned Improvement
Risk and Resiliency/Security	52-C0322	Public Safety
Breichner WTP Improvements	52-C0405	Planned Improvement
Adm. & Engineering Equipment	52-C0648	Planned Improvement
Pump Station Improvements	52-C0651	Planned Improvement
Distribution Services - Meter Program	52-C0653	Cost Avoidance
Distribution System Rehab - Main Replacement	52-C0709	Planned Improvement

CAPITAL IMPROVEMENTS PROGRAM - ALL FUNDS
FISCAL YEARS 2025/2029
LIST OF PROJECTS ALPHABETICAL BY PROJECT NAME

PROJECT NAME	PROJECT NUMBER	PROJECT PRIORITY
Water System SCADA Improvements	52-C0820	Planned Improvement
Antietam Creek Intake and Water Plant	52-C0823	Planned Improvement
Water Zone #5 System Improvements	52-C0877	Planned Improvement
Wastewater Vehicle Replacement	54-C0004	Planned Improvement
Manhole Raising	54-C0267	Public Safety
Pump Station Improvements	54-C0299	Public Safety
East End Pump Station #3	54-C0565	Planned Improvement
Pump Station #13 Reconstruction	54-C0574	Planned Improvement
WWT Plant Equipment	54-C0584	Public Safety
WWT Buildings and Structures	54-C0585	Planned Improvement
Oxygen System Improvements	54-C0657	Public Safety
Solids Processing-Pelletizer and WWTP Improvements	54-C0711	Contract Obligation
Solids Processing Facility Improvements	54-C0712	Contract Obligation
Laboratory Equipment	54-C0745	Planned Improvement
Grinder Pump Replacement Program	54-C0767	Planned Improvement
Eliminate Pump Stations	54-C0832	Planned Improvement
Trunk Lines and Laterals	54-C0834	Contract Obligation
Parking Facilities - 3rd Parking Deck	56-C0173	Planned Improvement
Upgrades to Parking Decks	56-C0749	Planned Improvement
Parking Fund Vehicles	56-C0829	Planned Improvement
Parking Lot Improvements	56-C0857	Planned Improvement
Golf Course - Vehicles/Equipment	57-C0395	Cost Avoidance
Golf Course Improvements	57-C0825	Improve Service
Elizabeth Hager Center	58-C0803	Planned Improvement
60 West Washington Street	58-C0828	Planned Improvement
309 Valley Road	58-C0836	Planned Improvement
Stormwater Vehicles	59-C0064	Planned Improvement
Stormdrain System Upgrades	59-C0444	Planned Improvement
Curb Replacement Program	59-C0459	Planned Improvement
Reforestation Using SPP Funds	59-C0594	Planned Improvement
Hagerstown Field House	59-C0634	Planned Improvement
Storm Water Protection Program Implementation	59-C0637	Planned Improvement
Green Streets	59-C0639	Planned Improvement
Stream Restorations	59-C0866	Planned Improvement

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2025/2029

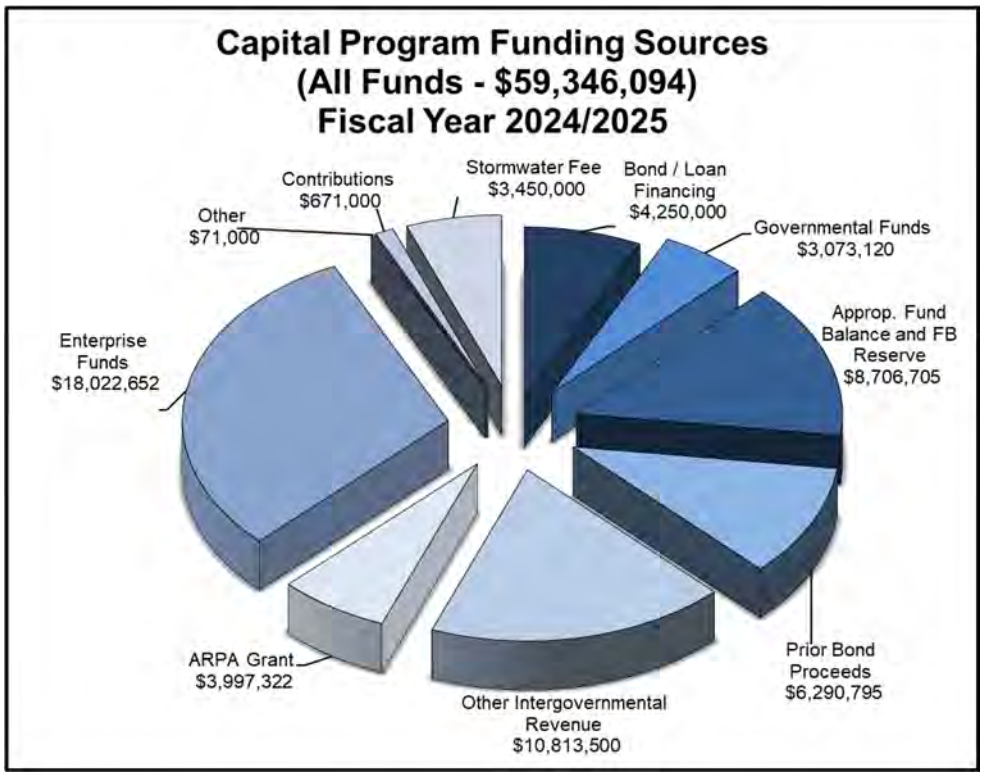
UNIT	VEHICLE	YEAR	DESCRIPTION	FY 25	FY 26	FY 27	FY 28	FY29	TOTAL
COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT									
801	206077	2014	DODGE JOURNEY		45,000				**45,000**
802	206193	2019	FORD ESCAPE					45,000	**45,000**
COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT TOTAL				**-**	**45,000**	**-**	**-**	**45,000**	**90,000**
PLANNING & CODE ADMINISTRATION DEPARTMENT									
410	206064	2014	FORD F150		38,000				**38,000**
411	206070	2014	FORD F150			38,000			**38,000**
412	206071	2014	FORD F150				38,000		**38,000**
450	5822	2006	CHEVY COLORADO	35,000					**35,000**
452	5858	2007	FORD RANGER		35,000				**35,000**
457	206078	2015	DODGE JOURNEY					38,000	**38,000**
PLANNING & CODE ADMINISTRATION DEPARTMENT				**35,000**	**73,000**	**38,000**	**38,000**	**38,000**	**222,000**
ENGINEERING DEPARTMENT									
702	206168	2018	FORD ESCAPE				30,000		**30,000**
707	206050	2014	FORD FOCUS			30,000			**30,000**
710	206001	2013	CHEVY CARGO VAN		35,000				**35,000**
ENGINEERING DEPARTMENT TOTAL				**-**	**35,000**	**30,000**	**30,000**	**-**	**95,000**
PARKS DEPARTMENT									
300	206073	2015	CHEVY SILVERADO		50,000				**50,000**
303	206074	2014	DODGE DUMP TRUCK			150,000			**150,000**
306	206144	2017	FORD F250					55,000	**55,000**
308	206134	2016	FORD F550 DUMP TRUCK				150,000		**150,000**
309	6042	2012	CHEVY SILVERADO			50,000			**50,000**
311	206044	2014	FORD F250		50,000				**50,000**
312	5756	2010	FORD F150 PICKUP					50,000	**50,000**
315	N/A	2013	JOHN DEERE GATOR		14,000				**14,000**
316	N/A	2012	JOHN DEERE GATOR	14,000					**14,000**
330	206127	2017	FORD F250					55,000	**55,000**
371	6044	2012	CHEVY 2500 4X4				50,000		**50,000**
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	14,000					**14,000**
388	5608	1999	WACKER ROLLER	28,000					**28,000**
397	206153	2017	JOHN DEERE GATOR				15,000		**15,000**
PARKS DEPARTMENT TOTAL				**81,000**	**139,000**	**200,000**	**215,000**	**160,000**	**795,000**
RECREATION DEPARTMENT									
304	5865	2007	FORD FOCUS	45,000					**45,000**
RECREATION DEPARTMENT TOTAL				**45,000**	**-**	**-**	**-**	**-**	**45,000**
PUBLIC WORKS DEPARTMENT									
003	5688	2015	CHEVY SILVERADO 4X4			45,000			**45,000**
006	5854	2006	BOBCAT A300		75,000				**75,000**
007	5967	2011	JOHN DEERE 310SJ BACKHOE	160,000					**160,000**
014	5915	2008	CHEVY 2500 2x4 TRUCK			45,000			**45,000**
017	206142	2017	FORD F550 DUMP TRUCK				140,000		**140,000**
019	206087	2015	FORD F550 DUMP TRUCK		140,000				**140,000**
021	206038	2013	FORD F750 DUMP TRUCK		210,000				**210,000**
022	206042	2013	FORD F750 DUMP TRUCK	200,000					**200,000**
023	206136	2017	FORD F750 DUMP TRUCK				230,000		**230,000**
024	206232	2019	FORD F750 SALT TRUCK					235,000	**235,000**
030	6036	2012	FORD F350 PICKUP TRUCK	50,000					**50,000**
031	5808	2006	CHEVY CARGO VAN		40,000				**40,000**
045	206093	2015	CHEVY SILVERADO 4X4		45,000				**45,000**
047	206112	2016	FORD F250 CREW CAB			45,000			**45,000**
061	206216	2019	STEPP MANUFACTURING ASPHALT					20,000	**20,000**
062	206095	2015	JOHN DEERE Z930A MOWER			20,000			**20,000**
064	206197	2018	FERRIS MOWER			12,000			**12,000**
065	206204	2019	FERRIS MOWER		12,000				**12,000**
084	5433	1993	WACKER ROLLER		25,000				**25,000**
094	206079	2015	FORD F350 PICKUP TRUCK		50,000				**50,000**
601	206162	2017	FORD F350 BUCKET TRUCK				100,000		**100,000**
602	5821	2006	E350 BUCKET TRUCK		125,000				**125,000**
611	5932	2008	FORD F550 UTILITY TRUCK	140,000					**140,000**
616	5949	2008	SOLAR SIGN BOARD			45,000			**45,000**
617	5956	2008	SOLAR SIGN BOARD			45,000			**45,000**
PUBLIC WORKS DEPARTMENT TOTAL				**550,000**	**722,000**	**257,000**	**470,000**	**255,000**	**2,254,000**

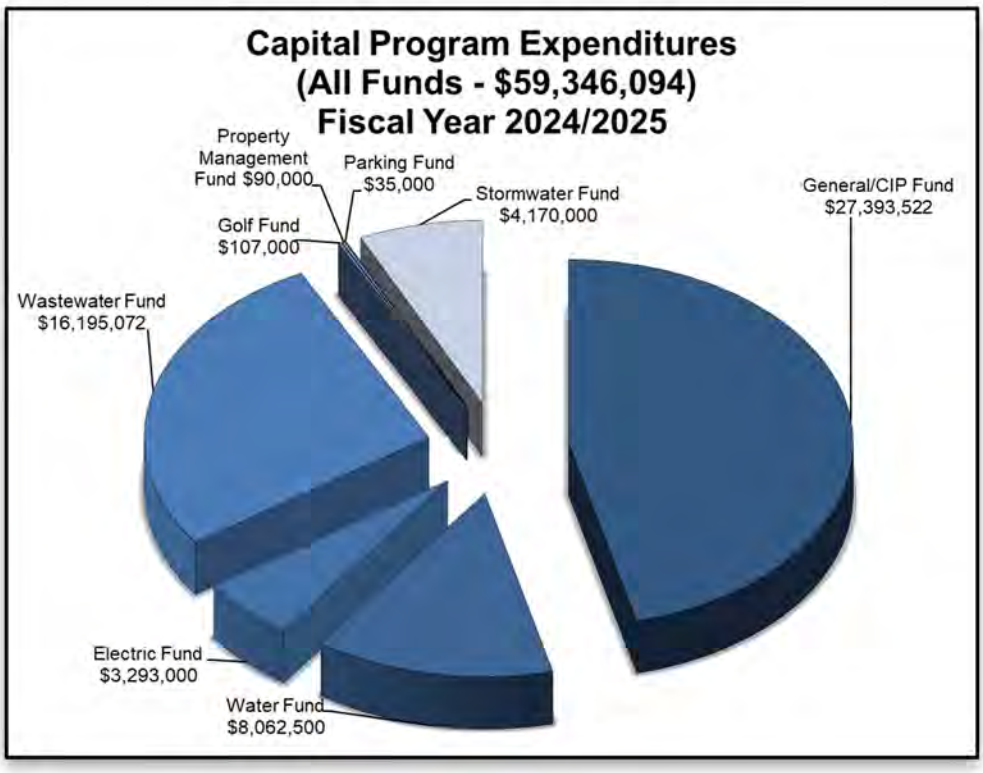
VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2025/2029

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 25	FY 26	FY 27	FY 28	FY29	TOTAL
POLICE DEPARTMENT									
902	206116	2014	FORD FUSION		78,700				**78,700**
903	206117	2014	FORD TAURUS		78,700				**78,700**
904	206158	2017	FORD EXPLORER				83,400		**83,400**
905	206157	2014	FORD EDGE		78,700				**78,700**
906	206118	2015	FORD TAURUS			81,000			**81,000**
907	206110	2014	FORD FUSION		78,700				**78,700**
908	206159	2014	FORD FUSION			81,000			**81,000**
909	206160	2014	FORD FUSION			81,000			**81,000**
911	206256	2017	FORD EXPLORER XLT				83,400		**83,400**
914	206171	2015	FORD EXPLORER XLT			81,000			**81,000**
915	206234	2016	FORD EXPLORER				83,400		**83,400**
919	206107	2016	FORD EXPLORER				83,400		**83,400**
923	206033	2007	CHEVY IMPALA	76,400					**76,400**
924	206137	2014	FORD FUSION		78,700				**78,700**
932	206130	2016	FORD EXPLORER				83,400		**83,400**
933	206111	2014	FORD FUSION			81,000			**81,000**
936	206172	2015	FORD EXPLORER XLT			81,000			**81,000**
937	206119	2013	FORD EDGE		78,700				**78,700**
945	206120	2013	FORD EDGE		78,700				**78,700**
948	206250	2013	NISSAN ACURA		78,700				**78,700**
952	5336	1991	FORD VAN	76,400					**76,400**
960	206083	2015	FORD EXPLORER XLT			81,000			**81,000**
972	5753	2004	FORD CROWN VICTORIA	76,400					**76,400**
973	206173	2018	FORD EXPLORER					89,000	**89,000**
975	206131	2016	FORD EXPLORER				83,400		**83,400**
976	206174	2018	FORD EXPLORER					89,000	**89,000**
986	206090	2005	FORD CROWN VICTORIA	76,400					**76,400**
989	5773	2005	CHEVY CARGO VAN	76,400					**76,400**
991	5874	2007	CHEVY COLORADO	76,400					**76,400**
994	206055	2007	CHEVY IMPALA	76,400					**76,400**
996	5524	2005	CHEVY COBALT	76,400					**76,400**
9100	206126	2016	FORD F150				83,400		**83,400**
9118	206108	2016	FORD EXPLORER				83,400		**83,400**
9120	206085	2015	FORD EXPLORER			81,000			**81,000**
9121	206084	2015	FORD EXPLORER			81,000			**81,000**
9123	206106	2016	FORD EXPLORER				83,400		**83,400**
9124	206206	2019	FORD EXPLORER					89,000	**89,000**
9125	206210	2019	FORD EXPLORER					89,000	**89,000**
9130	206214	2019	FORD EXPLORER					89,000	**89,000**
9132	206236	2019	DODGE CHARGER					89,000	**89,000**
9135	206239	2019	DODGE CHARGER					89,000	**89,000**
9137	206241	2019	DODGE CHARGER					89,000	**89,000**
9220	206081	2015	FORD EXPLORER			81,000			**81,000**
9221	206132	2016	FORD EXPLORER				83,400		**83,400**
9222	206175	2018	FORD EXPLORER					89,000	**89,000**
9303	6029	2011	FORD CROWN VICTORIA		78,700				**78,700**
9307	206169	2018	FORD EXPLORER					89,000	**89,000**
9501	206036	2013	FORD EXPLORER		78,700				**78,700**
POLICE DEPARTMENT TOTAL				**611,200**	**787,000**	**810,000**	**834,000**	**890,000**	**3,932,200**
FIRE DEPARTMENT									
NEW			LIGHT DUTY VEHICLE	85,000					**85,000**
F04-8776	5720	2004	KME PUMPER RESERVE ENGINE 1	970,000					**970,000**
F04-8777	5718	2004	KME PUMPER RESRVE ENGINE 5		1,500,000				**1,500,000**
F04-8778	5719	2004	KME PUMPER RESERVE ENGINE 3		1,500,000				**1,500,000**
F05-9097	5813	2005	CHEVY BLAZER	85,000					**85,000**
F06-7663	5829	2006	NELSON TRAILER					20,000	**20,000**
F13-8688	206043	2013	KME PUMPER ENGINE 1		1,500,000				**1,500,000**
F14-9818	206046	2014	CHEVY TAHOE	85,000					**85,000**
F16-6564	206113	2016	FORD F250			100,000			**100,000**
F16-6565	206129	2016	FORD F250			100,000			**100,000**
F17-2127	206154	2017	FORD F250				100,000		**100,000**
F17-6311	206166	2017	FORD F250				100,000		**100,000**
F19-1820	206320	2019	FORD F250					100,000	**100,000**
FIRE DEPARTMENT TOTAL				**1,225,000**	**4,500,000**	**200,000**	**200,000**	**120,000**	**6,245,000**
GENERAL FUND TOTAL				**$ 2,547,200**	**$ 6,301,000**	**$ 1,535,000**	**$ 1,787,000**	**$ 1,508,000**	**$ 13,678,200**

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2025/2029

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 25	FY 26	FY 27	FY 28	FY29	TOTAL
ELECTRIC FUND									
101	5876	2007	FORD F150		50,000				**50,000**
110	206096	2015	FORD FOCUS		35,000				**35,000**
111	206150	2017	FORD FOCUS			35,000			**35,000**
112	206161	2017	FORD FOCUS		35,000				**35,000**
113	5861	2007	CHEVY TRAILBLAZER		35,000				**35,000**
122	5869	2007	CHEVY 3/4 TON 4WD			50,000			**50,000**
123	206163	2018	FORDF150			50,000			**50,000**
124	5696	2003	GMC TEREX BUCKET TRUCK	280,000					**280,000**
126	5871	2007	CHEVY 3/4 TON 4WD PICK-UP		50,000				**50,000**
127	5936	2009	DIGGER DERRICK					325,000	**325,000**
128	5762	2004	GMC ALTEC BUCKET TRUCK				370,000		**370,000**
131	5870	2007	SILVERADO 4x4 PICKUP w/PLOW			50,000			**50,000**
135	206088	2015	FORD F550 BUCKET TRUCK	190,000					**190,000**
ELECTRIC FUND TOTAL				**470,000**	**205,000**	**185,000**	**370,000**	**325,000**	**1,555,000**
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				55,000		**55,000**
206	206027	2012	FORD F550	125,000					**125,000**
207	206039	2014	INTERNATIONAL DUMP TRUCK			200,000			**200,000**
214	5765	2015	CHEVY TRAVERSE				30,000		**30,000**
216	206123	2016	FORD F550					125,000	**125,000**
217	206138	2016	FORD F350					60,000	**60,000**
223	5853	2006	JD 310SG BACKHOE					160,000	**160,000**
224	206062	2014	CASE EXCAVATOR				175,000		**175,000**
225	206122	2017	FORD ESCAPE				30,000		**30,000**
226	5026	2012	FORD ESCAPE			30,000			**30,000**
228	5656	2001	JOHN DEERE 4106 BACKHOE LOADER	160,000					**160,000**
229	6018	2011	KOHLER TRAILER MOUNTED GENERATOR	125,000					**125,000**
244	206080	2015	CHEVY TRAVERSE		30,000				**30,000**
254	206128	2017	FORD F350				55,000		**55,000**
260	206028	2012	FORD F550 SERVICE TRUCK		125,000				**125,000**
261	206037	2014	CHEVY EQUINOX	30,000					**30,000**
WATER FUND TOTAL				**440,000**	**185,000**	**300,000**	**345,000**	**345,000**	**1,615,000**
WASTEWATER FUND									
504	5906	2008	FORD F250 P/U	60,000					**60,000**
509	5580	1999	VOLVO TRAILER MOUNTED GENERATOR		80,000				**80,000**
513	5427	1993	KOHLER MGS 2226 GENERATOR	80,000					**80,000**
526	2061002	2015	FORD F550	104,628			100,000		**204,628**
533	5657	2005	FORD RANGER PICKUP TRUCK	40,000					**40,000**
534	206086	2015	JEEP PATRIOT	45,000					**45,000**
535	5790	2008	NEW HOLLAND TRACTOR	40,000					**40,000**
541	5657	2002	FORD RANGER		40,000				**40,000**
560	5917	2008	JD 310SJ BACKHOE					150,000	**150,000**
591	5827	2006	CHEVY 2500 4X4 W/ SNOW PLOW			60,000			**60,000**
593	5630	2001	JOHN DEERE LOADER			150,000			**150,000**
WASTEWATER FUND TOTAL				**369,628**	**120,000**	**210,000**	**100,000**	**150,000**	**949,628**
PARKING FUND									
039	206066	2014	FORD TRANSIT VAN		45,000				**45,000**
PARKING FUND TOTAL				**-**	**45,000**	**-**	**-**	**-**	**45,000**
GOLF COURSE FUND									
326	5859	2007	GREENS MOWER			60,000			**60,000**
334	206151	2014	JOHN DEERE MOWER	89,000					**89,000**
343	206251	2015	JOHN DEERE MOWER					40,000	**40,000**
346	206220	2012	GOLF CART		9,000				**9,000**
347	206221	2012	GOLF CART			10,000			**10,000**
348	206120	2016	JOHN DEERE MOWER	18,000					**18,000**
351	5801	2005	FAIRWAY MOWER		60,000				**60,000**
353	5465	1995	KUBOTA TRACTOR					50,000	**50,000**
389	5774	2004	CUSHMAN SPRAYER				65,000		**65,000**
GOLF COURSE FUND TOTAL				**107,000**	**69,000**	**70,000**	**65,000**	**90,000**	**401,000**
STORMWATER PROTECTION FUND									
018	206048	2014	FORD F550 DUMP TRUCK		140,000				**140,000**
092	206183	2018	ELGIN SWEEPER	365,000					**365,000**
093	206182	2018	ELGIN SWEEPER			365,000			**365,000**
STORMWATER PROTECTION FUND TOTAL				**365,000**	**140,000**	**365,000**	**-**	**-**	**870,000**
ENTERPRISE FUNDS TOTAL				**$ 1,751,628**	**$ 764,000**	**$ 1,130,000**	**$ 880,000**	**$ 910,000**	**$ 5,435,628**
GRAND TOTAL - ALL FUNDS				**$ 4,298,828**	**$ 7,065,000**	**$ 2,665,000**	**$ 2,667,000**	**$ 2,418,000**	**$ 19,113,828**


Capital Program Funding Sources
(All Funds - $59,346,094)
Fiscal Year 2024/2025
Contributions $671,000
Stormwater Fee $3,450,000
Bond / Loan Financing $4,250,000
Other $71,000
Governmental Funds $3,073,120
Approp. Fund Balance and FB Reserve $8,706,705
Enterprise Funds $18,022,652
ARPA Grant $3,997,322
Prior Bond Proceeds $6,290,795
Other Intergovernmental Revenue $10,813,500


Capital Program Expenditures
(All Funds - $59,346,094)
Fiscal Year 2024/2025
Property Management Fund $90,000
Parking Fund $35,000
Stormwater Fund $4,170,000
General/CIP Fund $27,393,522
Golf Fund $107,000
Wastewater Fund $16,195,072
Electric Fund $3,293,000
Water Fund $8,062,500

CAPITAL IMPROVEMENT PROGRAM - ALL FUNDS
FIVE YEAR PLAN - FISCAL YEARS 2025/2029
EXPENDITURES SUMMARY BY FUND

DEPARTMENT	FY25	FY26	FY27	FY28	FY29	Total
Community & Economic Development	-	45,000	-	-	45,000	90,000
Engineering	15,648,000	3,125,000	5,195,000	5,240,524	5,700,000	34,908,524
Fire	4,590,000	7,992,500	900,000	26,900,000	25,820,000	66,202,500
Information Technology	1,590,000	981,000	136,000	136,000	136,000	2,979,000
Parks	2,692,000	2,522,000	1,207,000	583,000	8,333,000	15,337,000
Planning & Code Administration	35,000	73,000	38,000	38,000	38,000	222,000
Police	1,161,200	2,147,000	1,260,000	1,254,000	1,310,000	7,132,200
Public Works	1,632,322	867,000	437,000	1,530,000	355,000	4,821,322
Recreation	45,000	-	-	-	-	45,000
General/CIP Fund Total	**$ 27,393,522**	**$ 17,752,500**	**$ 9,173,000**	**$ 35,681,524**	**$ 41,737,000**	**$ 131,737,546**
Electric Fund	3,293,000	2,599,500	2,827,500	3,092,500	2,897,500	14,710,000
Water Fund	8,062,500	39,895,000	32,380,000	20,945,000	10,565,000	111,847,500
Wastewater Fund	16,195,072	17,280,000	15,395,000	7,085,000	6,085,000	62,040,072
Parking Fund	35,000	145,000	30,000	30,000	30,000	270,000
Golf Fund	107,000	79,000	120,000	75,000	190,000	571,000
Property Management Fund	90,000	10,000	40,000	40,000	40,000	220,000
Stormwater Protection Fund	4,170,000	1,165,000	1,515,000	950,000	600,000	8,400,000
Grand Total - All Funds	**$ 59,346,094**	**$ 78,926,000**	**$ 61,480,500**	**$ 67,899,024**	**$ 62,144,500**	**$ 329,796,118**

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '25 thru **FY '29**

FUNDING SOURCE SUMMARY

Source	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	1,887,322					*1,887,322*
Bond Financing (General Fund)		4,390,000	150,000	26,920,000	27,735,000	*59,195,000*
CIP Fund - GF Fund Balance	2,202,000					*2,202,000*
CIP Fund Balance	6,504,705	850,000				*7,354,705*
Contribution by Others	47,000	532,000	12,000	1,347,524	7,912,000	*9,850,524*
Facilities Rent	36,000	36,000	36,000	36,000	36,000	*180,000*
Grants-ARC	100,000	100,000				*200,000*
Grants-County			130,000			*130,000*
Grants-Federal	1,313,000	40,000	2,360,000	40,000	400,000	*4,153,000*
Grants-State	3,030,000	30,000	30,000	1,330,000	1,030,000	*5,450,000*
Grants-State Aid in Lieu of Urban Funds	35,000					*35,000*
Grants-State Program Open Space	895,500	213,500	656,100	153,000	49,500	*1,967,600*
PEG Fee	35,000	35,000	35,000	35,000	35,000	*175,000*
Prior Bond Proceeds	6,290,795					*6,290,795*
Reforestation Funds		5,000	5,000	5,000	5,000	*20,000*
State Highway User Revenue	1,635,000	1,505,000	1,525,000	1,495,000	1,495,000	*7,655,000*
Transfers to CIP-CDBG Fund	250,000	100,000	100,000	100,000	100,000	*650,000*
Transfers to CIP-Electric Fund	65,920	21,500	22,750	22,750	22,750	*155,670*
Transfers to CIP-General Fund	2,823,120	9,849,500	4,063,650	4,149,750	2,869,250	*23,755,270*
Transfers to CIP-Parking Fund	11,320	2,000	2,000	2,000	2,000	*19,320*
Transfers to CIP-Stormwater Fund	100,000					*100,000*
Transfers to CIP-Wastewater Fund	65,920	21,500	22,750	22,750	22,750	*155,670*
Transfers to CIP-Water Fund	65,920	21,500	22,750	22,750	22,750	*155,670*
GRAND TOTAL	**27,393,522**	**17,752,500**	**9,173,000**	**35,681,524**	**41,737,000**	***131,737,546***

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Gr								
Computer Equipment and Software	*45-C0006*	5	75,000					*75,000*
Engineering Equipment	*45-C0132*	8	13,000					*13,000*
Police Firing Range	*45-C0226*	5	40,000					*40,000*
Fire Department Training Center	*45-C0241*	5	100,000					*100,000*
Traffic Signalization Upgrades	*45-C0243*	5	500,000					*500,000*
Wheaton Park Improvements	*45-C0293*	5	250,000					*250,000*
City Hall Improvements	*45-C0326*	5	579,322					*579,322*
Sidewalk Replacement Program	*45-C0458*	5	135,000					*135,000*
Parks Citywide Upgrades	*45-C0665*	3	45,000					*45,000*
Fire and EMS Equipment	*45-C0871*	5	150,000					*150,000*
American Rescue Plan Act (ARPA) Grant Total			1,887,322					*1,887,322*
Bond Financing (General Fund)								
Fire Department Vehicle Replacement	*45-C0010*	5		4,125,000				*4,125,000*
Public Works Vehicles	*45-C0065*	5		265,000		370,000	235,000	*870,000*
Parks Vehicles and Equipment	*45-C0570*	5			150,000	150,000		*300,000*
Consolidation of Public Safety Assets	*45-C0687*	5				25,000,000	25,000,000	*50,000,000*
Public Works Storage Yard Expansion	*45-C0718*	5				900,000		*900,000*
Northwest Connector	*45-C0735*	5				500,000	1,500,000	*2,000,000*
Hagerstown Ice Rink	*45-C0843*	5					1,000,000	*1,000,000*
Bond Financing (General Fund) Total				4,390,000	150,000	26,920,000	27,735,000	*59,195,000*
CIP Fund - GF Fund Balance								
Public Safety Technology	*45-C0130*	1	100,000					*100,000*
City Hall Improvements	*45-C0326*	5	75,000					*75,000*
Steam Engine Museum	*45-C0439*	5	137,000					*137,000*
Consolidation of Public Safety Assets	*45-C0687*	5	500,000					*500,000*
Public Safety Radios and In-Station Alerting	*45-C0849*	1	500,000					*500,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	890,000					*890,000*
CIP Fund - GF Fund Balance Total			2,202,000					*2,202,000*
CIP Fund Balance								
Computer Equipment and Software	*45-C0006*	5	59,000					*59,000*
Fire Department Vehicle Replacement	*45-C0010*	5	920,000					*920,000*
Pavement Preservation Program	*45-C0025*	5	300,000					*300,000*
Hagerstown Field House	*45-C0041*	5	2,274,205					*2,274,205*
Hager House Visitor Center Improvements	*45-C0061*	7	100,000					*100,000*
Public Works Vehicles	*45-C0065*	5	362,000					*362,000*
Police Radios	*45-C0128*	1	170,000					*170,000*
Park Equipment	*45-C0237*	5	17,500					*17,500*

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
LED Signal Lights	*45-C0245*	4	5,000					*5,000*
Downtown Beautification Program	*45-C0280*	5	25,000					*25,000*
Police Building Renovation	*45-C0308*	5	20,000					*20,000*
City Hall Improvements	*45-C0326*	5	80,000					*80,000*
Signal Controller Upgrades	*45-C0433*	5	18,000					*18,000*
Steam Engine Museum	*45-C0439*	5	23,000					*23,000*
Geographic Information System	*45-C0451*	5	35,000					*35,000*
City Park Improvements	*45-C0522*	5	335,000					*335,000*
Traffic Calming	*45-C0560*	5	35,000					*35,000*
Cable PEG	*45-C0569*	2	261,000					*261,000*
Parks Vehicles and Equipment	*45-C0570*	5	20,000					*20,000*
Fairground Grandstand Improvements	*45-C0624*	5	10,000					*10,000*
Parks Citywide Upgrades	*45-C0665*	3	5,000					*5,000*
Planning & Code Admin Vehicles	*45-C0678*	5	15,000					*15,000*
ERP Software System Replacement	*45-C0739*	5	850,000	850,000				*1,700,000*
Neighborhood Park Development	*45-C0751*	5	40,000					*40,000*
Public Safety Radios and In-Station Alerting	*45-C0849*	1	230,000					*230,000*
Public Art	*45-C0868*	5	20,000					*20,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	275,000					*275,000*
CIP Fund Balance Total			6,504,705	850,000				*7,354,705*
Contribution by Others								
Police Firing Range	*45-C0226*	5		20,000				*20,000*
Eastern Boulevard North Extension	*45-C0606*	5				335,524		*335,524*
Northwest Connector	*45-C0735*	5				1,000,000	1,900,000	*2,900,000*
Hagerstown Ice Rink	*45-C0843*	5	12,000	512,000	12,000	12,000	6,012,000	*6,560,000*
Traffic Beacons	*45-C0872*	1	35,000					*35,000*
Contribution by Others Total			47,000	532,000	12,000	1,347,524	7,912,000	*9,850,524*
Facilities Rent								
Hagerstown Ice Rink	*45-C0843*	5	36,000	36,000	36,000	36,000	36,000	*180,000*
Facilities Rent Total			36,000	36,000	36,000	36,000	36,000	*180,000*
Grants-ARC								
Hager House Visitor Center Improvements	*45-C0061*	7	100,000	100,000				*200,000*
Grants-ARC Total			100,000	100,000				*200,000*
Grants-County								
Police Crime Lab Equipment	*45-C0182*	5			130,000			*130,000*
Grants-County Total					130,000			*130,000*
Grants-Federal								
Police Crime Lab Equipment	*45-C0182*	5	40,000	40,000		40,000	40,000	*160,000*
Traffic Signalization Upgrades	*45-C0243*	5	640,000		360,000		360,000	*1,360,000*
Steam Engine Museum	*45-C0439*	5	633,000					*633,000*
Multi-Use Trails	*45-C0717*	6			2,000,000			*2,000,000*

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-Federal Total			1,313,000	40,000	2,360,000	40,000	400,000	*4,153,000*
Grants-State								
Hagerstown Field House	*45-C0041*	5	3,000,000					*3,000,000*
Bridge Repair Program	*45-C0400*	4				800,000		*800,000*
New Sidewalks	*45-C0595*	1				500,000		*500,000*
Hagerstown Ice Rink	*45-C0843*	5					1,000,000	*1,000,000*
Public Art	*45-C0868*	5	30,000	30,000	30,000	30,000	30,000	*150,000*
Grants-State Total			3,030,000	30,000	30,000	1,330,000	1,030,000	*5,450,000*
Grants-State Aid in Lieu of Urban Fun								
Traffic Beacons	*45-C0872*	1	35,000					*35,000*
Grants-State Aid in Lieu of Urban Funds Total			35,000					*35,000*
Grants-State Program Open Space								
Hagerstown Field House	*45-C0041*	5	225,000					*225,000*
City Park Lake Improvements	*45-C0047*	5		200,000				*200,000*
Park Equipment	*45-C0237*	5	157,500		48,600		49,500	*255,600*
Wheaton Park Improvements	*45-C0293*	5	18,000					*18,000*
Mansion House Improvements	*45-C0336*	4	27,000					*27,000*
Steam Engine Museum	*45-C0439*	5		13,500				*13,500*
City Park Improvements	*45-C0522*	5	153,000		382,500			*535,500*
Fairgrounds Park Improvements	*45-C0626*	5			225,000	153,000		*378,000*
Neighborhood Park Development	*45-C0751*	5	315,000					*315,000*
Grants-State Program Open Space Total			895,500	213,500	656,100	153,000	49,500	*1,967,600*
PEG Fee								
Cable Inet	*45-C0568*	2	10,000	10,000	10,000	10,000	10,000	*50,000*
Cable PEG	*45-C0569*	2	25,000	25,000	25,000	25,000	25,000	*125,000*
PEG Fee Total			35,000	35,000	35,000	35,000	35,000	*175,000*
Prior Bond Proceeds								
Hagerstown Field House	*45-C0041*	5	6,290,795					*6,290,795*
Prior Bond Proceeds Total			6,290,795					*6,290,795*
Reforestation Funds								
Installation of Trees Using FCA Funds	*45-C0594*	5		5,000	5,000	5,000	5,000	*20,000*
Reforestation Funds Total				5,000	5,000	5,000	5,000	*20,000*
State Highway User Revenue								
Pavement Preservation Program	*45-C0025*	5	1,055,000	1,300,000	1,300,000	1,300,000	1,300,000	*6,255,000*
Hagerstown Field House	*45-C0041*	5	300,000					*300,000*
Pavement Markings	*45-C0093*	1	60,000	60,000	60,000	60,000	60,000	*300,000*
Accessibility Ramps	*45-C0217*	6	45,000	45,000	45,000	45,000	45,000	*225,000*

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Alley Reconstruction	*45-C0324*	5	130,000	100,000	90,000	90,000	90,000	*500,000*
City Park Improvements	*45-C0522*	5	45,000					*45,000*
Parks Citywide Upgrades	*45-C0665*	3			30,000			*30,000*
State Highway User Revenue Total			1,635,000	1,505,000	1,525,000	1,495,000	1,495,000	*7,655,000*
Transfers to CIP-CDBG Fund								
Accessibility Ramps	*45-C0217*	6	100,000	100,000	100,000	100,000	100,000	*500,000*
New Sidewalks	*45-C0595*	1	150,000					*150,000*
Transfers to CIP-CDBG Fund Total			250,000	100,000	100,000	100,000	100,000	*650,000*
Transfers to CIP-Electric Fund								
Computer Equipment and Software	*45-C0006*	5	61,440	9,600	9,600	9,600	9,600	*99,840*
Time & Attendance Software and Equip	*45-C0007*	5	4,480	1,900	1,900	1,900	1,900	*12,080*
Geographic Information System	*45-C0451*	5		10,000	11,250	11,250	11,250	*43,750*
Transfers to CIP-Electric Fund Total			65,920	21,500	22,750	22,750	22,750	*155,670*
Transfers to CIP-General Fund								
Computer Equipment and Software	*45-C0006*	5	61,440	9,600	9,600	9,600	9,600	*99,840*
Time & Attendance Software and Equip	*45-C0007*	5	4,480	1,900	1,900	1,900	1,900	*12,080*
Municipal Broadband	*45-C0008*	8		8,000	8,000	8,000	8,000	*32,000*
Fire Department Vehicle Replacement	*45-C0010*	5	305,000	375,000	200,000	200,000	120,000	*1,200,000*
City Park Lake Improvements	*45-C0047*	5		800,000				*800,000*
Hager House Visitor Center Improvements	*45-C0061*	7		100,000				*100,000*
Public Works Vehicles	*45-C0065*	5	188,000	457,000	257,000	100,000	20,000	*1,022,000*
Police Radios	*45-C0128*	1				120,000	120,000	*240,000*
Police Vehicles	*45-C0129*	1	611,200	787,000	810,000	834,000	890,000	*3,932,200*
Public Safety Technology	*45-C0130*	1	115,000	200,000	200,000	200,000	200,000	*915,000*
Engineering Equipment	*45-C0132*	8		35,000	15,000			*50,000*
Engineering Vehicles	*45-C0133*	4		35,000	30,000	30,000		*95,000*
Police Software and Hardware	*45-C0196*	1	25,000					*25,000*
Police Firing Range	*45-C0226*	5		40,000				*40,000*
Park Equipment	*45-C0237*	5		50,000	5,400	50,000	5,500	*110,900*
Fire Department Training Center	*45-C0241*	5	365,000	1,750,000	250,000	250,000	250,000	*2,865,000*
Traffic Signalization Upgrades	*45-C0243*	5	160,000	30,000	90,000	30,000	90,000	*400,000*
LED Signal Lights	*45-C0245*	4		5,000	5,000	5,000	5,000	*20,000*
Community & Economic Development Vehicles	*45-C0249*	4		45,000			45,000	*90,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	25,000	10,000	10,000	60,000	10,000	*115,000*
Downtown Beautification Program	*45-C0280*	5		25,000	25,000	25,000	25,000	*100,000*
Wheaton Park Improvements	*45-C0293*	5	2,000					*2,000*
Police Building Renovation	*45-C0308*	5	40,000	1,060,000	120,000	60,000	60,000	*1,340,000*
City Hall Improvements	*45-C0326*	5	245,000	35,000	110,000	30,000	30,000	*450,000*
Mansion House Improvements	*45-C0336*	4	3,000					*3,000*
Fuel Station Improvements	*45-C0352*	5		40,000				*40,000*
Bridge Repair Program	*45-C0400*	4	75,000	100,000		200,000		*375,000*
Signal Controller Upgrades	*45-C0433*	5	30,000	30,000	30,000	30,000	30,000	*150,000*
Steam Engine Museum	*45-C0439*	5		1,500	50,000			*51,500*
Geographic Information System	*45-C0451*	5		10,000	11,250	11,250	11,250	*43,750*
Sidewalk Replacement Program	*45-C0458*	5		140,000	145,000	150,000	155,000	*590,000*
City Park Improvements	*45-C0522*	5	7,000	30,000	42,500	30,000	30,000	*139,500*
Traffic Calming	*45-C0560*	5		35,000	35,000	35,000	35,000	*140,000*
Parks Vehicles and Equipment	*45-C0570*	5	61,000	139,000	50,000	65,000	160,000	*475,000*

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Recreation Vehicles and Equipment	*45-C0576*	5	45,000					*45,000*
New Sidewalks	*45-C0595*	1	20,000	80,000	80,000			*180,000*
Fairground Grandstand Improvements	*45-C0624*	5	30,000	10,000	10,000	10,000	10,000	*70,000*
Fairgrounds Park Improvements	*45-C0626*	5	10,000	10,000	25,000	57,000	10,000	*112,000*
Parks Citywide Upgrades	*45-C0665*	3		20,000	40,000	20,000	20,000	*100,000*
Planning & Code Admin Vehicles	*45-C0678*	5	20,000	73,000	38,000	38,000	38,000	*207,000*
Consolidation of Public Safety Assets	*45-C0687*	5		1,000,000		500,000		*1,500,000*
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*
Potterfield Pool Improvements	*45-C0822*	8			100,000			*100,000*
Hagerstown Ice Rink	*45-C0843*	5		1,500,000				*1,500,000*
Public Safety Radios and In-Station Alerting	*45-C0849*	1	20,000	277,500				*297,500*
Public Art	*45-C0868*	5	20,000	30,000	30,000	30,000	30,000	*140,000*
Fire Facilities City Owned Buildings	*45-C0870*	5	335,000	300,000	300,000	800,000	300,000	*2,035,000*
Fire and EMS Equipment	*45-C0871*	5		165,000	150,000	150,000	150,000	*615,000*
Transfers to CIP-General Fund Total			2,823,120	9,849,500	4,063,650	4,149,750	2,869,250	*23,755,270*
Transfers to CIP-Parking Fund								
Computer Equipment and Software	*45-C0006*	5	10,240	1,600	1,600	1,600	1,600	*16,640*
Time & Attendance Software and Equip	*45-C0007*	5	1,080	400	400	400	400	*2,680*
Transfers to CIP-Parking Fund Total			11,320	2,000	2,000	2,000	2,000	*19,320*
Transfers to CIP-Stormwater Fund								
City Park Improvements	*45-C0522*	5	100,000					*100,000*
Transfers to CIP-Stormwater Fund Total			100,000					*100,000*
Transfers to CIP-Wastewater Fund								
Computer Equipment and Software	*45-C0006*	5	61,440	9,600	9,600	9,600	9,600	*99,840*
Time & Attendance Software and Equip	*45-C0007*	5	4,480	1,900	1,900	1,900	1,900	*12,080*
Geographic Information System	*45-C0451*	5		10,000	11,250	11,250	11,250	*43,750*
Transfers to CIP-Wastewater Fund Total			65,920	21,500	22,750	22,750	22,750	*155,670*
Transfers to CIP-Water Fund								
Computer Equipment and Software	*45-C0006*	5	61,440	9,600	9,600	9,600	9,600	*99,840*
Time & Attendance Software and Equip	*45-C0007*	5	4,480	1,900	1,900	1,900	1,900	*12,080*
Geographic Information System	*45-C0451*	5		10,000	11,250	11,250	11,250	*43,750*
Transfers to CIP-Water Fund Total			65,920	21,500	22,750	22,750	22,750	*155,670*
GRAND TOTAL			27,393,522	17,752,500	9,173,000	35,681,524	41,737,000	*131,737,546*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '25 thru **FY '29**

DEPARTMENT SUMMARY

Department	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Community Development		45,000			45,000	*90,000*
Engineering	15,648,000	3,125,000	5,195,000	5,240,524	5,700,000	*34,908,524*
Fire	4,590,000	7,992,500	900,000	26,900,000	25,820,000	*66,202,500*
Information Technology	1,590,000	981,000	136,000	136,000	136,000	*2,979,000*
Parks	2,692,000	2,522,000	1,207,000	583,000	8,333,000	*15,337,000*
Planning	35,000	73,000	38,000	38,000	38,000	*222,000*
Police	1,161,200	2,147,000	1,260,000	1,254,000	1,310,000	*7,132,200*
Public Works	1,632,322	867,000	437,000	1,530,000	355,000	*4,821,322*
Recreation	45,000					*45,000*
TOTAL	**27,393,522**	**17,752,500**	**9,173,000**	**35,681,524**	**41,737,000**	***131,737,546***

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '25 thru **FY '29**

CATEGORY SUMMARY

Category	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Automobiles and Trucks	2,547,200	6,301,000	1,535,000	1,787,000	1,508,000	*13,678,200*
Buildings and Structures	18,355,322	7,768,000	2,298,000	28,968,000	35,008,000	*92,397,322*
Infrastructure-Alleys	130,000	100,000	90,000	90,000	90,000	*500,000*
Infrastructure-Bridges	75,000	100,000		1,000,000		*1,175,000*
Infrastructure-Parks	50,000	20,000	70,000	20,000	20,000	*180,000*
Infrastructure-Sidewalks	450,000	365,000	370,000	795,000	300,000	*2,280,000*
Infrastructure-Streets	105,000	105,000	625,000	2,140,524	3,505,000	*6,480,524*
Infrastructure-Utilities	1,370,000	30,000	450,000	30,000	450,000	*2,330,000*
Land Improvements	1,090,000	1,120,000	3,015,000	120,000	120,000	*5,465,000*
Machinery and Equipment	2,292,000	945,500	667,000	678,000	683,000	*5,265,500*
Software	929,000	898,000	53,000	53,000	53,000	*1,986,000*
TOTAL	27,393,522	17,752,500	9,173,000	35,681,524	41,737,000	*131,737,546*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '25 thru **FY '29**

EXPENDITURE TYPE SUMMARY

Expenditure Type	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Planning/Design	10,000	545,000	95,000	555,000	15,000	*1,220,000*
Land Acquisition	500,000	500,000	200,000			*1,200,000*
Construction/Maintenance	21,095,322	8,578,000	6,578,000	32,563,524	39,433,000	*108,247,846*
Equip/Vehicles/Furnishings	4,938,200	7,279,500	2,300,000	2,563,000	2,289,000	*19,369,700*
Software	850,000	850,000				*1,700,000*
TOTAL	**27,393,522**	**17,752,500**	**9,173,000**	**35,681,524**	**41,737,000**	***131,737,546***

PROJECTS BY DEPARTMENT

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Community Development								
Community & Economic Development Vehicles	*45-C0249*	4		45,000			45,000	*90,000*
Community Development Total				45,000			45,000	*90,000*
Engineering								
Pavement Preservation Program	*45-C0025*	5	1,355,000	1,300,000	1,300,000	1,300,000	1,300,000	*6,555,000*
Hagerstown Field House	*45-C0041*	5	12,090,000					*12,090,000*
City Park Lake Improvements	*45-C0047*	5		1,000,000				*1,000,000*
Pavement Markings	*45-C0093*	1	60,000	60,000	60,000	60,000	60,000	*300,000*
Engineering Equipment	*45-C0132*	8	13,000	35,000	15,000			*63,000*
Engineering Vehicles	*45-C0133*	4		35,000	30,000	30,000		*95,000*
Accessibility Ramps	*45-C0217*	6	145,000	145,000	145,000	145,000	145,000	*725,000*
Traffic Signalization Upgrades	*45-C0243*	5	1,300,000	30,000	450,000	30,000	450,000	*2,260,000*
Alley Reconstruction	*45-C0324*	5	130,000	100,000	90,000	90,000	90,000	*500,000*
Bridge Repair Program	*45-C0400*	4	75,000	100,000		1,000,000		*1,175,000*
Sidewalk Replacement Program	*45-C0458*	5	135,000	140,000	145,000	150,000	155,000	*725,000*
Traffic Calming	*45-C0560*	5	35,000	35,000	35,000	35,000	35,000	*175,000*
Installation of Trees Using FCA Funds	*45-C0594*	5		5,000	5,000	5,000	5,000	*20,000*
New Sidewalks	*45-C0595*	1	170,000	80,000	80,000	500,000		*830,000*
Eastern Boulevard North Extension	*45-C0606*	5				335,524		*335,524*
Multi-Use Trails	*45-C0717*	6			2,500,000			*2,500,000*
Northwest Connector	*45-C0735*	5			280,000	1,500,000	3,400,000	*5,180,000*
Public Art	*45-C0868*	5	70,000	60,000	60,000	60,000	60,000	*310,000*
Traffic Beacons	*45-C0872*	1	70,000					*70,000*
Engineering Total			15,648,000	3,125,000	5,195,000	5,240,524	5,700,000	*34,908,524*
Fire								
Fire Department Vehicle Replacement	*45-C0010*	5	1,225,000	4,500,000	200,000	200,000	120,000	*6,245,000*
Fire Department Training Center	*45-C0241*	5	465,000	1,750,000	250,000	250,000	250,000	*2,965,000*
Consolidation of Public Safety Assets	*45-C0687*	5	500,000	1,000,000		25,500,000	25,000,000	*52,000,000*
Public Safety Radios and In-Station Alerting	*45-C0849*	1	750,000	277,500				*1,027,500*
Fire Facilities City Owned Buildings	*45-C0870*	5	1,500,000	300,000	300,000	800,000	300,000	*3,200,000*
Fire and EMS Equipment	*45-C0871*	5	150,000	165,000	150,000	150,000	150,000	*765,000*
Fire Total			4,590,000	7,992,500	900,000	26,900,000	25,820,000	*66,202,500*
Information Technology								
Computer Equipment and Software	*45-C0006*	5	390,000	40,000	40,000	40,000	40,000	*550,000*
Time & Attendance Software and Equip	*45-C0007*	5	19,000	8,000	8,000	8,000	8,000	*51,000*
Municipal Broadband	*45-C0008*	8		8,000	8,000	8,000	8,000	*32,000*
Geographic Information System	*45-C0451*	5	35,000	40,000	45,000	45,000	45,000	*210,000*
Cable Inet	*45-C0568*	2	10,000	10,000	10,000	10,000	10,000	*50,000*
Cable PEG	*45-C0569*	2	286,000	25,000	25,000	25,000	25,000	*386,000*
ERP Software System Replacement	*45-C0739*	5	850,000	850,000				*1,700,000*

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Information Technology Total			1,590,000	981,000	136,000	136,000	136,000	*2,979,000*
Parks								
Hager House Visitor Center Improvements	*45-C0061*	7	200,000	200,000				*400,000*
Park Equipment	*45-C0237*	5	175,000	50,000	54,000	50,000	55,000	*384,000*
Wheaton Park Improvements	*45-C0293*	5	270,000					*270,000*
Mansion House Improvements	*45-C0336*	4	30,000					*30,000*
Steam Engine Museum	*45-C0439*	5	793,000	15,000	50,000			*858,000*
City Park Improvements	*45-C0522*	5	640,000	30,000	425,000	30,000	30,000	*1,155,000*
Parks Vehicles and Equipment	*45-C0570*	5	81,000	139,000	200,000	215,000	160,000	*795,000*
Fairground Grandstand Improvements	*45-C0624*	5	40,000	10,000	10,000	10,000	10,000	*80,000*
Fairgrounds Park Improvements	*45-C0626*	5	10,000	10,000	250,000	210,000	10,000	*490,000*
Parks Citywide Upgrades	*45-C0665*	3	50,000	20,000	70,000	20,000	20,000	*180,000*
Neighborhood Park Development	*45-C0751*	5	355,000					*355,000*
Potterfield Pool Improvements	*45-C0822*	8			100,000			*100,000*
Hagerstown Ice Rink	*45-C0843*	5	48,000	2,048,000	48,000	48,000	8,048,000	*10,240,000*
Parks Total			2,692,000	2,522,000	1,207,000	583,000	8,333,000	*15,337,000*
Planning								
Planning & Code Admin Vehicles	*45-C0678*	5	35,000	73,000	38,000	38,000	38,000	*222,000*
Planning Total			35,000	73,000	38,000	38,000	38,000	*222,000*
Police								
Police Radios	*45-C0128*	1	170,000			120,000	120,000	*410,000*
Police Vehicles	*45-C0129*	1	611,200	787,000	810,000	834,000	890,000	*3,932,200*
Public Safety Technology	*45-C0130*	1	215,000	200,000	200,000	200,000	200,000	*1,015,000*
Police Crime Lab Equipment	*45-C0182*	5	40,000	40,000	130,000	40,000	40,000	*290,000*
Police Software and Hardware	*45-C0196*	1	25,000					*25,000*
Police Firing Range	*45-C0226*	5	40,000	60,000				*100,000*
Police Building Renovation	*45-C0308*	5	60,000	1,060,000	120,000	60,000	60,000	*1,360,000*
Police Total			1,161,200	2,147,000	1,260,000	1,254,000	1,310,000	*7,132,200*
Public Works								
Public Works Vehicles	*45-C0065*	5	550,000	722,000	257,000	470,000	255,000	*2,254,000*
LED Signal Lights	*45-C0245*	4	5,000	5,000	5,000	5,000	5,000	*25,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	25,000	10,000	10,000	60,000	10,000	*115,000*
Downtown Beautification Program	*45-C0280*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
City Hall Improvements	*45-C0326*	5	979,322	35,000	110,000	30,000	30,000	*1,184,322*
Fuel Station Improvements	*45-C0352*	5		40,000				*40,000*
Signal Controller Upgrades	*45-C0433*	5	48,000	30,000	30,000	30,000	30,000	*168,000*
Public Works Storage Yard Expansion	*45-C0718*	5				910,000		*910,000*
Public Works Total			1,632,322	867,000	437,000	1,530,000	355,000	*4,821,322*
Recreation								
Recreation Vehicles and Equipment	*45-C0576*	5	45,000					*45,000*
Recreation Total			45,000					*45,000*
GRAND TOTAL			27,393,522	17,752,500	9,173,000	35,681,524	41,737,000	*131,737,546*

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Community Development								
Community & Economic Development Vehicles	45-C0249	4		45,000			45,000	*90,000*
Transfers to CIP-General Fund				*45,000*			*45,000*	*90,000*
Community Development Total				45,000			45,000	*90,000*
Engineering								
Pavement Preservation Program	45-C0025	5	1,355,000	1,300,000	1,300,000	1,300,000	1,300,000	*6,555,000*
CIP Fund Balance			*300,000*					*300,000*
State Highway User Revenue			*1,055,000*	*1,300,000*	*1,300,000*	*1,300,000*	*1,300,000*	*6,255,000*
Hagerstown Field House	45-C0041	5	12,090,000					*12,090,000*
CIP Fund Balance			*2,274,205*					*2,274,205*
Grants-State			*3,000,000*					*3,000,000*
Grants-State Program Open Space			*225,000*					*225,000*
Prior Bond Proceeds			*6,290,795*					*6,290,795*
State Highway User Revenue			*300,000*					*300,000*
City Park Lake Improvements	45-C0047	5		1,000,000				*1,000,000*
Grants-State Program Open Space				*200,000*				*200,000*
Transfers to CIP-General Fund				*800,000*				*800,000*
Pavement Markings	45-C0093	1	60,000	60,000	60,000	60,000	60,000	*300,000*
State Highway User Revenue			*60,000*	*60,000*	*60,000*	*60,000*	*60,000*	*300,000*
Engineering Equipment	45-C0132	8	13,000	35,000	15,000			*63,000*
American Rescue Plan Act (ARPA) Grant			*13,000*					*13,000*
Transfers to CIP-General Fund				*35,000*	*15,000*			*50,000*
Engineering Vehicles	45-C0133	4		35,000	30,000	30,000		*95,000*
Transfers to CIP-General Fund				*35,000*	*30,000*	*30,000*		*95,000*
Accessibility Ramps	45-C0217	6	145,000	145,000	145,000	145,000	145,000	*725,000*
State Highway User Revenue			*45,000*	*45,000*	*45,000*	*45,000*	*45,000*	*225,000*
Transfers to CIP-CDBG Fund			*100,000*	*100,000*	*100,000*	*100,000*	*100,000*	*500,000*
Traffic Signalization Upgrades	45-C0243	5	1,300,000	30,000	450,000	30,000	450,000	*2,260,000*
American Rescue Plan Act (ARPA) Grant			*500,000*					*500,000*
Grants-Federal			*640,000*		*360,000*		*360,000*	*1,360,000*
Transfers to CIP-General Fund			*160,000*	*30,000*	*90,000*	*30,000*	*90,000*	*400,000*
Alley Reconstruction	45-C0324	5	130,000	100,000	90,000	90,000	90,000	*500,000*
State Highway User Revenue			*130,000*	*100,000*	*90,000*	*90,000*	*90,000*	*500,000*
Bridge Repair Program	45-C0400	4	75,000	100,000		1,000,000		*1,175,000*
Grants-State						*800,000*		*800,000*
Transfers to CIP-General Fund			*75,000*	*100,000*		*200,000*		*375,000*
Sidewalk Replacement Program	45-C0458	5	135,000	140,000	145,000	150,000	155,000	*725,000*
American Rescue Plan Act (ARPA) Grant			*135,000*					*135,000*
Transfers to CIP-General Fund				*140,000*	*145,000*	*150,000*	*155,000*	*590,000*
Traffic Calming	45-C0560	5	35,000	35,000	35,000	35,000	35,000	*175,000*
CIP Fund Balance			*35,000*					*35,000*
Transfers to CIP-General Fund				*35,000*	*35,000*	*35,000*	*35,000*	*140,000*
Installation of Trees Using FCA Funds	45-C0594	5		5,000	5,000	5,000	5,000	*20,000*
Reforestation Funds				*5,000*	*5,000*	*5,000*	*5,000*	*20,000*

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
New Sidewalks	45-C0595	1	170,000	80,000	80,000	500,000		*830,000*
Grants-State						*500,000*		*500,000*
Transfers to CIP-CDBG Fund			*150,000*					*150,000*
Transfers to CIP-General Fund			*20,000*	*80,000*	*80,000*			*180,000*
Eastern Boulevard North Extension	45-C0606	5				335,524		*335,524*
Contribution by Others						*335,524*		*335,524*
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)						*500,000*	*1,500,000*	*2,000,000*
Contribution by Others						*1,000,000*	*1,900,000*	*2,900,000*
Transfers to CIP-General Fund					*280,000*			*280,000*
Public Art	45-C0868	5	70,000	60,000	60,000	60,000	60,000	*310,000*
CIP Fund Balance			*20,000*					*20,000*
Grants-State			*30,000*	*30,000*	*30,000*	*30,000*	*30,000*	*150,000*
Transfers to CIP-General Fund			*20,000*	*30,000*	*30,000*	*30,000*	*30,000*	*140,000*
Traffic Beacons	45-C0872	1	70,000					*70,000*
Contribution by Others			*35,000*					*35,000*
Grants-State Aid in Lieu of Urban Funds			*35,000*					*35,000*
Engineering Total			15,648,000	3,125,000	5,195,000	5,240,524	5,700,000	*34,908,524*
Fire								
Fire Department Vehicle Replacement	45-C0010	5	1,225,000	4,500,000	200,000	200,000	120,000	*6,245,000*
Bond Financing (General Fund)				*4,125,000*				*4,125,000*
CIP Fund Balance			*920,000*					*920,000*
Transfers to CIP-General Fund			*305,000*	*375,000*	*200,000*	*200,000*	*120,000*	*1,200,000*
Fire Department Training Center	45-C0241	5	465,000	1,750,000	250,000	250,000	250,000	*2,965,000*
American Rescue Plan Act (ARPA) Grant			*100,000*					*100,000*
Transfers to CIP-General Fund			*365,000*	*1,750,000*	*250,000*	*250,000*	*250,000*	*2,865,000*
Consolidation of Public Safety Assets	45-C0687	5	500,000	1,000,000		25,500,000	25,000,000	*52,000,000*
Bond Financing (General Fund)						*25,000,000*	*25,000,000*	*50,000,000*
CIP Fund - GF Fund Balance			*500,000*					*500,000*
Transfers to CIP-General Fund				*1,000,000*		*500,000*		*1,500,000*
Public Safety Radios and In-Station Alerting	45-C0849	1	750,000	277,500				*1,027,500*
CIP Fund - GF Fund Balance			*500,000*					*500,000*
CIP Fund Balance			*230,000*					*230,000*
Transfers to CIP-General Fund			*20,000*	*277,500*				*297,500*
Fire Facilities City Owned Buildings	45-C0870	5	1,500,000	300,000	300,000	800,000	300,000	*3,200,000*
CIP Fund - GF Fund Balance			*890,000*					*890,000*
CIP Fund Balance			*275,000*					*275,000*
Transfers to CIP-General Fund			*335,000*	*300,000*	*300,000*	*800,000*	*300,000*	*2,035,000*
Fire and EMS Equipment	45-C0871	5	150,000	165,000	150,000	150,000	150,000	*765,000*
American Rescue Plan Act (ARPA) Grant			*150,000*					*150,000*
Transfers to CIP-General Fund				*165,000*	*150,000*	*150,000*	*150,000*	*615,000*
Fire Total			4,590,000	7,992,500	900,000	26,900,000	25,820,000	*66,202,500*
Information Technology								
Computer Equipment and Software	45-C0006	5	390,000	40,000	40,000	40,000	40,000	*550,000*
American Rescue Plan Act (ARPA) Grant			*75,000*					*75,000*
CIP Fund Balance			*59,000*					*59,000*
Transfers to CIP-Electric Fund			*61,440*	*9,600*	*9,600*	*9,600*	*9,600*	*99,840*
Transfers to CIP-General Fund			*61,440*	*9,600*	*9,600*	*9,600*	*9,600*	*99,840*
Transfers to CIP-Parking Fund			*10,240*	*1,600*	*1,600*	*1,600*	*1,600*	*16,640*
Transfers to CIP-Wastewater Fund			*61,440*	*9,600*	*9,600*	*9,600*	*9,600*	*99,840*

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-Water Fund			*61,440*	*9,600*	*9,600*	*9,600*	*9,600*	*99,840*
Time & Attendance Software and Equip	45-C0007	5	19,000	8,000	8,000	8,000	8,000	*51,000*
Transfers to CIP-Electric Fund			*4,480*	*1,900*	*1,900*	*1,900*	*1,900*	*12,080*
Transfers to CIP-General Fund			*4,480*	*1,900*	*1,900*	*1,900*	*1,900*	*12,080*
Transfers to CIP-Parking Fund			*1,080*	*400*	*400*	*400*	*400*	*2,680*
Transfers to CIP-Wastewater Fund			*4,480*	*1,900*	*1,900*	*1,900*	*1,900*	*12,080*
Transfers to CIP-Water Fund			*4,480*	*1,900*	*1,900*	*1,900*	*1,900*	*12,080*
Municipal Broadband	45-C0008	8		8,000	8,000	8,000	8,000	*32,000*
Transfers to CIP-General Fund				*8,000*	*8,000*	*8,000*	*8,000*	*32,000*
Geographic Information System	45-C0451	5	35,000	40,000	45,000	45,000	45,000	*210,000*
CIP Fund Balance			*35,000*					*35,000*
Transfers to CIP-Electric Fund				*10,000*	*11,250*	*11,250*	*11,250*	*43,750*
Transfers to CIP-General Fund				*10,000*	*11,250*	*11,250*	*11,250*	*43,750*
Transfers to CIP-Wastewater Fund				*10,000*	*11,250*	*11,250*	*11,250*	*43,750*
Transfers to CIP-Water Fund				*10,000*	*11,250*	*11,250*	*11,250*	*43,750*
Cable Inet	45-C0568	2	10,000	10,000	10,000	10,000	10,000	*50,000*
PEG Fee			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Cable PEG	45-C0569	2	286,000	25,000	25,000	25,000	25,000	*386,000*
CIP Fund Balance			*261,000*					*261,000*
PEG Fee			*25,000*	*25,000*	*25,000*	*25,000*	*25,000*	*125,000*
ERP Software System Replacement	45-C0739	5	850,000	850,000				*1,700,000*
CIP Fund Balance			*850,000*	*850,000*				*1,700,000*
Information Technology Total			1,590,000	981,000	136,000	136,000	136,000	*2,979,000*
Parks								
Hager House Visitor Center Improvements	45-C0061	7	200,000	200,000				*400,000*
CIP Fund Balance			*100,000*					*100,000*
Grants-ARC			*100,000*	*100,000*				*200,000*
Transfers to CIP-General Fund				*100,000*				*100,000*
Park Equipment	45-C0237	5	175,000	50,000	54,000	50,000	55,000	*384,000*
CIP Fund Balance			*17,500*					*17,500*
Grants-State Program Open Space			*157,500*		*48,600*		*49,500*	*255,600*
Transfers to CIP-General Fund				*50,000*	*5,400*	*50,000*	*5,500*	*110,900*
Wheaton Park Improvements	45-C0293	5	270,000					*270,000*
American Rescue Plan Act (ARPA) Grant			*250,000*					*250,000*
Grants-State Program Open Space			*18,000*					*18,000*
Transfers to CIP-General Fund			*2,000*					*2,000*
Mansion House Improvements	45-C0336	4	30,000					*30,000*
Grants-State Program Open Space			*27,000*					*27,000*
Transfers to CIP-General Fund			*3,000*					*3,000*
Steam Engine Museum	45-C0439	5	793,000	15,000	50,000			*858,000*
CIP Fund - GF Fund Balance			*137,000*					*137,000*
CIP Fund Balance			*23,000*					*23,000*
Grants-Federal			*633,000*					*633,000*
Grants-State Program Open Space				*13,500*				*13,500*
Transfers to CIP-General Fund				*1,500*	*50,000*			*51,500*
City Park Improvements	45-C0522	5	640,000	30,000	425,000	30,000	30,000	*1,155,000*
CIP Fund Balance			*335,000*					*335,000*
Grants-State Program Open Space			*153,000*		*382,500*			*535,500*
State Highway User Revenue			*45,000*					*45,000*
Transfers to CIP-General Fund			*7,000*	*30,000*	*42,500*	*30,000*	*30,000*	*139,500*
Transfers to CIP-Stormwater Fund			*100,000*					*100,000*
Parks Vehicles and Equipment	45-C0570	5	81,000	139,000	200,000	215,000	160,000	*795,000*
Bond Financing (General Fund)					*150,000*	*150,000*		*300,000*
CIP Fund Balance			*20,000*					*20,000*
Transfers to CIP-General Fund			*61,000*	*139,000*	*50,000*	*65,000*	*160,000*	*475,000*

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Fairground Grandstand Improvements	45-C0624	5	40,000	10,000	10,000	10,000	10,000	*80,000*
CIP Fund Balance			*10,000*					*10,000*
Transfers to CIP-General Fund			*30,000*	*10,000*	*10,000*	*10,000*	*10,000*	*70,000*
Fairgrounds Park Improvements	45-C0626	5	10,000	10,000	250,000	210,000	10,000	*490,000*
Grants-State Program Open Space					*225,000*	*153,000*		*378,000*
Transfers to CIP-General Fund			*10,000*	*10,000*	*25,000*	*57,000*	*10,000*	*112,000*
Parks Citywide Upgrades	45-C0665	3	50,000	20,000	70,000	20,000	20,000	*180,000*
American Rescue Plan Act (ARPA) Grant			*45,000*					*45,000*
CIP Fund Balance			*5,000*					*5,000*
State Highway User Revenue					*30,000*			*30,000*
Transfers to CIP-General Fund				*20,000*	*40,000*	*20,000*	*20,000*	*100,000*
Neighborhood Park Development	45-C0751	5	355,000					*355,000*
CIP Fund Balance			*40,000*					*40,000*
Grants-State Program Open Space			*315,000*					*315,000*
Potterfield Pool Improvements	45-C0822	8			100,000			*100,000*
Transfers to CIP-General Fund					*100,000*			*100,000*
Hagerstown Ice Rink	45-C0843	5	48,000	2,048,000	48,000	48,000	8,048,000	*10,240,000*
Bond Financing (General Fund)							*1,000,000*	*1,000,000*
Contribution by Others			*12,000*	*512,000*	*12,000*	*12,000*	*6,012,000*	*6,560,000*
Facilities Rent			*36,000*	*36,000*	*36,000*	*36,000*	*36,000*	*180,000*
Grants-State							*1,000,000*	*1,000,000*
Transfers to CIP-General Fund				*1,500,000*				*1,500,000*
Parks Total			2,692,000	2,522,000	1,207,000	583,000	8,333,000	*15,337,000*
Planning								
Planning & Code Admin Vehicles	45-C0678	5	35,000	73,000	38,000	38,000	38,000	*222,000*
CIP Fund Balance			*15,000*					*15,000*
Transfers to CIP-General Fund			*20,000*	*73,000*	*38,000*	*38,000*	*38,000*	*207,000*
Planning Total			35,000	73,000	38,000	38,000	38,000	*222,000*
Police								
Police Radios	45-C0128	1	170,000			120,000	120,000	*410,000*
CIP Fund Balance			*170,000*					*170,000*
Transfers to CIP-General Fund						*120,000*	*120,000*	*240,000*
Police Vehicles	45-C0129	1	611,200	787,000	810,000	834,000	890,000	*3,932,200*
Transfers to CIP-General Fund			*611,200*	*787,000*	*810,000*	*834,000*	*890,000*	*3,932,200*
Public Safety Technology	45-C0130	1	215,000	200,000	200,000	200,000	200,000	*1,015,000*
CIP Fund - GF Fund Balance			*100,000*					*100,000*
Transfers to CIP-General Fund			*115,000*	*200,000*	*200,000*	*200,000*	*200,000*	*915,000*
Police Crime Lab Equipment	45-C0182	5	40,000	40,000	130,000	40,000	40,000	*290,000*
Grants-County					*130,000*			*130,000*
Grants-Federal			*40,000*	*40,000*		*40,000*	*40,000*	*160,000*
Police Software and Hardware	45-C0196	1	25,000					*25,000*
Transfers to CIP-General Fund			*25,000*					*25,000*
Police Firing Range	45-C0226	5	40,000	60,000				*100,000*
American Rescue Plan Act (ARPA) Grant			*40,000*					*40,000*
Contribution by Others				*20,000*				*20,000*
Transfers to CIP-General Fund				*40,000*				*40,000*
Police Building Renovation	45-C0308	5	60,000	1,060,000	120,000	60,000	60,000	*1,360,000*
CIP Fund Balance			*20,000*					*20,000*
Transfers to CIP-General Fund			*40,000*	*1,060,000*	*120,000*	*60,000*	*60,000*	*1,340,000*
Police Total			1,161,200	2,147,000	1,260,000	1,254,000	1,310,000	*7,132,200*

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Public Works								
Public Works Vehicles	45-C0065	5	550,000	722,000	257,000	470,000	255,000	*2,254,000*
Bond Financing (General Fund)				*265,000*		*370,000*	*235,000*	*870,000*
CIP Fund Balance			*362,000*					*362,000*
Transfers to CIP-General Fund			*188,000*	*457,000*	*257,000*	*100,000*	*20,000*	*1,022,000*
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	25,000	10,000	10,000	60,000	10,000	*115,000*
Transfers to CIP-General Fund			*25,000*	*10,000*	*10,000*	*60,000*	*10,000*	*115,000*
Downtown Beautification Program	45-C0280	5	25,000	25,000	25,000	25,000	25,000	*125,000*
CIP Fund Balance			*25,000*					*25,000*
Transfers to CIP-General Fund				*25,000*	*25,000*	*25,000*	*25,000*	*100,000*
City Hall Improvements	45-C0326	5	979,322	35,000	110,000	30,000	30,000	*1,184,322*
American Rescue Plan Act (ARPA) Grant			*579,322*					*579,322*
CIP Fund - GF Fund Balance			*75,000*					*75,000*
CIP Fund Balance			*80,000*					*80,000*
Transfers to CIP-General Fund			*245,000*	*35,000*	*110,000*	*30,000*	*30,000*	*450,000*
Fuel Station Improvements	45-C0352	5		40,000				*40,000*
Transfers to CIP-General Fund				*40,000*				*40,000*
Signal Controller Upgrades	45-C0433	5	48,000	30,000	30,000	30,000	30,000	*168,000*
CIP Fund Balance			*18,000*					*18,000*
Transfers to CIP-General Fund			*30,000*	*30,000*	*30,000*	*30,000*	*30,000*	*150,000*
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			1,632,322	867,000	437,000	1,530,000	355,000	*4,821,322*
Recreation								
Recreation Vehicles and Equipment	45-C0576	5	45,000					*45,000*
Transfers to CIP-General Fund			*45,000*					*45,000*
Recreation Total			45,000					*45,000*
GRAND TOTAL			27,393,522	17,752,500	9,173,000	35,681,524	41,737,000	*131,737,546*

City of Hagerstown, Maryland

ELECTRIC FUND

FY '25 thru **FY '29**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Contribution by Others								
Kilpatrick Woods	*50-C0550*	5	109,000	60,000	50,000	50,000		*269,000*
Brookmeadow	*50-C0703*	5	15,000	50,000	30,000			*95,000*
Contribution by Others Total			124,000	110,000	80,000	50,000		*364,000*
Electric Fund								
Electric Vehicles	*50-C0090*	5	470,000	205,000	185,000	370,000	325,000	*1,555,000*
Telemetry Equipment	*50-C0111*	5	50,000	10,000	5,000	5,000	5,000	*75,000*
Central Substation	*50-C0118*	5			200,000	500,000	200,000	*900,000*
Security Improvements	*50-C0178*	5	5,000	5,000	5,000	5,000	5,000	*25,000*
System Reconductoring	*50-C0259*	5	206,500	60,000	60,000	60,000	60,000	*446,500*
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	50,000	25,000	25,000	25,000	25,000	*150,000*
Bulldog Substation Removal	*50-C0544*	5					50,000	*50,000*
Streetlight Replacement	*50-C0546*	5	75,000	10,000	10,000	10,000	10,000	*115,000*
Kilpatrick Woods	*50-C0550*	5	64,500	64,000				*128,500*
Test Equipment	*50-C0609*	5	15,000	15,000	15,000	15,000	15,000	*75,000*
Substation Controls	*50-C0616*	5	80,000	40,000	40,000	40,000	40,000	*240,000*
Meter Replacement	*50-C0679*	5	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	*7,500,000*
Brookmeadow	*50-C0703*	5	38,000	77,500	10,000			*125,500*
Substation Breaker Replacement	*50-C0776*	5	80,000	80,000	80,000	80,000	80,000	*400,000*
GIS Facility Software	*50-C0777*	5	12,000					*12,000*
Substation Upgrades	*50-C0778*	5	75,000	75,000	205,000	125,000	275,000	*755,000*
Equipment Refurbishment	*50-C0797*	5	75,000	75,000	75,000	75,000	75,000	*375,000*
Wildlife Protection on Distribution System	*50-C0802*	5	50,000	50,000	50,000	50,000	50,000	*250,000*
Feeder Coordination	*50-C0833*	5	15,000	15,000	15,000	15,000	15,000	*75,000*
Circuit Upgrades	*50-C0842*	5	115,500	115,500	150,000	150,000	150,000	*681,000*
Electric Fund Total			2,994,000	2,439,500	2,647,500	3,042,500	2,897,500	*14,021,000*
Grants-Federal								
Security Improvements	*50-C0178*	5	50,000	50,000	100,000			*200,000*
Grants-Federal Total			50,000	50,000	100,000			*200,000*
Grants-State								
Streetlight Replacement	*50-C0546*	5	125,000					*125,000*
Grants-State Total			125,000					*125,000*
GRAND TOTAL			3,293,000	2,599,500	2,827,500	3,092,500	2,897,500	*14,710,000*

City of Hagerstown, Maryland

ELECTRIC FUND

FY '25 thru **FY '29**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund								
Electric Vehicles	50-C0090	5	470,000	205,000	185,000	370,000	325,000	*1,555,000*
Electric Fund			*470,000*	*205,000*	*185,000*	*370,000*	*325,000*	*1,555,000*
Telemetry Equipment	50-C0111	5	50,000	10,000	5,000	5,000	5,000	*75,000*
Electric Fund			*50,000*	*10,000*	*5,000*	*5,000*	*5,000*	*75,000*
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	55,000	55,000	105,000	5,000	5,000	*225,000*
Electric Fund			*5,000*	*5,000*	*5,000*	*5,000*	*5,000*	*25,000*
Grants-Federal			*50,000*	*50,000*	*100,000*			*200,000*
System Reconductoring	50-C0259	5	206,500	60,000	60,000	60,000	60,000	*446,500*
Electric Fund			*206,500*	*60,000*	*60,000*	*60,000*	*60,000*	*446,500*
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	50,000	25,000	25,000	25,000	25,000	*150,000*
Electric Fund			*50,000*	*25,000*	*25,000*	*25,000*	*25,000*	*150,000*
Bulldog Substation Removal	50-C0544	5					50,000	*50,000*
Electric Fund							*50,000*	*50,000*
Streetlight Replacement	50-C0546	5	200,000	10,000	10,000	10,000	10,000	*240,000*
Electric Fund			*75,000*	*10,000*	*10,000*	*10,000*	*10,000*	*115,000*
Grants-State			*125,000*					*125,000*
Kilpatrick Woods	50-C0550	5	173,500	124,000	50,000	50,000		*397,500*
Contribution by Others			*109,000*	*60,000*	*50,000*	*50,000*		*269,000*
Electric Fund			*64,500*	*64,000*				*128,500*
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	80,000	40,000	40,000	40,000	40,000	*240,000*
Electric Fund			*80,000*	*40,000*	*40,000*	*40,000*	*40,000*	*240,000*
Meter Replacement	50-C0679	5	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	*7,500,000*
Electric Fund			*1,500,000*	*1,500,000*	*1,500,000*	*1,500,000*	*1,500,000*	*7,500,000*
Brookmeadow	50-C0703	5	53,000	127,500	40,000			*220,500*
Contribution by Others			*15,000*	*50,000*	*30,000*			*95,000*
Electric Fund			*38,000*	*77,500*	*10,000*			*125,500*
Substation Breaker Replacement	50-C0776	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Electric Fund			*80,000*	*80,000*	*80,000*	*80,000*	*80,000*	*400,000*
GIS Facility Software	50-C0777	5	12,000					*12,000*
Electric Fund			*12,000*					*12,000*
Substation Upgrades	50-C0778	5	75,000	75,000	205,000	125,000	275,000	*755,000*
Electric Fund			*75,000*	*75,000*	*205,000*	*125,000*	*275,000*	*755,000*
Equipment Refurbishment	50-C0797	5	75,000	75,000	75,000	75,000	75,000	*375,000*
Electric Fund			*75,000*	*75,000*	*75,000*	*75,000*	*75,000*	*375,000*
Wildlife Protection on Distribution System	50-C0802	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*

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
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	115,500	115,500	150,000	150,000	150,000	*681,000*
Electric Fund			*115,500*	*115,500*	*150,000*	*150,000*	*150,000*	*681,000*
Electric Fund Total			3,293,000	2,599,500	2,827,500	3,092,500	2,897,500	*14,710,000*
GRAND TOTAL			3,293,000	2,599,500	2,827,500	3,092,500	2,897,500	*14,710,000*

City of Hagerstown, Maryland

WATER FUND

FY '25 thru **FY '29**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing-MDE (Water Fund)								
Willson Transmission Mains	*52-C0167*	5	500,000	15,000,000	15,000,000	5,000,000	5,000,000	*40,500,000*
Mack Water Tank	*52-C0274*	5	2,000,000	2,000,000				*4,000,000*
Antietam Creek Intake and Water Plant	*52-C0823*	5		5,000,000	10,000,000	10,000,000		*25,000,000*
Water Zone #5 System Improvements	*52-C0877*	5	250,000	9,500,000	1,000,000			*10,750,000*
Bond Financing-MDE (Water Fund) Total			2,750,000	31,500,000	26,000,000	15,000,000	5,000,000	*80,250,000*
Contribution by Others								
Pump Station Improvements	*52-C0651*	5		450,000	1,400,000	1,300,000	1,900,000	*5,050,000*
Distribution System Rehab - Main Replacement	*52-C0709*	5	250,000	250,000	250,000	250,000	250,000	*1,250,000*
Contribution by Others Total			250,000	700,000	1,650,000	1,550,000	2,150,000	*6,300,000*
Water Fund								
Water Vehicles	*52-C0117*	5	440,000	185,000	300,000	345,000	345,000	*1,615,000*
Willson Treatment Plant	*52-C0166*	5	1,650,000	2,500,000	750,000	750,000	750,000	*6,400,000*
Willson Transmission Mains	*52-C0167*	5	200,000	700,000	700,000	700,000	700,000	*3,000,000*
Edgemont Reservoir Improvements	*52-C0168*	5	250,000	250,000	250,000	250,000	250,000	*1,250,000*
Mack Water Tank	*52-C0274*	5	650,000	250,000				*900,000*
Risk and Resiliency/Security	*52-C0322*	1	100,000	150,000	150,000	50,000	50,000	*500,000*
Breichner WTP Improvements	*52-C0405*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Adm. & Engineering Equipment	*52-C0648*	5	262,500					*262,500*
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	575,000	575,000	575,000	575,000	575,000	*2,875,000*
Distribution System Rehab - Main Replacement	*52-C0709*	5	420,000	440,000	460,000	480,000	500,000	*2,300,000*
Water System SCADA Improvements	*52-C0820*	5	100,000	100,000	100,000	100,000	100,000	*500,000*
Antietam Creek Intake and Water Plant	*52-C0823*	5	250,000	2,000,000	1,000,000	1,000,000		*4,250,000*
Water Zone #5 System Improvements	*52-C0877*	5		400,000	300,000			*700,000*
Water Fund Total			5,062,500	7,695,000	4,730,000	4,395,000	3,415,000	*25,297,500*
GRAND TOTAL			8,062,500	39,895,000	32,380,000	20,945,000	10,565,000	*111,847,500*

City of Hagerstown, Maryland

WATER FUND

FY '25 thru **FY '29**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Water Fund								
Water Vehicles	52-C0117	5	440,000	185,000	300,000	345,000	345,000	*1,615,000*
Water Fund			*440,000*	*185,000*	*300,000*	*345,000*	*345,000*	*1,615,000*
Willson Treatment Plant	52-C0166	5	1,650,000	2,500,000	750,000	750,000	750,000	*6,400,000*
Water Fund			*1,650,000*	*2,500,000*	*750,000*	*750,000*	*750,000*	*6,400,000*
Willson Transmission Mains	52-C0167	5	700,000	15,700,000	15,700,000	5,700,000	5,700,000	*43,500,000*
Bond Financing-MDE (Water Fund)			*500,000*	*15,000,000*	*15,000,000*	*5,000,000*	*5,000,000*	*40,500,000*
Water Fund			*200,000*	*700,000*	*700,000*	*700,000*	*700,000*	*3,000,000*
Edgemont Reservoir Improvements	52-C0168	5	250,000	250,000	250,000	250,000	250,000	*1,250,000*
Water Fund			*250,000*	*250,000*	*250,000*	*250,000*	*250,000*	*1,250,000*
Mack Water Tank	52-C0274	5	2,650,000	2,250,000				*4,900,000*
Bond Financing-MDE (Water Fund)			*2,000,000*	*2,000,000*				*4,000,000*
Water Fund			*650,000*	*250,000*				*900,000*
Risk and Resiliency/Security	52-C0322	1	100,000	150,000	150,000	50,000	50,000	*500,000*
Water Fund			*100,000*	*150,000*	*150,000*	*50,000*	*50,000*	*500,000*
Breichner WTP Improvements	52-C0405	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Water Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Adm. & Engineering Equipment	52-C0648	5	262,500					*262,500*
Water Fund			*262,500*					*262,500*
Pump Station Improvements	52-C0651	5	145,000	575,000	1,525,000	1,425,000	2,025,000	*5,695,000*
Contribution by Others				*450,000*	*1,400,000*	*1,300,000*	*1,900,000*	*5,050,000*
Water Fund			*145,000*	*125,000*	*125,000*	*125,000*	*125,000*	*645,000*
Distribution Services - Meter Program	52-C0653	4	575,000	575,000	575,000	575,000	575,000	*2,875,000*
Water Fund			*575,000*	*575,000*	*575,000*	*575,000*	*575,000*	*2,875,000*
Distribution System Rehab - Main Replacement	52-C0709	5	670,000	690,000	710,000	730,000	750,000	*3,550,000*
Contribution by Others			*250,000*	*250,000*	*250,000*	*250,000*	*250,000*	*1,250,000*
Water Fund			*420,000*	*440,000*	*460,000*	*480,000*	*500,000*	*2,300,000*
Water System SCADA Improvements	52-C0820	5	100,000	100,000	100,000	100,000	100,000	*500,000*
Water Fund			*100,000*	*100,000*	*100,000*	*100,000*	*100,000*	*500,000*
Antietam Creek Intake and Water Plant	52-C0823	5	250,000	7,000,000	11,000,000	11,000,000		*29,250,000*
Bond Financing-MDE (Water Fund)				*5,000,000*	*10,000,000*	*10,000,000*		*25,000,000*
Water Fund			*250,000*	*2,000,000*	*1,000,000*	*1,000,000*		*4,250,000*
Water Zone #5 System Improvements	52-C0877	5	250,000	9,900,000	1,300,000			*11,450,000*
Bond Financing-MDE (Water Fund)			*250,000*	*9,500,000*	*1,000,000*			*10,750,000*
Water Fund				*400,000*	*300,000*			*700,000*
Water Fund Total			8,062,500	39,895,000	32,380,000	20,945,000	10,565,000	*111,847,500*
GRAND TOTAL			8,062,500	39,895,000	32,380,000	20,945,000	10,565,000	*111,847,500*

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Gr								
East End Pump Station #33	*54-C0565*	5	1,700,000					*1,700,000*
American Rescue Plan Act (ARPA) Grant Total			1,700,000					*1,700,000*
Bond Financing-MDE (Wastewater Fu								
WWT Plant Equipment	*54-C0584*	1	1,500,000	9,000,000	8,000,000			*18,500,000*
Pump Stations 6 and 15 Removal	*54-C0832*	5		200,000	500,000	900,000	1,900,000	*3,500,000*
Bond Financing-MDE (Wastewater Fund) Total			1,500,000	9,200,000	8,500,000	900,000	1,900,000	*22,000,000*
Contribution by Others								
Collection System Improvement Program	*54-C0267*	1	100,000	100,000	100,000	100,000	100,000	*500,000*
Trunk Lines and Laterals	*54-C0834*	2	150,000	150,000	150,000	150,000	150,000	*750,000*
Contribution by Others Total			250,000	250,000	250,000	250,000	250,000	*1,250,000*
Grants-ARC								
Pump Station #13 Reconstruction	*54-C0574*	5	780,000					*780,000*
Grants-ARC Total			780,000					*780,000*
Grant-State MDE								
Pump Station #13 Reconstruction	*54-C0574*	5	940,000	1,000,000				*1,940,000*
WWT Plant Equipment	*54-C0584*	1	1,500,000					*1,500,000*
Grant-State MDE Total			2,440,000	1,000,000				*3,440,000*
Wastewater Fund								
Wastewater Vehicle and Equipment Replacement	*54-C0004*	5	369,628	120,000	210,000	100,000	150,000	*949,628*
Collection System Improvement Program	*54-C0267*	1	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	*5,000,000*
Pump Station SCADA Improvements	*54-C0299*	1	100,000	100,000	100,000	100,000	100,000	*500,000*
East End Pump Station #33	*54-C0565*	5	1,190,444					*1,190,444*
Pump Station #13 Reconstruction	*54-C0574*	5	930,000	100,000				*1,030,000*
WWT Plant Equipment	*54-C0584*	1	3,000,000	2,000,000	2,000,000	1,000,000	1,000,000	*9,000,000*
WWT Buildings/ Structures/ Equipment & Software	*54-C0585*	5	500,000	275,000	50,000	50,000	50,000	*925,000*
Oxygen System Improvements	*54-C0657*	1	200,000	200,000	20,000	20,000	20,000	*460,000*
Solids Processing-Pelletizer Improvements	*54-C0711*	2	200,000	250,000	250,000	250,000	250,000	*1,200,000*
Solids Processing Facility Improvements	*54-C0712*	2	600,000	470,000	2,750,000	3,150,000	1,100,000	*8,070,000*
Laboratory Equipment	*54-C0745*	5	1,295,000	2,125,000	25,000	25,000	25,000	*3,495,000*
Grinder Pump Replacement Program	*54-C0767*	5	125,000	125,000	125,000	125,000	125,000	*625,000*
Pump Stations 6 and 15 Removal	*54-C0832*	5		50,000	100,000	100,000	100,000	*350,000*

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Trunk Lines and Laterals	*54-C0834*	2	15,000	15,000	15,000	15,000	15,000	*75,000*
Wastewater Fund Total			9,525,072	6,830,000	6,645,000	5,935,000	3,935,000	*32,870,072*
GRAND TOTAL			16,195,072	17,280,000	15,395,000	7,085,000	6,085,000	*62,040,072*

City of Hagerstown, Maryland

WASTEWATER FUND

FY '25 thru **FY '29**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Wastewater Fund								
Wastewater Vehicle and Equipment Replacement	54-C0004	5	369,628	120,000	210,000	100,000	150,000	*949,628*
Wastewater Fund			*369,628*	*120,000*	*210,000*	*100,000*	*150,000*	*949,628*
Collection System Improvement Program	54-C0267	1	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	*5,500,000*
Contribution by Others			*100,000*	*100,000*	*100,000*	*100,000*	*100,000*	*500,000*
Wastewater Fund			*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*5,000,000*
Pump Station SCADA Improvements	54-C0299	1	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*
East End Pump Station #33	54-C0565	5	2,890,444					*2,890,444*
American Rescue Plan Act (ARPA) Grant			*1,700,000*					*1,700,000*
Wastewater Fund			*1,190,444*					*1,190,444*
Pump Station #13 Reconstruction	54-C0574	5	2,650,000	1,100,000				*3,750,000*
Grants-ARC			*780,000*					*780,000*
Grant-State MDE			*940,000*	*1,000,000*				*1,940,000*
Wastewater Fund			*930,000*	*100,000*				*1,030,000*
WWT Plant Equipment	54-C0584	1	6,000,000	11,000,000	10,000,000	1,000,000	1,000,000	*29,000,000*
Bond Financing-MDE (Wastewater Fund)			*1,500,000*	*9,000,000*	*8,000,000*			*18,500,000*
Grant-State MDE			*1,500,000*					*1,500,000*
Wastewater Fund			*3,000,000*	*2,000,000*	*2,000,000*	*1,000,000*	*1,000,000*	*9,000,000*
WWT Buildings/ Structures/ Equipment & Software	54-C0585	5	500,000	275,000	50,000	50,000	50,000	*925,000*
Wastewater Fund			*500,000*	*275,000*	*50,000*	*50,000*	*50,000*	*925,000*
Oxygen System Improvements	54-C0657	1	200,000	200,000	20,000	20,000	20,000	*460,000*
Wastewater Fund			*200,000*	*200,000*	*20,000*	*20,000*	*20,000*	*460,000*
Solids Processing-Pelletizer Improvements	54-C0711	2	200,000	250,000	250,000	250,000	250,000	*1,200,000*
Wastewater Fund			*200,000*	*250,000*	*250,000*	*250,000*	*250,000*	*1,200,000*
Solids Processing Facility Improvements	54-C0712	2	600,000	470,000	2,750,000	3,150,000	1,100,000	*8,070,000*
Wastewater Fund			*600,000*	*470,000*	*2,750,000*	*3,150,000*	*1,100,000*	*8,070,000*
Laboratory Equipment	54-C0745	5	1,295,000	2,125,000	25,000	25,000	25,000	*3,495,000*
Wastewater Fund			*1,295,000*	*2,125,000*	*25,000*	*25,000*	*25,000*	*3,495,000*
Grinder Pump Replacement Program	54-C0767	5	125,000	125,000	125,000	125,000	125,000	*625,000*
Wastewater Fund			*125,000*	*125,000*	*125,000*	*125,000*	*125,000*	*625,000*
Pump Stations 6 and 15 Removal	54-C0832	5		250,000	600,000	1,000,000	2,000,000	*3,850,000*
Bond Financing-MDE (Wastewater Fund)				*200,000*	*500,000*	*900,000*	*1,900,000*	*3,500,000*
Wastewater Fund				*50,000*	*100,000*	*100,000*	*100,000*	*350,000*
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			16,195,072	17,280,000	15,395,000	7,085,000	6,085,000	*62,040,072*
GRAND TOTAL			16,195,072	17,280,000	15,395,000	7,085,000	6,085,000	*62,040,072*

City of Hagerstown, Maryland

PARKING FUND

FY '25 thru **FY '29**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Parking Fund								
Hub City Garage	*56-C0173*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Upgrades to Parking Decks	*56-C0749*	5	15,000	10,000	10,000	10,000	10,000	*55,000*
Parking Fund Vehicles	*56-C0829*	5		45,000				*45,000*
Parking Lot Improvements	*56-C0857*	5	10,000	80,000	10,000	10,000	10,000	*120,000*
Parking Fund Total			35,000	145,000	30,000	30,000	30,000	*270,000*
GRAND TOTAL			35,000	145,000	30,000	30,000	30,000	*270,000*

City of Hagerstown, Maryland

PARKING FUND

FY '25 thru **FY '29**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Parking Fund								
Hub City Garage	56-C0173	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Parking Fund			*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	*50,000*
Upgrades to Parking Decks	56-C0749	5	15,000	10,000	10,000	10,000	10,000	*55,000*
Parking Fund			*15,000*	*10,000*	*10,000*	*10,000*	*10,000*	*55,000*
Parking Fund Vehicles	56-C0829	5		45,000				*45,000*
Parking Fund				*45,000*				*45,000*
Parking Lot Improvements	56-C0857	5	10,000	80,000	10,000	10,000	10,000	*120,000*
Parking Fund			*10,000*	*80,000*	*10,000*	*10,000*	*10,000*	*120,000*
Parking Fund Total			35,000	145,000	30,000	30,000	30,000	*270,000*
GRAND TOTAL			35,000	145,000	30,000	30,000	30,000	*270,000*

City of Hagerstown, Maryland

GOLF FUND

FY '25 thru **FY '29**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Golf Fund								
Golf Course - Vehicles/Equipment	*57-C0395*	4	107,000	69,000	70,000	65,000	90,000	*401,000*
Golf Course Improvements	*57-C0825*	8		10,000	50,000	10,000	10,000	*80,000*
Golf Fund Total			107,000	79,000	120,000	75,000	100,000	*481,000*
Grants-State Program Open Space								
Golf Course Improvements	*57-C0825*	8					90,000	*90,000*
Grants-State Program Open Space Total							90,000	*90,000*
GRAND TOTAL			107,000	79,000	120,000	75,000	190,000	*571,000*

City of Hagerstown, Maryland

GOLF FUND

FY '25 thru **FY '29**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Golf Fund								
Golf Course - Vehicles/Equipment	57-C0395	4	107,000	69,000	70,000	65,000	90,000	*401,000*
Golf Fund			*107,000*	*69,000*	*70,000*	*65,000*	*90,000*	*401,000*
Golf Course Improvements	57-C0825	8		10,000	50,000	10,000	100,000	*170,000*
Golf Fund				*10,000*	*50,000*	*10,000*	*10,000*	*80,000*
Grants-State Program Open Space							*90,000*	*90,000*
Golf Fund Total			107,000	79,000	120,000	75,000	190,000	*571,000*
GRAND TOTAL			107,000	79,000	120,000	75,000	190,000	*571,000*

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '25 thru **FY '29**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Property Management Fund								
Elizabeth Hager Center	*58-C0803*	5	40,000					*40,000*
60 West Washington Street	*58-C0828*	5	25,000	10,000	40,000	40,000	40,000	*155,000*
309 Valley Road	*58-C0836*	5	25,000					*25,000*
Property Management Fund Total			90,000	10,000	40,000	40,000	40,000	*220,000*
GRAND TOTAL			90,000	10,000	40,000	40,000	40,000	*220,000*

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '25 thru **FY '29**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Property Management Fund								
Elizabeth Hager Center	58-C0803	5	40,000					*40,000*
Property Management Fund			*40,000*					*40,000*
60 West Washington Street	58-C0828	5	25,000	10,000	40,000	40,000	40,000	*155,000*
Property Management Fund			*25,000*	*10,000*	*40,000*	*40,000*	*40,000*	*155,000*
309 Valley Road	58-C0836	5	25,000					*25,000*
Property Management Fund			*25,000*					*25,000*
Property Management Fund Total			90,000	10,000	40,000	40,000	40,000	*220,000*
GRAND TOTAL			90,000	10,000	40,000	40,000	40,000	*220,000*

City of Hagerstown, Maryland

STORMWATER PROTECTION FUND

FY '25 thru **FY '29**

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Gr								
Hagerstown Field House	*59-C0634*	5	410,000					*410,000*
American Rescue Plan Act (ARPA) Grant Total			410,000					*410,000*
Grants-Federal								
Stream Restorations	*59-C0866*	5	410,000					*410,000*
Grants-Federal Total			410,000					*410,000*
Grants-State								
Green Streets	*59-C0639*	5		75,000				*75,000*
Grants-State Total				75,000				*75,000*
Stormwater Fee								
Stormwater Vehicles	*59-C0064*	5	365,000	140,000	365,000			*870,000*
Storm Drain 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	50,000	50,000	50,000	50,000	50,000	*250,000*
Stormwater Protection Program Implementation	*59-C0637*	5	1,135,000	550,000	350,000	300,000	300,000	*2,635,000*
Green Streets	*59-C0639*	5		100,000				*100,000*
Marsh Run Walls Rehabilitation	*59-C0853*	4	350,000			350,000		*700,000*
Stream Restorations	*59-C0866*	5	1,200,000		500,000			*1,700,000*
Stormwater Fee Total			3,350,000	1,090,000	1,515,000	950,000	600,000	*7,505,000*
GRAND TOTAL			4,170,000	1,165,000	1,515,000	950,000	600,000	*8,400,000*

City of Hagerstown, Maryland

STORMWATER PROTECTION FUND

FY '25 thru **FY '29**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	Priority	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Stormwater								
Stormwater Vehicles	59-C0064	5	365,000	140,000	365,000			*870,000*
Stormwater Fee			*365,000*	*140,000*	*365,000*			*870,000*
Storm Drain 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	50,000	50,000	50,000	50,000	50,000	*250,000*
Stormwater Fee			*50,000*	*50,000*	*50,000*	*50,000*	*50,000*	*250,000*
Hagerstown Field House	59-C0634	5	410,000					*410,000*
American Rescue Plan Act (ARPA) Grant			*410,000*					*410,000*
Stormwater Protection Program Implementation	59-C0637	5	1,135,000	550,000	350,000	300,000	300,000	*2,635,000*
Stormwater Fee			*1,135,000*	*550,000*	*350,000*	*300,000*	*300,000*	*2,635,000*
Green Streets	59-C0639	5		175,000				*175,000*
Grants-State				*75,000*				*75,000*
Stormwater Fee				*100,000*				*100,000*
Marsh Run Walls Rehabilitation	59-C0853	4	350,000			350,000		*700,000*
Stormwater Fee			*350,000*			*350,000*		*700,000*
Stream Restorations	59-C0866	5	1,610,000		500,000			*2,110,000*
Grants-Federal			*410,000*					*410,000*
Stormwater Fee			*1,200,000*		*500,000*			*1,700,000*
Stormwater Total			4,170,000	1,165,000	1,515,000	950,000	600,000	*8,400,000*
GRAND TOTAL			4,170,000	1,165,000	1,515,000	950,000	600,000	*8,400,000*

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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.

FY25: Back-Up Stand-by Generator for Server Rooom ($75,000); VMWare Hardware Refresh/Replacement ($275,000); Miscellaneous IT upgrades and projects ($40,000 - including Munis upgrades and or/maintenance).

FY26: Miscellaneous IT upgrades and projects ($40,000 including Munis Maintenance).

FY27- FY29: Miscellaneous IT upgrades and projects ($40,000/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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	390,000	40,000	40,000	40,000	40,000	550,000
Total	390,000	40,000	40,000	40,000	40,000	550,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	75,000					75,000
CIP Fund Balance	59,000					59,000
Transfers to CIP-Electric Fund	61,440	9,600	9,600	9,600	9,600	99,840
Transfers to CIP-General Fund	61,440	9,600	9,600	9,600	9,600	99,840
Transfers to CIP-Parking Fund	10,240	1,600	1,600	1,600	1,600	16,640
Transfers to CIP-Wastewater Fund	61,440	9,600	9,600	9,600	9,600	99,840
Transfers to CIP-Water Fund	61,440	9,600	9,600	9,600	9,600	99,840
Total	390,000	40,000	40,000	40,000	40,000	550,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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

Upgrades to the current intellitime timeclocks to the new "card reader" technology. These units are from the same manufacturer as the current untis. This will also require an upgrade to Intellitime's latest software version.

FY25: 5 clocks at $3,800 per unit ($19,000)
FY26-FY29: 2 clocks per year at $4,000 per unit ($8,000)

Justification

This upgrade would allow City employees to "tap" the unit for timeclock input as well as give a more robust mobile app that could also be deployed throughout the enterprise.

Budget Impact/Other

Enhancement of time and attendance reporting capabilities, as necessary.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	19,000	8,000	8,000	8,000	8,000	51,000
Total	19,000	8,000	8,000	8,000	8,000	51,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-Electric Fund	4,480	1,900	1,900	1,900	1,900	12,080
Transfers to CIP-General Fund	4,480	1,900	1,900	1,900	1,900	12,080
Transfers to CIP-Parking Fund	1,080	400	400	400	400	2,680
Transfers to CIP-Wastewater Fund	4,480	1,900	1,900	1,900	1,900	12,080
Transfers to CIP-Water Fund	4,480	1,900	1,900	1,900	1,900	12,080
Total	19,000	8,000	8,000	8,000	8,000	51,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings		8,000	8,000	8,000	8,000	32,000
Total		8,000	8,000	8,000	8,000	32,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-General Fund		8,000	8,000	8,000	8,000	32,000
Total		8,000	8,000	8,000	8,000	32,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 DiBacco and Hopkins
Priority Planned Improvement

Status Active

Description

Per the Vehicle & Equipment Replacement Schedule:

FY25: 2004 KME Pumper - Reserve Engine - $970,000 ($850,000 per pumper plus $120,000 for equipment (920,000 CIP FB, $50,000 Transfer from GF)
FY25: 2005 Trailblazer - F05-9097 (Replace with the fleet standard Ford explorer SUV ($85,000)
FY25: 2014 Chevrolet Tahoe - F14-9818 (Replace with the fleet standard Ford explorer SUV ($85,000)
FY25: New Addition - Light Duty Vehicle ($85,000)

FY26: 2013 KME Pumper - Engine 1 - $1,500,000 ($1,375,000 pumper, plus $125,000 for equipment)
FY26: 2004 KME Pumper - Reserve Engine 3 - $1,500,000 ($1,375,000 pumper, plus $125,000 for equipment)
FY26: 2004 KME Pumper - Reserve Engine 5 - $1,500,000 ($1,375,000 pumper, plus $125,000 for equipment)

Begin replacing light duty fleet of vehicles that are 10-years old or older.

FY27: 2016 Ford F-250 - Unit F16-6564 and 2016 Ford F-250 - Unit F16-6565 @ $100,000 each ($200,000)

FY28: 2017 Ford F-250 - Unit F17-2127 and 2017 Ford F-250 - Unit F17-6311 @ $100,000 each ($200,000)

FY29: 2019 Ford F-250 - Unit F19-1820 ($100,000); 2006 14ft. Nelson Trailer - Unit F06-7663 ($20,000)

Justification

The department's strategic goal remains five front-line pumpers, two ready reserve pumpers, and one maintenance reserve pumper for a total of 8 ready pumpers, 2-front-line aerials and 1-ready reserve aerial. 20-year duty cycle.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	1,225,000	4,500,000	200,000	200,000	120,000	6,245,000
Total	1,225,000	4,500,000	200,000	200,000	120,000	6,245,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing (General Fund)		4,125,000				4,125,000
CIP Fund Balance	920,000					920,000
Transfers to CIP-General Fund	305,000	375,000	200,000	200,000	120,000	1,200,000
Total	1,225,000	4,500,000	200,000	200,000	120,000	6,245,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Bender
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.

FY25: Includes funds for paving portions of South Potomac Street, Devonshire Road, The Terrace and others. Funding includes work for crack sealing, pavement marking, and slurry seal ($1,300,000).

FY25: A new condition survey will be completed in the fall of 2024 ($55,000).

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	1,355,000	1,300,000	1,300,000	1,300,000	1,300,000	6,555,000
Total	1,355,000	1,300,000	1,300,000	1,300,000	1,300,000	6,555,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	300,000					300,000
State Highway User Revenue	1,055,000	1,300,000	1,300,000	1,300,000	1,300,000	6,255,000
Total	1,355,000	1,300,000	1,300,000	1,300,000	1,300,000	6,555,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **45-C0041**

Project Name **Hagerstown Field House**

Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: 290 East Memorial Blvd
Year Submitted: 2022

Department Engineering
Contact Bender
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 consists 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. Construction contract was awarded in October 2023; Completion Scheduled for December 2024.

FY25: Continue Phase IV (construction - $12,090,000).
The grant funding sources below are in various stages:
Grants-State: $3,000,000 - Governors capital grants program awarded in FY24
Grants- Program Open Space: $225,000-Application submitted - December 2023

Project includes a Stormwater Protection Portion - $410,000 to be funded with ARPA see 59-C0634.

Justification

The 2018 Victus Advisors study documented the need for such a facility in the community. A 2022 Economic Impact study also provided job and tax revenue generation.

Budget Impact/Other

Based on a 25 year term at 5.25%, the preliminary annual debt service impact for the FY25 bond issue of $15.95M is $1.1M.

The City's partner, Eastern Sports Management is currently negotiating with the City to guarantee a minimum of $7,000,000 over 20 years to help pay on the debt.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	12,090,000					12,090,000
Total	12,090,000					12,090,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	2,274,205					2,274,205
Grants-State	3,000,000					3,000,000
Grants-State Program Open Space	225,000					225,000
Prior Bond Proceeds	6,290,795					6,290,795
State Highway User Revenue	300,000					300,000
Total	12,090,000					12,090,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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

FY26: Upgrades to upper and middle lakes. Replacement of walls around perimeter of lakes, associated sidewalk improvements, dredging, leak repair, and landscape enhancements ($1,000,000 including $200,000 POS).

Justification

The goal is to improve deteriorating facilities and provide necessary maintenance. In addition, City Park has been 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance		1,000,000				1,000,000
Total		1,000,000				1,000,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-State Program Open Space		200,000				200,000
Transfers to CIP-General Fund		800,000				800,000
Total		1,000,000				1,000,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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), endorsed by City Council on January 12, 2021 with design work completed by Summer 2023.

FY25: Phase I renovation of the visitor center. New flooring, electric, lighting and exhibits #1,2,5,6 and 7 ($200,000) - ARC Grant submitted and pending final phase of approval.

FY26: Phase II renovation of the visitor center. Complete all exhibits #3,4,8,9 and model of house ($200,000) - $100,000 ARC Grant proposed to be submitted.

Justification

Exhibits are very dated (1960's) 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	200,000	200,000				400,000
Total	200,000	200,000				400,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	100,000					100,000
Grants-ARC	100,000	100,000				200,000
Transfers to CIP-General Fund		100,000				100,000
Total	200,000	200,000				400,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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.

FY25: 2013 Ford F750 Dump Truck #22 ($200,000); 2011 JD 310SJ Backhoe #7 (160,000); 2012 Ford F350 Pickup #30 ($50,000); 2008 Ford F550 Utility Truck #611 ($140,000)

FY26: 2013 Ford F750 Dump Truck #21 ($210,000); 1993 Wacker Roller #84 ($25,000); 2006 Bobcat A300 #6 ($75,000); 2015 Ford F550 Dump Truck #19 ($140,000); 2006 Chevy Van #31 ($40,000); 2015 Chevy Silverado 4x4 #45 ($45,000); 2019 Ferris Mower #65 ($12,000); 2015 Ford F350 #94 ($50,000); 2006 Ford E350 Bucket Truck #602 ($125,000)

FY27: 2015 Chevy Silverado 4x4 #3 ($45,000); 2008 Chevy 2500 2x4 #14 ($45,000); 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)

FY28: 2017 Ford F550 Dump Truck #17 ($140,000); 2017 Ford F750 Dump Truck #23 ($230,000); 2017 Ford F350 Bucket Truck #601 ($100,000)

FY29: 2019 Ford F750 Salt Truck #24 ($235,000); 2019 Stepp Manufacturing Asphalt Plant #61 ($20,000)

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	550,000	722,000	257,000	470,000	255,000	2,254,000
Total	550,000	722,000	257,000	470,000	255,000	2,254,000

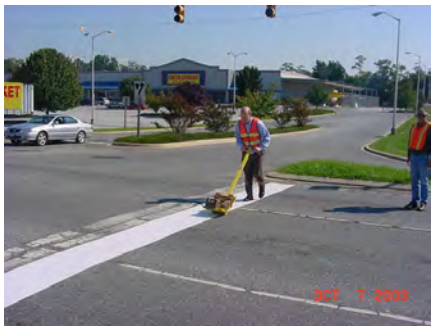
Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing (General Fund)		265,000		370,000	235,000	870,000
CIP Fund Balance	362,000					362,000
Transfers to CIP-General Fund	188,000	457,000	257,000	100,000	20,000	1,022,000
Total	550,000	722,000	257,000	470,000	255,000	2,254,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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 $1,000. A typical intersection can cost $6,000 to $8,000 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	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

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
State Highway User Revenue	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 '25 *thru* FY '29

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

The FY25 replacement will include radios for Special Response Team (SRT) members and School Resource Officers (SRO'S). Out year replacements will occur as needed for inoperable equipment.

The replacement cycle schedule will be as follows: FY25-17; FY26-0; FY27-0; FY28-12; FY29-12; FY30-12; FY31-12

Cost per unit: $10,000

Justification

The Hagerstown Police Department completed the replacement of Police Department radios in 2020. The useful life of electronic radio equipment is generally 5-7 years. This replacement cycle will involve replacing the current Harris radios with Motorola radios. The migration to the Motorola radio this year for SRT is based on the need for all SRT members to be outfitted with identical equipment for operational cohesiveness. The need for SRO's is based on a recent testing study performed at every city school showing a collapse in connectivity on our Harris radios in several schools compared to the new Motorola radios the county is moving to. This is a severe officer safety issue that needs reconciliation. The migration will also be needed based on recent upgrades to the county radio infrastructure. Once the full migration is completed, county dispatch will be able to see all personnel via the Motorola GPS system.

Budget Impact/Other

The operating budget includes $10,000 per year in maintenance costs for repairs to radio equipment.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	170,000			120,000	120,000	410,000
Total	170,000			120,000	120,000	410,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	170,000					170,000
Transfers to CIP-General Fund				120,000	120,000	240,000
Total	170,000			120,000	120,000	410,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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:

FY25: Unit 952 (1991 Ford Van - $76,400); Unit 972 (2004 Ford Crown Vic - $76,400); Unit 996 (2005 Chevrolet Cobalt - $76,400); Unit 986 (2005 Ford Crown Vic - $76,400); Unit 989 (2005 Chevrolet Van - $76,400); Unit 923 (2007 Chevrolet Impala - $76,400); Unit 991 (2007 Chevrolet Colorado - $76,400); Unit 994 (2007 Chevrolet Impala - $76,400)

FY26: Unit 9303 (2011 Ford Crown Vic- $78,700; Unit 937 (2013 Ford Edge - $78,700); Unit 948 (2013 Acura - $78,700); Unit 9501 (2013 Ford Explorer - $78,700); Unit 945 (2013 Ford Edge - $78,700); Unit 902 (2014 Ford Fusion - $78,700); Unit 907 (2014 Ford Fusion $78,700); Unit 924 (2014 Ford Fusion $78,700); Unit 903 (2014 Ford Taurus - $78,700); Unit 905 (2014 Ford Edge - $78,700)

FY27: Unit 908 (2014 Ford Fusion - $81,000); Unit 909 (2014 Ford Fusion - $81,000); Unit 933 (2014 Ford Fusion - $81,000); Unit 906 (2015 Ford Taurus - $81,000); Unit 914 (2015 Ford Explorer - $81,000); Unit 9220 (2015 Ford Explorer - $81,000); Unit 936 (2015 Ford Explorer XLT- $81,000); Unit 9121 (2015 Ford Explorer - $81,000); Unit 9120 (2015 Ford Explorer - $81,000); Unit 960 (2015 Ford Explorer XLT- $81,000)

FY28: Unit 932 (2016 Ford Explorer - $83,400); Unit 975 (2016 Ford Explorer - $83,400); Unit 915 (2016 Ford Explorer - $83,400); Unit 919 (2016 Ford Explorer - $83,400); Unit 9123 (2016 Ford Explorer - $83,400); Unit 9221 (2016 Ford Explorer - $84,400); Unit 9118 (2016 Ford Explorer - $83,400); Unit 9100 (2016 Ford F150 - $83,400); Unit 904 (2017 Ford Explorer - $83,400); Unit 911 (2017 Ford Explorer XLT- $83,400)

FY29: Unit 976 (2018 Ford Explorer - $89,000); Unit 973 (2018 Ford Explorer - $89,000); Unit 9222 (2018 Ford Explorer - $89,000); Unit 9307 (2018 Ford Explorer - $89,000); Unit 9124 (2019 Ford Explorer - $89,000); Unit 9125 (2019 Ford Explorer - $89,000); Unit 9130 (2019 Ford Explorer - $89,000); Unit 9135 (2019 Dodge Charger - $89,000); Unit 9137 (2019 Dodge Charger - $89,000); Unit 9132 (2019 Dodge Charger - $89,000)

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	611,200	787,000	810,000	834,000	890,000	3,932,200
Total	611,200	787,000	810,000	834,000	890,000	3,932,200

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-General Fund	611,200	787,000	810,000	834,000	890,000	3,932,200
Total	611,200	787,000	810,000	834,000	890,000	3,932,200

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **45-C0130**

Project Name **Public Safety Technology**

Type Replacement
Useful Life 10 years
Category Machinery and Equipment
Location: Various locations
Year Submitted: 2024

Department Police
Contact Kifer
Priority Public Safety

Status Active

Description

FY25: Purchase of Axon Stationary LPR Units. LPR systems capture and catalogs vehicle registration information These features allow HPD to use the Axon LPR system to add more compliance to bodycam/ custodial video regulations that are coming down from the State. This entire system syncs to evidence.com without additional cost ($15,000).

FY25: Expansion of a robust camera system across strategic locations throughout the city, including areas of Fairgrounds and City Parks, Maryland Avenue, alleyways, and egress points throughout downtown. This expansion will employ state-of-the-art video analytics, enabling our officers to monitor real-time footage, identify potential threats, and respond swiftly to incidents. The camera system will act as a force multiplier, allowing us to extend our surveillance reach and improve situational awareness without significantly increasing manpower ($200,000).

FY26: Grow current Watch Center to be a "real time crime" watch center that would be staffed 24/7. The existing watch center, which was started in 2020, has already absorbed over 35% of the call volume from our patrol units, allowing them to transition from "radio reactive" enforcement to proactive policing. If the City were to grow the center and invest in advanced technologies such as gunshot detection warning systems, group gathering analytics, stationary license plate readers, and Axon tools (body cameras, Tasers, and streamlined Artificial Intelligence report writing), we could potentially recover 40-50% of an officer's on-duty work time. With the deployment of these new technologies, the City will continue to drive towards a highly efficient and effective police force ($200,000).

FY27: Bolstering of our Drones as a First Responder (DFR) program. Drones can play a crucial role in various law enforcement activities, including search and rescue operations, traffic management, crime scene documentation, hazardous material monitoring, and even delivery of emergency supplies. Equipped with high-resolution cameras and thermal imaging capabilities, drones can provide invaluable assistance to our officers in gathering real-time intelligence and enhancing situational awareness from an aerial perspective. Collaboration with relevant authorities, training of our drone operators, and adherence to local laws and regulations are essential for us to continue operating responsible drone deployment in emergency response scenarios ($200,000)

FY28-FY29: Projects to be determined

Justification

By integrating more cutting-edge technologies, we aim to provide our officers with the tools they need to combat crime efficiently while fostering a sense of security among our residents. Over the past decade, the City of Hagerstown has significantly invested in the technology being used by our police department, making our agency the lead of its kind in the state. These investments have had a dramatic impact on the solvability of the major incidents that occur in our city and have led to public transparency of officer interactions. We believe that the expansion of our public safety technology program will significantly strengthen our ability to continue to ensure public safety and improve community trust.

Budget Impact/Other

Recurring cost is maintenance agreements is expected to increase as the overall program expands.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	215,000	200,000	200,000	200,000	200,000	1,015,000
Total	215,000	200,000	200,000	200,000	200,000	1,015,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund - GF Fund Balance	100,000					100,000
Transfers to CIP-General Fund	115,000	200,000	200,000	200,000	200,000	915,000
Total	215,000	200,000	200,000	200,000	200,000	1,015,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
Priority Improve Service

Status Active

Description

Replacement of various pieces of Engineering equipment needed to complete assigned tasks.

FY25: Survey Grade RTK GPS Receiver ($13,000)

FY26: Plotter - multi-purpose copier/scanner/printer used to produce engineering plans and blueprints ($35,000)

FY27: Parrot ANAFI drone with cameras used to perform topographic surveys of properties ($15,000)

Justification

Equipment will reach its end of life and need replaced.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	13,000	35,000	15,000			63,000
Total	13,000	35,000	15,000			63,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	13,000					13,000
Transfers to CIP-General Fund		35,000	15,000			50,000
Total	13,000	35,000	15,000			63,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
Priority Cost Avoidance

Status Active

Description

Per the Vehicle & Equipment Replacement Schedule:

FY26: 2013 Chevy Cargo Van #710 ($35,000)
FY27: 2014 Ford Focus #707 ($30,000)
FY28: 2018 Ford Escape #702 ($30,000)

Justification

Replace deteriorated vehicles - low cost vehicles in the fleet have limited life and maintenance costs increase dramatically once vehicles get about ten years old.

Budget Impact/Other

Replacement of ten to fifteen-year-old vehicles saves about $1,500 annually in repairs and parts replacement.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings		35,000	30,000	30,000		95,000
Total		35,000	30,000	30,000		95,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-General Fund		35,000	30,000	30,000		95,000
Total		35,000	30,000	30,000		95,000

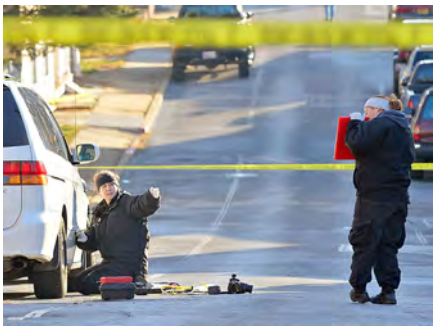
CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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

FY25: Contactless Latent System (Coverdell Grant) $40,000
FY26: Evidence IQ (Coverdell Grant) $40,000
FY27: Gas Chromatography Spectrometry (GC-MS) (Coverdell Grant plus GF and/or DAG) $130,000
FY28: To be determined (Coverdell Grant) $40,000
FY29: To be determined (Coverdell Grant) $40,000

Justification

FY25: Contactless Latent System
The ForenScope Contactless Fingerprint System allows for the rapid visualization and capture of untreated and untouched latent fingerprints from glossy flat surfaces at the Crime Scene or Laboratory. The advanced mobile axial lighting system features an attached Canon camera. The ForenScope Contactless provides 100% contact-free latent fingerprint imaging and requires no powders, glue, chemicals, or dyes. The contactless capability prevents the possibility of contaminating or destroying delicate DNA evidence. Users may evaluate items for latent fingerprint detail, capture the relevant images, and then process for DNA, digital, or other evidence types without any damaging processing techniques.

FY26: Evidence IQ
Evidence IQ is a system that assists in choosing the best cartridge casing to be entered into NIBIN.

FY27: Gas Chromatography Spectrometry (GC-MS)
In 2017, the Western Maryland Regional Crime Laboratory (WMRCL) purchased a Gas Chromatography Spectrometry (GC-MS) at a cost of $116,036.48 from Agilent Technologies. Life expectancy for a GC-MS instrument used on a regular basis is in the 7-8 years range. The departments previous GC-MS lasted 8.5 years.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	40,000	40,000	130,000	40,000	40,000	290,000
Total	40,000	40,000	130,000	40,000	40,000	290,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-County			130,000			130,000
Grants-Federal	40,000	40,000		40,000	40,000	160,000
Total	40,000	40,000	130,000	40,000	40,000	290,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **45-C0196**

Project Name **Police Software and Hardware**

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

FY25: Replace V5 server - ($25,000)

Justification

This new server would replace the existing server that was purchased in 2017.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	25,000					25,000
Total	25,000					25,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-General Fund	25,000					25,000
Total	25,000					25,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Bender
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.

FY25: Install accessibility ramps along overlay streets (Devonshire Road, South Potomac Street, The Terrace & others ($145,000).

FY26 - FY29: Install and/or replace approximately 50 accessibility ramps per year ($145,000/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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	145,000	145,000	145,000	145,000	145,000	725,000
Total	145,000	145,000	145,000	145,000	145,000	725,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
State Highway User Revenue	45,000	45,000	45,000	45,000	45,000	225,000
Transfers to CIP-CDBG Fund	100,000	100,000	100,000	100,000	100,000	500,000
Total	145,000	145,000	145,000	145,000	145,000	725,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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

FY25: Additional Storage Space ($40,000)

FY26: Facility improvements including the construction of a permanent restroom and eye wash facility ($60,000)

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 FY25, we are seeking funding to add additional storage space at the facility. This additional space will involve the addition of two property sheds. Sheds will be alarmed and will be utilized to store target equipment and other range equipment. Electricity and concrete pads will be required for both.

For FY26, 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	40,000	60,000				100,000
Total	40,000	60,000				100,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	40,000					40,000
Contribution by Others		20,000				20,000
Transfers to CIP-General Fund		40,000				40,000
Total	40,000	60,000				100,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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.

FY25: Fairgrounds Park - Replace modular play equipment near North Pavilion ($120,000); grass mound in City Park ($20,000); picnic yables, park benches and portable bleachers in various parks ($35,000).

FY26 - FY29: Replace or add portable bleachers, park benches, picnic tables, and trash cans for various parks.

FY26 and FY28: ($50,000/year).

FY27: ($54,000 - $48,600 POS Grant, $5,400 General Fund Match).

FY29: ($55,000 - $49,500 POS Grant, $5,500 General Fund Match).

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 as available.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	175,000	50,000	54,000	50,000	55,000	384,000
Total	175,000	50,000	54,000	50,000	55,000	384,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	17,500					17,500
Grants-State Program Open Space	157,500		48,600		49,500	255,600
Transfers to CIP-General Fund		50,000	5,400	50,000	5,500	110,900
Total	175,000	50,000	54,000	50,000	55,000	384,000

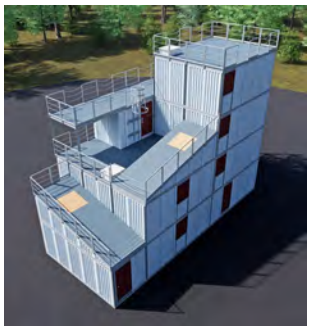
CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 DiBacco and Hopkins
Priority Planned Improvement
Status Active

Description

FY25: Reline of block live-fire training building ($115,000)
FY25: Flashover Simulator - Fire Behavior Lab ($100,000 - ARPA)

FY26: Build permanent pole building for storage at 940 Bowman Avenue ($500,000)
FY26: Construction of Classroom Building ($1,000,000)

FY25 - FY29: $250,000 each FY to fund additional training props, provide shower and locker facilities.

Justification

Reline of block live-fire training building: Maintaining the original block live-fire training building at the training center will increase and enhance the training capabilities of the Hagerstown Fire Department. This building will allow the opportunity to maintain permanent props for firefighter safety, survival and rescue (FFSSR) training, which is paramount to ensuring that firefighters are able to save themselves and save each other should a catastrophic situation occur during a working structure fire. Relining this original building with Padgenite will provide for the same lining on both live-fire structures, and assist with reducing future maintenance of effort costs.

Flashover Simulator- Fire Behavior Lab: A flashover simulator (fire behavior lab) can help firefighters develop an understanding of fire dynamics in structures and enables them to discern visual cues and conditions that are critical to effective decision-making on the fireground. Flashover simulators provide the most realistic opportunity for personnel to witness the entire fire progression process; to include the warning signs of extreme fire behavior that could occur due to improper tactics that would lead to substantial firefighter injury or death. This fire behavior lab is a critical component in modern firefighter training.

Classroom Building: The current portable classroom on site was installed in 2006 and has reached its end of life cycle. Additionally, it is necessary to add shower and locker facilities to the training facility for appropriate decontamination after live-fire training activities. Decontamination is important in the prevention of occupational based cancer in the fire service.

Pole Building: This structure will serve as a portable equipment storage area, house a new SCBA training maze, reserve apparatus, and allow the opportunity to house additional training props from being out in the elements. Additionally, it will provide an opportunity for additional storage from HFD HQ relocation. The structure will be a steel framed building on a concrete slab with adequate heat, water and sewer.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	465,000	1,750,000	250,000	250,000	250,000	2,965,000
Total	465,000	1,750,000	250,000	250,000	250,000	2,965,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	100,000					100,000
Transfers to CIP-General Fund	365,000	1,750,000	250,000	250,000	250,000	2,865,000
Total	465,000	1,750,000	250,000	250,000	250,000	2,965,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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.

FY25: Replace Signals at Antietam @ Summit and Salem Avenue @ West Side Avenue (ARPA - $500,000). Project to start in FY24 to be completed in FY25.

FY25: Construction Potomac @ Baltimore (Grant Awarded - $640,000 Federal, $160,000 City - 80% Grant, 20% City Match)

FY26-FY29: Design ($30,000) and construct ($450,000) signal upgrades such as Summit Avenue @ Baltimore Street, Wilson @ Virginia Avenue and Washington Street @ Devonshire, etc. (80% Grant, 20% City Match)

Justification

These changes increase safety on our streets and sidewalks by making lights for pedestrians and motorists more visible. Staff will seek Federal Grants through "Safe Routes to School", "RAISE" funding or "Safe Streets for All" programs.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Planning/Design		30,000		30,000		60,000
Construction/Maintenance	1,300,000		450,000		450,000	2,200,000
Total	1,300,000	30,000	450,000	30,000	450,000	2,260,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	500,000					500,000
Grants-Federal	640,000		360,000		360,000	1,360,000
Transfers to CIP-General Fund	160,000	30,000	90,000	30,000	90,000	400,000
Total	1,300,000	30,000	450,000	30,000	450,000	2,260,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

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:

FY26: 2014 Dodge Journey #801 ($45,000)

FY29: 2019 Ford Escape #802 ($45,000)

Justification

Replace aging vehicles

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings		45,000			45,000	90,000
Total		45,000			45,000	90,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-General Fund		45,000			45,000	90,000
Total		45,000			45,000	90,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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:

FY25: Reconstruction of loading dock ($25,000)

FY26 - FY27: Misc. Improvements ($10,000/year)

FY28: Replacement of Central Air installed in 2014 ($50,000)

FY28 - FY29: Misc. Improvements ($10,000/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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	25,000	10,000	10,000	60,000	10,000	115,000
Total	25,000	10,000	10,000	60,000	10,000	115,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-General Fund	25,000	10,000	10,000	60,000	10,000	115,000
Total	25,000	10,000	10,000	60,000	10,000	115,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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.

FY25: Marketplace Enhancement (Some decorative street lighting will be covered by $3,000 Main Street Grant in FY24)

FY26: Decorative Lighting in Rochester Place Alley.

FY27 - FY29: Funds for various streetscape improvements in the downtown area - examples include - Christmas Lighting enhancements for tree at the square FY27; New Pole Wraps (Christmas) FY28

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 '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	25,000					25,000
Transfers to CIP-General Fund		25,000	25,000	25,000	25,000	100,000
Total	25,000	25,000	25,000	25,000	25,000	125,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **45-C0293**

Project Name **Wheaton Park Improvements**

Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: 124 Charles Street
Year Submitted: 2020

Department Parks
Contact Deike and Bender
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:

FY25: Phase II - Play equipment and stage ($250,000 - ARPA)

FY25: Resurface Tennis Courts to place Pickleball Lines, refresh tennis lines ($20,000 - $18,000 POS, $2,000 General Fund) - POS Submitted

Phase I house removal, misting pad, parking and plaza completed in FY24

Justification

Implement master plan that resulted from two public input sessions.

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

Park is already in system. Misting pad will require more staff time.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	270,000					270,000
Total	270,000					270,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	250,000					250,000
Grants-State Program Open Space	18,000					18,000
Transfers to CIP-General Fund	2,000					2,000
Total	270,000					270,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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

FY25 - FY26: Includes replacement of air handlers and other capital improvement needs that will occur based on the age of the police department building ($60,000/yr).

FY26: Funds will be utilized to address space issues currently impacting HPD. We are seeking to construct a two story building on the current grounds. The new building would eliminate the need to lease additional storage space and would allow the department to remove the 3 existing sheds. While the current sheds are in relatively fair 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 at is currently being housed at the Washington County Sheriff's Office. Designs for the building were completed in 2022 by MSB Architects ($1,000,000).

FY27: Replacement of cooling tower. The current cooling tower was installed in 1992 and is reaching its end of life ($60,000).

FY27 - FY29: Includes replacement of air handlers and other capital improvement needs that will occur based on the age of the police department building ($60,000/yr).

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	60,000	1,060,000	120,000	60,000	60,000	1,360,000
Total	60,000	1,060,000	120,000	60,000	60,000	1,360,000

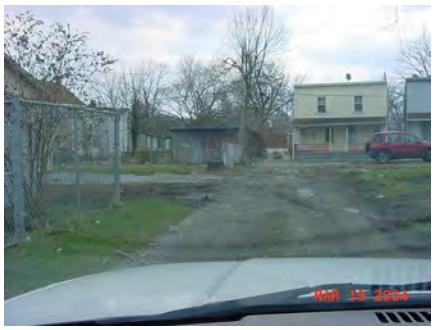
Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	20,000					20,000
Transfers to CIP-General Fund	40,000	1,060,000	120,000	60,000	60,000	1,340,000
Total	60,000	1,060,000	120,000	60,000	60,000	1,360,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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.

FY25: Alley 4-53 (Cleveland to Cannon) - $100,000; Alley 2-35 (Summer to Dead End) - $30,000

FY26: Alley 5-37 (Cypress to Magnolia) - $15,000; Alleys 3-18 & 3-19 (Memorial to Eastern) - $35,000; Alley 5-55 (Margurite to Irvin) - $50,000

FY27 - FY29: Various - Exact locations to be determined $90,000

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	130,000	100,000	90,000	90,000	90,000	500,000
Total	130,000	100,000	90,000	90,000	90,000	500,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
State Highway User Revenue	130,000	100,000	90,000	90,000	90,000	500,000
Total	130,000	100,000	90,000	90,000	90,000	500,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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

FY25: Remodel lobby and 1st Floor areas ($400,000) to include conference room, accessible restrooms and HVAC, additional studio included under C0569.

FY25: Elevator ($579,322)

FY26: Paint Exterior Stairwell ($25,000); Asbestos Tile Removal ($10,000)

FY27: Replace second of two boilers. Boiler to be replaced originally installed in 1992 ($85,000); Office Remodel - to be determined ($25,000)

FY28 - 29: 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	979,322	35,000	110,000	30,000	30,000	1,184,322
Total	979,322	35,000	110,000	30,000	30,000	1,184,322

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	579,322					579,322
CIP Fund - GF Fund Balance	75,000					75,000
CIP Fund Balance	80,000					80,000
Transfers to CIP-General Fund	245,000	35,000	110,000	30,000	30,000	450,000
Total	979,322	35,000	110,000	30,000	30,000	1,184,322

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **45-C0336**

Project Name **Mansion House Improvements**

Type Maintenance
Useful Life 25 years
Category Buildings and Structures
Location: City Park
Year Submitted: 2014

Department Parks
Contact Deike
Priority Cost Avoidance

Status Active

Description

FY25: Mansion House Rehabilitation - repaint porch, reconstruct railing, replace steps, repair rear wall ($30,000 - $27,000 POS 90%, $3,000 General Fund match - 10%) - Grant Submitted.

Justification

The Mansion House contains dozens of valuable pieces of art as this is the home of the Valley Arts Society.

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

Replacement will mean little to no operational expenses on the porch roof for the next twenty years.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	30,000					30,000
Total	30,000					30,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-State Program Open Space	27,000					27,000
Transfers to CIP-General Fund	3,000					3,000
Total	30,000					30,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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

FY26: Replace dispensing units currently installed ($40,000).

Justification

Fuel management system was installed in 2007. System updates are increasingly difficult and parts are becoming obsolete.

FY38: Total replacement of the underground Fuel Tanks and piping. Tanks were installed in March 2008 and have a 30-year warranty

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance		40,000				40,000
Total		40,000				40,000

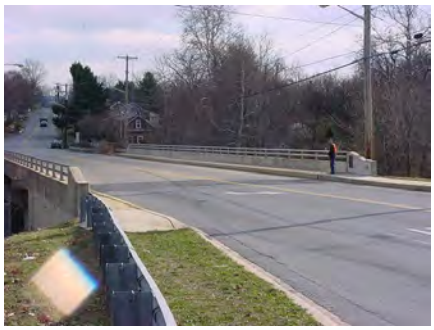
Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-General Fund		40,000				40,000
Total		40,000				40,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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.

FY25: Repairs as determined by latest bridge inspections; such as bridge deck joints seal replacement, traffic barrier, scupper drains, or concrete repairs ($60,000). Major bridges are inspected every two years with the next being in 2025 and funded by County and State

FY25: Minor bridge inspections ($15,000). The City's 18 minor bridges (6 to 20' long) are inspected every 4 years with the next being in 2024 during FY25.

FY26: Repairs as determined by latest bridge inspections ($100,000).

FY28: Major bridge repairs to be determined ($1,000,000)

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	75,000	100,000		1,000,000		1,175,000
Total	75,000	100,000		1,000,000		1,175,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-State				800,000		800,000
Transfers to CIP-General Fund	75,000	100,000		200,000		375,000
Total	75,000	100,000		1,000,000		1,175,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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

FY25 - FY29: Traffic signal improvements and replacements of conflict monitors, controllers, cameras and emergency batteries.

FY25: Will focus on Memorial/Eastern/Mt. Aetna as part of the Field House Project.

Justification

To upgrade traffic monitoring system to improve traffic flow.

Budget Impact/Other

Improved Traffic Efficiency

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	48,000	30,000	30,000	30,000	30,000	168,000
Total	48,000	30,000	30,000	30,000	30,000	168,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	18,000					18,000
Transfers to CIP-General Fund	30,000	30,000	30,000	30,000	30,000	150,000
Total	48,000	30,000	30,000	30,000	30,000	168,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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:

FY25: Renovate locomotive and build new cover pavilion ($633,000 awarded Maryland Transportation Alternatives Program Grant along with $160,000 in City matching funds) - General Contractor - Pavilion and Site Work - $433,000; Subcontractor - Train Refurbishment - $360,000.

FY26: New Roof on Museum ($15,000 - 90% POS, 10% GF).

FY27: Youth oriented items, hands on activities, signage, and new programs ($50,000).

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	793,000	15,000	50,000			858,000
Total	793,000	15,000	50,000			858,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund - GF Fund Balance	137,000					137,000
CIP Fund Balance	23,000					23,000
Grants-Federal	633,000					633,000
Grants-State Program Open Space		13,500				13,500
Transfers to CIP-General Fund		1,500	50,000			51,500
Total	793,000	15,000	50,000			858,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Planning/Design	10,000	15,000	15,000	15,000	15,000	70,000
Equip/Vehicles/Furnishings	25,000	25,000	30,000	30,000	30,000	140,000
Total	35,000	40,000	45,000	45,000	45,000	210,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	35,000					35,000
Transfers to CIP-Electric Fund		10,000	11,250	11,250	11,250	43,750
Transfers to CIP-General Fund		10,000	11,250	11,250	11,250	43,750
Transfers to CIP-Wastewater Fund		10,000	11,250	11,250	11,250	43,750
Transfers to CIP-Water Fund		10,000	11,250	11,250	11,250	43,750
Total	35,000	40,000	45,000	45,000	45,000	210,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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. 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	135,000	140,000	145,000	150,000	155,000	725,000
Total	135,000	140,000	145,000	150,000	155,000	725,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	135,000					135,000
Transfers to CIP-General Fund		140,000	145,000	150,000	155,000	590,000
Total	135,000	140,000	145,000	150,000	155,000	725,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
Priority Planned Improvement

Status Active

Description

Construction improvements throughout City Park.

FY25: Improve the upper parking lot ("Burnap" lot) by tennis court ($600,000 - $320,000 FY24 Carryover of Highway User Revenue, $45,000 new Highway User Revenue, $135,000 POS with Highway User as match) and $100,000 Transfer from Stormwater.

FY25: Resurface Tennis Courts to place pickleball lines ($20,000 - $18,000 POS 90%, $2,000 GF 10% - Grant Submitted); Update and add to Christmas display ($20,000 - $15,000 CIP Fund Balance, $2,000 GF).

FY26: Miscellaneous projects ($30,000/year)

FY27: Construct restrooms on Museum Drive parking lot. This project is partially dependent on the Fine Arts Museum Expansion ($425,000 - 90% POS, 10% GF)

FY28 - FY29: Miscellaneous projects ($30,000/year)

Justification

Parking lot will provide additional and more efficient parking.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	640,000	30,000	425,000	30,000	30,000	1,155,000
Total	640,000	30,000	425,000	30,000	30,000	1,155,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	335,000					335,000
Grants-State Program Open Space	153,000		382,500			535,500
State Highway User Revenue	45,000					45,000
Transfers to CIP-General Fund	7,000	30,000	42,500	30,000	30,000	139,500
Transfers to CIP-Stormwater Fund	100,000					100,000
Total	640,000	30,000	425,000	30,000	30,000	1,155,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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.

FY25: Mulberry Avenue at Pangborn Boulevard ($35,000)

FY26 - FY29: 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 '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	35,000					35,000
Transfers to CIP-General Fund		35,000	35,000	35,000	35,000	140,000
Total	35,000	35,000	35,000	35,000	35,000	175,000

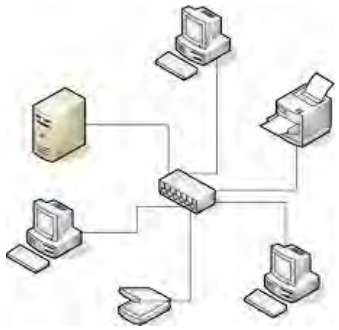
CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	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 '25	FY '26	FY '27	FY '28	FY '29	Total
PEG Fee	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 '25 *thru* FY '29

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.

FY25: Television Studio City Hall and other projects as noted above ($286,000).

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	286,000	25,000	25,000	25,000	25,000	386,000
Total	286,000	25,000	25,000	25,000	25,000	386,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	261,000					261,000
PEG Fee	25,000	25,000	25,000	25,000	25,000	125,000
Total	286,000	25,000	25,000	25,000	25,000	386,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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:

FY25: 2012 Gator #316 ($14,000); 2004 JD Tractor #375 ($25,000); 2007 Gator #378 ($14,000); 1999 Wacker roller #388 ($28,000)

FY26: Replace 2013 Gator #315 ($14,000); 2015 Chevy pickup #300 ($50,000); 2014 Ford pickup #311 ($50,000); 2004 JD tractor #374 ($25,000)

FY27: Replace 2014 Dodge Dump truck #303 ($150,000); 2012 Chevy pickup #309 ($50,000)

FY28: Replace 2016 Ford F550 Dump Truck #308 ($150,000); 2012 Chevy 2500 4x4 #371 ($50,000); 2017 John Deere Gator #397 ($15,000)

FY29: Replace 2017 F250 #306 ($55,000); 2010 Ford F150 4x4 #312 ($50,000); 2017 Ford F250 #330 ($55,000)

Justification

Improved Service.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	81,000	139,000	200,000	215,000	160,000	795,000
Total	81,000	139,000	200,000	215,000	160,000	795,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing (General Fund)			150,000	150,000		300,000
CIP Fund Balance	20,000					20,000
Transfers to CIP-General Fund	61,000	139,000	50,000	65,000	160,000	475,000
Total	81,000	139,000	200,000	215,000	160,000	795,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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: Recreation
Year Submitted: 2022

Department Recreation
Contact Deike
Priority Planned Improvement
Status Active

Description

Per the Vehicle & Equipment Replacement Schedule:

FY25: Replace 2007 Ford Focus - #304 ($45,000)

Justification

Unit #304 is a 2007 model vehicle that was passed onto recreation from another department.

Budget Impact/Other

Maintenance costs will be lowered

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	45,000					45,000
Total	45,000					45,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-General Fund	45,000					45,000
Total	45,000					45,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **45-C0594**

Project Name **Installation of Trees Using FCA Funds**

Type Improvement
Useful Life 100 years
Category Land Improvements
Location: City-Wide
Year Submitted: Ongoing

Department Engineering
Contact Bender
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 2024 and is working toward achieving a goal of 30% tree cover in the city by 2050. The City is discouraging "fee in lieu" payments as there is limited space to plant trees.

See also CIP# 59-C0594 for tree planting using stormwater protection funds.

FY26 - FY29: Assumed amounts of funds received from developments including Kilpatrick Woods, Brookmeadow, Unger and others.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance		5,000	5,000	5,000	5,000	20,000
Total		5,000	5,000	5,000	5,000	20,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Reforestation Funds		5,000	5,000	5,000	5,000	20,000
Total		5,000	5,000	5,000	5,000	20,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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.

FY25: Security Road: ($170,000 - $150,000 CDBG, $20,000 General Fund). 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.

FY26: Daycotah Avenue ($80,000)

FY27: Columbia Avenue ($80,000)

FY28: 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	170,000	80,000	80,000	500,000		830,000
Total	170,000	80,000	80,000	500,000		830,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-State				500,000		500,000
Transfers to CIP-CDBG Fund	150,000					150,000
Transfers to CIP-General Fund	20,000	80,000	80,000			180,000
Total	170,000	80,000	80,000	500,000		830,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Bender
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 2027 to 2031 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance				335,524		335,524
Total				335,524		335,524

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Contribution by Others				335,524		335,524
Total				335,524		335,524

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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

FY25: Repair concrete steps on both ends of the grandstand ($10,000).

FY25: Add ceiling fans to fit room to distribute heat evenly; insulate Police Athletic League weight rooms ($10,000); Furnace Replacement in Main Office ($20,000).

FY26 - FY29: 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.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	40,000	10,000	10,000	10,000	10,000	80,000
Total	40,000	10,000	10,000	10,000	10,000	80,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	10,000					10,000
Transfers to CIP-General Fund	30,000	10,000	10,000	10,000	10,000	70,000
Total	40,000	10,000	10,000	10,000	10,000	80,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **45-C0626**

Project Name **Fairgrounds Park Improvements**

Type Improvement
Useful Life 15 - 25 years
Category Infrastructure-Streets
Location: Fairground Park
Year Submitted: 2004

Department Parks
Contact Deike and Bender
Priority Planned Improvement

Status Active

Description

Maintenance and improvements to various items in the park per the following schedule:

FY25-FY26: General infrastructure upgrades ($10,000).

FY27: Parking improvements to lot east of the BMX track ($250,000 - 90% POS, 10% General Fund).

FY28: Construct New Pickleball Court ($170,000 - 90% POS, 10% General Fund).
FY28: Epoxy coat floors in softball and soccer field restrooms ($40,000).

FY29: General infrastructure upgrades ($10,000).

Justification

Floors and repairs to improve employee working conditions.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	10,000	10,000	250,000	210,000	10,000	490,000
Total	10,000	10,000	250,000	210,000	10,000	490,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-State Program Open Space			225,000	153,000		378,000
Transfers to CIP-General Fund	10,000	10,000	25,000	57,000	10,000	112,000
Total	10,000	10,000	250,000	210,000	10,000	490,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Bender
Priority Documented Savings

Status Active

Description

Upgrades and improvements in various parks:

FY25: Hellane Park- Install new fence at Colt League first base foul line ($50,000).

FY26-FY29: Miscellaneous upgrades and improvements in various parks ($20,000/yr).

FY27: Hamilton playground - create handicap parking ($50,000 - $20,000 GF, $30,000 HUR).

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.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	50,000	20,000	70,000	20,000	20,000	180,000
Total	50,000	20,000	70,000	20,000	20,000	180,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	45,000					45,000
CIP Fund Balance	5,000					5,000
State Highway User Revenue			30,000			30,000
Transfers to CIP-General Fund		20,000	40,000	20,000	20,000	100,000
Total	50,000	20,000	70,000	20,000	20,000	180,000

Project # **45-C0678**

Project Name **Planning & Code Admin Vehicles**

Type Replacement
Useful Life 5 years
Category Automobiles and Trucks
Location: City-Wide
Year Submitted: 2023

Department Planning
Contact Maher
Priority Planned Improvement
Status Active

Description

Per the Vehicle and Equipment Replacement Schedule:

FY25: 2006 Chevy Colorado #450 ($35,000)

FY26: 2007 Ford Ranger #452 ($35,000), 2014 Ford F150 #410 ($38,000)

FY27: 2014 Ford F150 #411 ($38,000)

FY28: 2014 Ford F150 #412 ($38,000)

FY29: 2015 Dodge Journey #457 ($38,000)

Justification

Staff need dependable vehicles to conduct daily inspections and patrol 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	35,000	73,000	38,000	38,000	38,000	222,000
Total	35,000	73,000	38,000	38,000	38,000	222,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	15,000					15,000
Transfers to CIP-General Fund	20,000	73,000	38,000	38,000	38,000	207,000
Total	35,000	73,000	38,000	38,000	38,000	222,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 DiBacco and Hopkins
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.

FY25: Land Acquisitions either south or west of Hagerstown, locations to be determined $500,000 per area

FY26: Land Acquisitions either south or west of Hagerstown, locations to be determined $500,000 per area
FY26: Design for fire department location for either the south or west part of town, ($500,000)

FY28: Design for fire department location for either the south or west part of town, ($500,000)
FY28: Site remediation and prep for the south part of town site per MDE standards, bid construction for new facility ($25,000,000)

FY29: Site remediation and prep for the west location site per MDE standards, bid construction for new facility ($25,000,000)

Justification

With continued growth of the City of Hagerstown through annexation both south and west, current fire station locations do not provide an appropriate standard of cover to appropriately serve and protect those areas. Thus, it is necessary to acquire land while it is available and undeveloped for either the addition or relocation of firefighting assets, to ensure that all those that occupy the corporate boundary receive the same level of service from the Hagerstown Fire Department. Acquisition of land now will allow the HFD to be better prepared for when that growth occurs.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Planning/Design		500,000		500,000		1,000,000
Land Acquisition	500,000	500,000				1,000,000
Construction/Maintenance				25,000,000	25,000,000	50,000,000
Total	500,000	1,000,000		25,500,000	25,000,000	52,000,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing (General Fund)				25,000,000	25,000,000	50,000,000
CIP Fund - GF Fund Balance	500,000					500,000
Transfers to CIP-General Fund		1,000,000		500,000		1,500,000
Total	500,000	1,000,000		25,500,000	25,000,000	52,000,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
Priority Probable Grant

Status Active

Description

FY27: 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 was funded by a "Bike Maryland" MDOT Grant. CSX RR granted initial permission to install a tunnel under their spur.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance			2,500,000			2,500,000
Total			2,500,000			2,500,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

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.

FY28: 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Planning/Design				10,000		10,000
Construction/Maintenance				900,000		900,000
Total				910,000		910,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

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 Bender
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 '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing (General Fund)				500,000	1,500,000	2,000,000
Contribution by Others				1,000,000	1,900,000	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 '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **45-C0739**

Project Name **ERP Software System Replacement**

Type Maintenance
Useful Life 5 years
Category Software
Location: City Hall
Year Submitted: 2024

Department Information Technology
Contact Snyder
Priority Planned Improvement

Status Active

Description

This project will allow for investment in new technologies and a replacement system for the Enterprise Resource Planning (ERP) software currently in use by the city (which is over 13 years old). The ERP will cover all areas of municipal services, including Financials, Human Resources, Utility Billing, Permits, and a host of other city services. Funds allocated to this project will cover software installation, conversion of current systems and data, all appropriate software licensing, as well as staff training on the new software products.

FY25-FY26: ERP Replacement Project ($1,700,000 - $850,000 per year)

Justification

The City workforce has become an increasingly mobile one, relying on technology to allow for access to city systems whereever the job takes them in the field (via tablet or phone) for inspections, Engineering, or Utility projects and services. The city is working to upgrade/replace the current ERP and financial systems to stay on up-to-date technology, take advantage of system improvements, and utilize the latest innovations to enhance the daily operational capabilities, allowing the city to serve citizens in the most effective way possible.

Budget Impact/Other

Software maintenance fees will cover the entire suite of modules purchased for the ERP system, based upon need and use by various city departments. These costs will not be fully known until the software is approved and acquired. Any annual maintenance fees will be reflected in the IT expense budget (as overall software maintenance costs).

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Software	850,000	850,000				1,700,000
Total	850,000	850,000				1,700,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	850,000	850,000				1,700,000
Total	850,000	850,000				1,700,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
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).

FY25: Antietam Creek Waterway Trail: Complete construction and amenities of watercraft access upstream of Mt. Aetna Road bridge and portage trail under bridge to below dam. ($355,000 - including $45,000 POS awarded in FY21, $270,000 POS request for FY24 and $40,000 in City match funding - $35,000 Carryover of FY24 HUR, $5,000 additional CIP FB).

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	355,000					355,000
Total	355,000					355,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	40,000					40,000
Grants-State Program Open Space	315,000					315,000
Total	355,000					355,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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.

FY27: White coating of pool. Typical resurfacing is every 5-7 years. Resurfacing was last completed in FY20 ($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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance			100,000			100,000
Total			100,000			100,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Transfers to CIP-General Fund			100,000			100,000
Total			100,000			100,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Bender
Priority Planned Improvement

Status Active

Description

The Hagerstown Ice Rink facility was built in 1997. The current 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.

FY25-FY29: Various Repairs ($48,000).

FY26: Replacement of ice making system - equipment, piping, etc. ($2,000,000).

FY29: 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	48,000	2,048,000	48,000	48,000	8,048,000	10,240,000
Total	48,000	2,048,000	48,000	48,000	8,048,000	10,240,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing (General Fund)					1,000,000	1,000,000
Contribution by Others	12,000	512,000	12,000	12,000	6,012,000	6,560,000
Facilities Rent	36,000	36,000	36,000	36,000	36,000	180,000
Grants-State					1,000,000	1,000,000
Transfers to CIP-General Fund		1,500,000				1,500,000
Total	48,000	2,048,000	48,000	48,000	8,048,000	10,240,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 DiBacco and Hopkins
Priority Public Safety

Status Active

Description

FY25: Upgrade to both the county radio infrastructure, computer-aided dispatch systems, and station alerting at 6 facilities- $750,000 ($125,000/facility).

FY26: Radio Direct Interface Voice Amplifier - Bluetooth to interface with Motorola ($165,000).

FY26: In the event vehicle mobile radios are not compatible with portable radios it is recommended to add a placeholder to replace 25 radios not listed in the grant from FY24 ($112,500).

Justification

With the replacement of all portable radios forthcoming, and issues that have presented themselves with the system, it is likely that there will be upgrades to radio infrastructure, computer-aided dispatch systems and in-station alerting, of which the city will have responsibility to cover cost. The timeframe is unknow, but could be as soon as FY25. It is recommended for a placeholder of $125,000 per facility.

Voice amplifiers were purchased as part of the self-contaoned breathing apparatus (SCBA) grant in 2019 to be compatible with Harris radios. The Harris radios were the direction that Washington County was moving at the time for portable radio replacement. Since that time, Washington County has secured a grant of which the City is part of to replace all portable radios with Motorola brand radios. The change necessitates having to purchase voice amplifiers that are compatible between our SCBA and the portable radios that the City's personnel are going to be utilizing.

Mobile (fixed) radios within all fire department vehicles will need to be upgraded for compatibility with the all-band capability of the portable radios. These are necessary for our command vehicles which serve as incident command posts during emergencies, and necessary for the remainde of apparatus as it interfaces with our hearing protection systems within the apparatus.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	750,000	277,500				1,027,500
Total	750,000	277,500				1,027,500

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund - GF Fund Balance	500,000					500,000
CIP Fund Balance	230,000					230,000
Transfers to CIP-General Fund	20,000	277,500				297,500
Total	750,000	277,500				1,027,500

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Bender
Priority Planned Improvement

Status Active

Description

City currently has 24 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.

FY25: Art in Park Circle triangle as endorsed by Mayor and Council in November 2022 ($50,000 - $30,000 Grant, $20,000 GF); Rochester and other murals ($20,000)

FY26 - FY29: Projects to be determined but to include update to "Faces of Hagerstown" ($60,000/year)

Listed in Mayor and Council's Strategic Plan. Staff will apply for "Public Art Across Maryland" grants on a 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	70,000	60,000	60,000	60,000	60,000	310,000
Total	70,000	60,000	60,000	60,000	60,000	310,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund Balance	20,000					20,000
Grants-State	30,000	30,000	30,000	30,000	30,000	150,000
Transfers to CIP-General Fund	20,000	30,000	30,000	30,000	30,000	140,000
Total	70,000	60,000	60,000	60,000	60,000	310,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 DiBacco and Hopkins
Priority Planned Improvement

Status Active

Description

Maintenance of effort funding is requested for the facilities that the city owns and maintains. They are FS-3 @ 100 Eastern Blvd.; HFD Headquarters @ 25 West Church St (sold) and FM office suite (sold); and the Training center at 940 Bowman Ave. Since the lease for 25 West Church St expires in August of 2024, relocation to another facility or renegotiation of the contract/lease is elevated to the highest priority.

FY25: Relocation and move from 25 West Church St to a yet to be determined location. It is anticipated the cost to relocate the Administrative office will be approximately ($1,500,000 -includes $690,000 new GF Fund Balance Reserves and $200,000 prior years reserves).

FY26: Matching funds for AFG grant to install a point of capture diesel exhaust extraction system in all station bays, (12 x $25,000 = $300,000).

FY27 - FY29: Miscellaneous planned and unplanned repairs for all facilities ($300,000/year)

FY28: Station 3, 100 Eastern Blvd. office/restroom expansion ($500,000)

Justification

Even though Fire Station 3 is fully sprinklered, the need for cancer preventing diesel point of capture exhaust extraction systems is essential. FS-3 must be so equipped along with any future build outs of city owned facilities. The Antietam Fire Company has agreed to lead an effort to submit for an assistance to FF's grant for all city and volunteer owned stations to procure point-of-capture diesel exhaust extraction systems. If successful, staff recommends budgeting for matching funds in FY26.

Station 3 now houses both Pioneer Hook and Ladder and Independent Fire Co. When the station was built in 1992 it was constructed for one to two pumpers and the personnel needed to operate them. The extra staff now at the station is in need of an extra restroom and an Officers office.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	1,500,000	300,000	300,000	800,000	300,000	3,200,000
Total	1,500,000	300,000	300,000	800,000	300,000	3,200,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
CIP Fund - GF Fund Balance	890,000					890,000
CIP Fund Balance	275,000					275,000
Transfers to CIP-General Fund	335,000	300,000	300,000	800,000	300,000	2,035,000
Total	1,500,000	300,000	300,000	800,000	300,000	3,200,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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

FY25: Community Risk Reduction Boards for each Fire Station ($150,000 - ARPA)

FY26: Hurst Extrication Tools (Battery powered) for Ladder TK1- cutters, jaws of life, spreaders and rams ($85,000)
FY26: Portable Air Generator and Cascade System ($80,000)

FY27-FY29: Replacement of end of life cycle portable equipment ($150,000/yr)

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.

The addition of a portable air generator and cascade system will allow the Hagerstown Fire Department the independence to fill self-contained breathing apparatus (SCBA) cylinders during training evolutions without third party assistance. This is necessary due to the expansion of recruit firefighter training into traditional-style recruit schools, the high-volume of utilization of SCBA during this training, and the need for daily cylinder refill during these activities. Additionally, this device will serve all training activities of the HFD, and be portable to fill station-mounted cascades, and attend HFD training evolutions off-site when necessary. Having this capability will also assist our SCBA maintenance shop in their ability to adequately flow test. Making this air generator and cascade system portable (trailer-mounted) will provide versatility in allowing for the most and best overall utilization.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	150,000	165,000	150,000	150,000	150,000	765,000
Total	150,000	165,000	150,000	150,000	150,000	765,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	150,000					150,000
Transfers to CIP-General Fund		165,000	150,000	150,000	150,000	615,000
Total	150,000	165,000	150,000	150,000	150,000	765,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Rectangular Rapid-Flashing Beacon (RRFB) traffic beacons with signs and push buttons with ramps as needed.

FY25: RRFB beacons at Hagers Crossing ($70,000) - 50 percent being funded by the Board of Education.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	70,000					70,000
Total	70,000					70,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Contribution by Others	35,000					35,000
Grants-State Aid in Lieu of Urban Funds	35,000					35,000
Total	70,000					70,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **50-C0090**
Project Name **Electric Vehicles**

Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: Electric Department
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

Replace fleet vehicles scheduled for replacement under the Vehicle Replacement Program

FY25: Replace 2003 Bucket Truck 124 ($280,000, PO#20230148) and 2015 Bucket Truck 135 ($190,000, PO#20230906)

FY26: Replace 2007 Trailblazer 113 and 2015 Sedans 110 &112 ($35,000 ea.), Full Size Pick Up Trucks 101 & 126 ($50,000 ea.)

FY27: Replace 2015 Sedan 111 ($35,000, Full Size Pick Up Trucks 122, 123, & 131 [$50,000 ea.)

FY28: Replace 2004 Bucket Truck 128 ($370,000, PO# 20230906)

FY29: Replace 127 Digger Derrick ($325,000)

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	470,000	205,000	185,000	370,000	325,000	1,555,000
Total	470,000	205,000	185,000	370,000	325,000	1,555,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	470,000	205,000	185,000	370,000	325,000	1,555,000
Total	470,000	205,000	185,000	370,000	325,000	1,555,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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

FY25 funds are budgeted to complete the fiber optic installation between Fairgrounds and Mitchell for SCADA communication. FY26 funds are to make repairs to damages between Plant and Frederick Street Substations. Fiscal Years 2027 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	20,000	5,000	5,000	5,000	5,000	40,000
Equip/Vehicles/Furnishings	30,000	5,000				35,000
Total	50,000	10,000	5,000	5,000	5,000	75,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	50,000	10,000	5,000	5,000	5,000	75,000
Total	50,000	10,000	5,000	5,000	5,000	75,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 '25	FY '26	FY '27	FY '28	FY '29	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

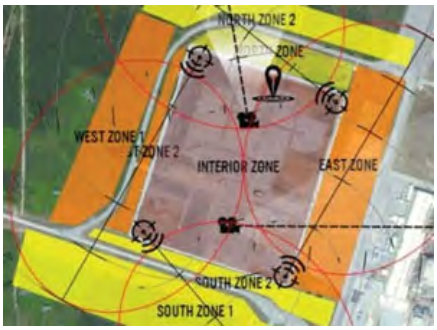
Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund			200,000	500,000	200,000	900,000
Total			200,000	500,000	200,000	900,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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

Improve or maintain the current surveillance and cybersecurity systems.

FY25 - FY27: In the event of award for Cybersecurity, Energy Security, and Emergency Response Team (CESER) Program Funding applied for October 2023.

Justification

Deter theft and/or vandalism of Electric Utility assets.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	55,000	55,000	105,000	5,000	5,000	225,000
Total	55,000	55,000	105,000	5,000	5,000	225,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	5,000	5,000	5,000	5,000	5,000	25,000
Grants-Federal	50,000	50,000	100,000			200,000
Total	55,000	55,000	105,000	5,000	5,000	225,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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.

FY25: Rebuild overhead line along Marshall Street to provide capacity for Kilpatrick Woods Development (C0550)
FY26: Completion of overhead rebuild for Kilpatrick Woods
FY27: Haven Road from Pennsylvania to Outer Drive
FY28: Wilson Blvd. from Frederick to Rose Hill
FY29: Northern Avenue from Country Club to Pennsylvania

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.

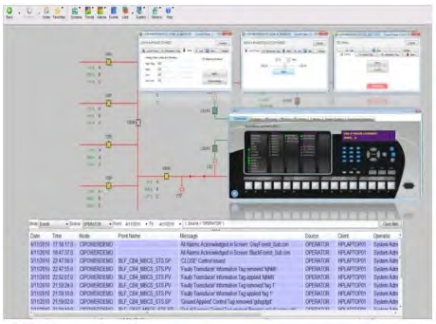
Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	103,250	25,000	25,000	25,000	25,000	203,250
Equip/Vehicles/Furnishings	103,250	35,000	35,000	35,000	35,000	243,250
Total	206,500	60,000	60,000	60,000	60,000	446,500

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	206,500	60,000	60,000	60,000	60,000	446,500
Total	206,500	60,000	60,000	60,000	60,000	446,500

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 to improve and/or maintain substation protective device monitoring and interrogation.

Justification

Miscellaneous software programming improvements to enhance communication performance. Any necessary hardware installation will be in conjunction with C0111.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

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 and padmounted equipment 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 '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

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

FY25: Replacement of HVAC in Admin and Engineering Area.

FY26 - FY29: Contingency funds to improve the HLD facility on East Baltimore Street.

Justification

Miscellaneous equipment, such as HVAC and Lighting, have 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	50,000	25,000	25,000	25,000	25,000	150,000
Total	50,000	25,000	25,000	25,000	25,000	150,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	50,000	25,000	25,000	25,000	25,000	150,000
Total	50,000	25,000	25,000	25,000	25,000	150,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **50-C0544**

Project Name **Bulldog Substation Removal**

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

FY29: 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance					30,000	30,000
Equip/Vehicles/Furnishings					20,000	20,000
Total					50,000	50,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund					50,000	50,000
Total					50,000	50,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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.

FY25: Anticipated grant contributions to replace HLD Fixtures with LED.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	25,000	2,500	2,500	2,500	2,500	35,000
Equip/Vehicles/Furnishings	175,000	7,500	7,500	7,500	7,500	205,000
Total	200,000	10,000	10,000	10,000	10,000	240,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	75,000	10,000	10,000	10,000	10,000	115,000
Grants-State	125,000					125,000
Total	200,000	10,000	10,000	10,000	10,000	240,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	73,500	54,000				127,500
Equip/Vehicles/Furnishings	100,000	70,000	50,000	50,000		270,000
Total	173,500	124,000	50,000	50,000		397,500

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Contribution by Others	109,000	60,000	50,000	50,000		269,000
Electric Fund	64,500	64,000				128,500
Total	173,500	124,000	50,000	50,000		397,500

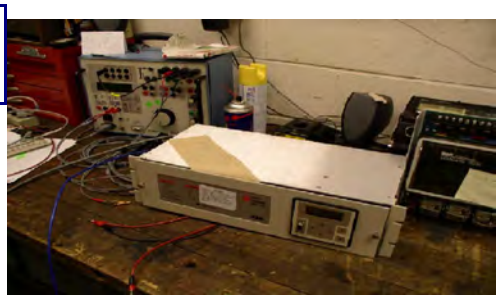
CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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.

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 '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

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.

FY25: IED control replacement and retrofit of obsolete devices at Mitchell and Wesel Substations.

Justification

Replace inferior equipment to maintain system reliability, public & workforce safety, and system integrity.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	40,000	20,000	20,000	20,000	20,000	120,000
Equip/Vehicles/Furnishings	40,000	20,000	20,000	20,000	20,000	120,000
Total	80,000	40,000	40,000	40,000	40,000	240,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	80,000	40,000	40,000	40,000	40,000	240,000
Total	80,000	40,000	40,000	40,000	40,000	240,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 through FY29.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	500,000	500,000	500,000	500,000	500,000	2,500,000
Equip/Vehicles/Furnishings	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Total	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000
Total	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	7,500,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 119 townhome units.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Developer responsibilities include conduits and street light installation. HLD crews will pull and terminate underground conductors, set transformers, and meters.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	16,000	40,500	5,000			61,500
Equip/Vehicles/Furnishings	37,000	87,000	35,000			159,000
Total	53,000	127,500	40,000			220,500

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Contribution by Others	15,000	50,000	30,000			95,000
Electric Fund	38,000	77,500	10,000			125,500
Total	53,000	127,500	40,000			220,500

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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.

FY25: Replacement of four (4) 15kV circuit breakers at Frederick Street Substation.

Justification

Replacement of aged and deteriorated breakers will reduce unnecessary outages and ensures proper coordination of the distribution system.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	40,000	40,000	40,000	40,000	40,000	200,000
Equip/Vehicles/Furnishings	40,000	40,000	40,000	40,000	40,000	200,000
Total	80,000	80,000	80,000	80,000	80,000	400,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric 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

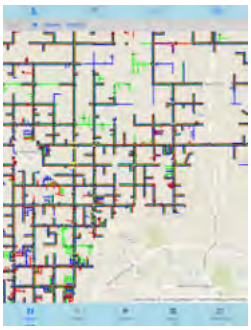
CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **50-C0777**

Project Name **GIS Facility Software**



Type Improvement
Useful Life 10 years
Category Machinery and Equipment
Location: 425 E. Baltimore Street
Year Submitted: 2009

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Status Active

Description

FY25: Mobile mapping software with live integration to the Milsoft Utilities Mapping Server.

Justification

Provides live mapping updates to maintain as-built field construction records and inspection portal to report follow-up work requirements to maintain workflow efficiency and reliability.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	12,000					12,000
Total	12,000					12,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	12,000					12,000
Total	12,000					12,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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

To provide for materials and labor for electrical capacity increase and system improvements within substations for improved flexibility in operations and customer reliability.

FY25 - FY26: Completion of a 3rd bay at Wesel Substation for a fifth feeder to split load between Wesel and Mitchell Substations in conjunction with C0842.

FY27: Spare voltage regulators. Order anticipated to be placed in FY24.

FY28 - FY29: 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	25,000	25,000	25,000	25,000	25,000	125,000
Equip/Vehicles/Furnishings	50,000	50,000	180,000	100,000	250,000	630,000
Total	75,000	75,000	205,000	125,000	275,000	755,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	75,000	75,000	205,000	125,000	275,000	755,000
Total	75,000	75,000	205,000	125,000	275,000	755,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	75,000	75,000	75,000	75,000	75,000	375,000
Total	75,000	75,000	75,000	75,000	75,000	375,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	75,000	75,000	75,000	75,000	75,000	375,000
Total	75,000	75,000	75,000	75,000	75,000	375,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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.

FY25: Engineer and install custom bus and beam protection.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	15,000	15,000	15,000	15,000	15,000	75,000
Equip/Vehicles/Furnishings	35,000	35,000	35,000	35,000	35,000	175,000
Total	50,000	50,000	50,000	50,000	50,000	250,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	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

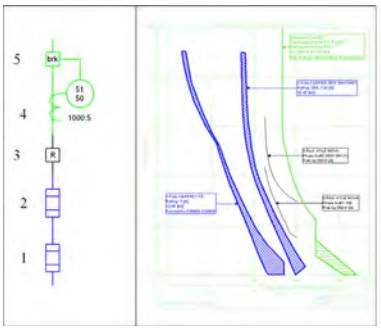
CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

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.

FY25 - FY26: Construction of the fifth feeder from the Wesel Substation in conjunction with C0778.

FY27 - FY29: 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	45,500	45,500	50,000	50,000	50,000	241,000
Equip/Vehicles/Furnishings	70,000	70,000	100,000	100,000	100,000	440,000
Total	115,500	115,500	150,000	150,000	150,000	681,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Electric Fund	115,500	115,500	150,000	150,000	150,000	681,000
Total	115,500	115,500	150,000	150,000	150,000	681,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

Per the Vehicle & Equipment Replacement Schedule:

FY25: 2012 Ford F550 Service Truck #206 ($125,000); 2014 Chevy Equinox #261 ($30,000); 2001 JD 410G Backhoe #228 ($160,000); 2011 Kohler Trailer Mounted Generator PS4 #229 ($125,000)

FY26: 2013 Chevy Equinox #201 ($30,000); 2012 Ford 550 Service Truck #260 ($125,000); 2015 Chevy Traverse #244 ($30,000)

FY27: 2014 International Dump Truck #207 ($200,000); 2012 Ford Escape #226 ($30,000); 2014 Ford F150 #200 ($35,000); 2014 Ford F150 #203 ($35,000)

FY28: 2015 Chevy Traverse #214 ($30,000); 2014 Case Excavator #224 ($175,000); 2017 Ford F350 #204 ($55,000); 2017 Ford F350 #254 ($55,000); 2017 Ford Escape #225 ($30,000)

FY29: 2016 Ford F550 #216 ($125,000); 2016 Ford F350 #217 ($60,000); 2006 JD 310SG Backhoe #223 ($160,000)

Justification

Replace fleet vehicles scheduled for replacement under the Vehicle Replacement Program. No additional vehicles are being added to the Water Department fleet.

Replace deteriorating mobile equipment to improve safety for workers and customer service request time.

Budget Impact/Other

Maintenance costs will be reduced with the replacement of older fleet vehicles.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	440,000	185,000	300,000	345,000	345,000	1,615,000
Total	440,000	185,000	300,000	345,000	345,000	1,615,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Water Fund	440,000	185,000	300,000	345,000	345,000	1,615,000
Total	440,000	185,000	300,000	345,000	345,000	1,615,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement
Status Active

Description

FY25: Replace the SCADA Generator ($125,000). Rebuild/replace the TracVac Solids removal system ($75,000). High Service Pump VFD replacement ($500,000). Rebuild the Carbon Feed System ($200,000).

FY26: Replace the DelPac Storage Tanks ($1,000,000). Replair/replace the Caustic Bulk Storage Tanks ($500,000). Engineering for construction services ($250,000).

FY25 - FY29: Various plant improvements for equipment replacement to include pumps, motors, communication equipment, etc. ($150,000). Various plant maintenance of structures to include masonry, steps, doors, etc. ($100,000). Replacement of aging equipment to include pumps, motors, chemical feed equipment, etc. ($500,000).

Justification

Improve service, increase system reliability, to improve employee and public safety, and enhance the structural integrity of the facility.

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.

Engineering study to evaluate the Caustic Bulk Storage Tanks ($100,000). Engineering evaluation to replace the DelPac Tanks ($250,000).

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	1,650,000	2,250,000	750,000	750,000	750,000	6,150,000
Engineering		250,000				250,000
Total	1,650,000	2,500,000	750,000	750,000	750,000	6,400,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Water Fund	1,650,000	2,500,000	750,000	750,000	750,000	6,400,000
Total	1,650,000	2,500,000	750,000	750,000	750,000	6,400,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25 - FY29: Funding for Valve Replacement ($200,000).

FY25: Phase 2 - Engineering design ($500,000) to extend the 36" Transmission Mains from Bottom Road to the Conococheague Creek. MDE approved loan amount is ($5,000,000), secured MDE funding is $2,500,000, anticipated future MDE funding will total $40,500,000.

FY26: Phase 3 - Engineering design ($500,000) and construction of transmission mains ($15,000,000) work will include a directional bore under the Creek.

FY27: Phase 4 - Continue construction ($15,000,000) and engineering ($500,000) to extend new mains from the Conococheague Creek to Governor Lane Blvd.

FY28 - FY29: Phase 4 - Construction phase engineering ($500,000 each year). Continue construction to extend new mains from the Conococheague Creek to Governor Lane Blvd ($5,000,000 each year).

Justification

This project has been identified and is consistent with recommendations in the City Comprehensive Plan. The cast transmission 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.

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 RCW Water Treatment Plant to the City of Hagerstown. In conjunction with the engineering study, the clearwell at the RCW Plant (as it pertains to chlorine contact time), and the overall hydraulic capacity of the plant will need to be evaluated.

Budget Impact/Other

Replace and/or Upgrade Deteriorating Infrastructure - Reliability

Operational costs should decrease as a result of this project associated with time and materials to repair and road repair.

Based on a 20 year term at 2.5%, the preliminary annual debt service impact for the FY25 bond issue of $500,000 is $32.7K.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	200,000	15,200,000	15,200,000	5,200,000	5,200,000	41,000,000
Engineering	500,000	500,000	500,000	500,000	500,000	2,500,000
Total	700,000	15,700,000	15,700,000	5,700,000	5,700,000	43,500,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing-MDE (Water Fund)	500,000	15,000,000	15,000,000	5,000,000	5,000,000	40,500,000
Water Fund	200,000	700,000	700,000	700,000	700,000	3,000,000
Total	700,000	15,700,000	15,700,000	5,700,000	5,700,000	43,500,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25 - FY29: Engineering design ($250,000).

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.

Note: Funding has been moved to the Antietam Creek Source Water Project. Should it be determined the Antietam is not a viable soucre, funding will be restored to the Edgemont Project. Projected MDE Funding is $15,750,000.

Budget Impact/Other

Planned improvement to address regulatory requirements.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Engineering	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 '25	FY '26	FY '27	FY '28	FY '29	Total
Water 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 '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25: Begin engineering design ($400,000) for New Mack Tank.

FY25 - FY26: Construction of new Mack Tank ($2,000,000) and construction management of new Mack Tank ($250,000). MDE approved loan amount of $4,000,000, of which $2,000,000 will be forgiven.

Justification

Replace aging infrastructure, 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 2.5%, the preliminary annual debt service impact for the FY25 bond issue of $2,000,000 is $130.3K.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	2,250,000	2,250,000				4,500,000
Engineering	400,000					400,000
Total	2,650,000	2,250,000				4,900,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing-MDE (Water Fund)	2,000,000	2,000,000				4,000,000
Water Fund	650,000	250,000				900,000
Total	2,650,000	2,250,000				4,900,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Public Safety

Status Active

Description

FY25: Improve the Security of the Park Ave. Instrumentation Office and Distribution Storage Area ($100,000).

FY26 - FY27: Improve the Security Systems at the Water Plants, Pump Stations, and Storage Tanks ($150,000).

FY28 - FY29: Improve the Security Systems at the Water Plants, Pump Stations, and Storage Tanks ($50,000).

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.

Budget Impact/Other

Planned improvements to address regulatory requirements.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	100,000	150,000	150,000	50,000	50,000	500,000
Total	100,000	150,000	150,000	50,000	50,000	500,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Water Fund	100,000	150,000	150,000	50,000	50,000	500,000
Total	100,000	150,000	150,000	50,000	50,000	500,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
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.

FY25 - FY29: $20,000 annually for miscellaneous required rehab/replacement projects.

The Breichner Plant funding will be restored if it is determined the Antietam Creek is not a viable source.

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.

Budget Impact/Other

Planned improvements to enhance reliability.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	Total
Water 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 '25 *thru* FY '29

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

FY25: 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 52-74001 to keep software maintenance agreements current.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Software	262,500					262,500
Total	262,500					262,500

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Water Fund	262,500					262,500
Total	262,500					262,500

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25 - FY29: $125,000 for replacement of critical equipment at all stations.

FY25: Begin design of new suction and discharge mains at Pump Station #6 at Greendale Street and Chewsville PRV ($20,000).

FY26: Continue design/construction management ($150,000) and construction ($300,000) of new suction and discharge mains at Pump Station #6 at Greendale Street and Chewsville PRV.

FY27: Design/construction management ($400,000) and construction ($1,000,000) of new suction and discharge mains at Pump Station #6 at Greendale Street and Chewsville PRV.

FY28: Design/construction management ($300,000) and construction ($1,000,000) of new suction and discharge mains at Pump Station #6 at Greendale Street and Chewsville PRV.

FY29: Design for the relocation of Pump Station #2 ($400,000) and construction of new Pump Station #2 on Northern Ave ($1,500,000).

Justification

Replace and/or Upgrade Deteriorating Infrastructure - Reliability. Pump Station 2 (Northern Ave.) relocation will be development driven. It is possible that a portion of the funding will be through developer contribution.

Budget Impact/Other

Replace and/or Upgrade Deteriorating Infrastructure - Reliability

Compliance with Stage 2 DBPR - Nitrification Control

Note - upgrades to the pump stations will not likely change the overall operating cost.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	125,000	425,000	1,125,000	1,125,000	1,625,000	4,425,000
Engineering	20,000	150,000	400,000	300,000	400,000	1,270,000
Total	145,000	575,000	1,525,000	1,425,000	2,025,000	5,695,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Contribution by Others		450,000	1,400,000	1,300,000	1,900,000	5,050,000
Water Fund	145,000	125,000	125,000	125,000	125,000	645,000
Total	145,000	575,000	1,525,000	1,425,000	2,025,000	5,695,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Cost Avoidance

Status Active

Description

FY25 - FY29: Funding is set aside for the Meter Program to replace meters and upgrade software and/or hardware associated with the Sensus meter reading system.

FY25 - FY29: 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 ($25,000).

Justification

Replace aging equipment to ensure water and sewer rates are an accurate reflection of the required revenue.

This project has been identified and is consistent with recommendations in the City Comprehensive Plan.

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.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	525,000	525,000	525,000	525,000	525,000	2,625,000
Allocated Labor	50,000	50,000	50,000	50,000	50,000	250,000
Total	575,000	575,000	575,000	575,000	575,000	2,875,000

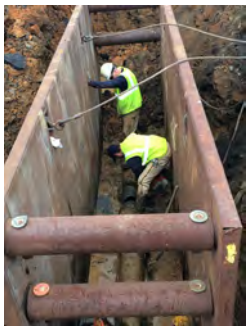
Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Water Fund	575,000	575,000	575,000	575,000	575,000	2,875,000
Total	575,000	575,000	575,000	575,000	575,000	2,875,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25: Replace aging transmission mains throughout the Distribution System (Mosby Dr., Emerald Dr., Harry Heth Rd.) - Construction ($250,000)/Allocated Labor ($110,000).

FY25 - FY29: Continue to replace aging service lines throughout the Distribution System to include lead and galvanized materials covered in the LCRR.

FY25 - FY29: Continue the leak detection program ($10,000).

FY25 - FY29: Hydrant and valve program ($50,000).

FY25 - FY29: Continued water system improvements associated with private residential and commercial development ($250,000).

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.

Budget Impact/Other

Replace and/or Upgrade Deteriorating Infrastructure - Reliability

Reduction in operating cost associated with road repairs as distribution system is upgraded (materials and road repairs).

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	560,000	570,000	580,000	590,000	600,000	2,900,000
Allocated Labor	110,000	120,000	130,000	140,000	150,000	650,000
Total	670,000	690,000	710,000	730,000	750,000	3,550,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Contribution by Others	250,000	250,000	250,000	250,000	250,000	1,250,000
Water Fund	420,000	440,000	460,000	480,000	500,000	2,300,000
Total	670,000	690,000	710,000	730,000	750,000	3,550,000

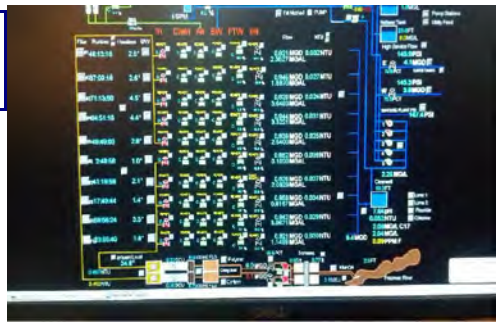
CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25 - FY29: Miscellaneous items ($40,000), miscellaneous maintenance of SCADA system ($60,000).

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	40,000	40,000	40,000	40,000	40,000	200,000
Engineering	60,000	60,000	60,000	60,000	60,000	300,000
Total	100,000	100,000	100,000	100,000	100,000	500,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Water 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 '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **52-C0823**

Project Name **Antietam Creek Intake and Water Plant**

Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location:
Year Submitted:

Department Water Fund
Contact Hausrath
Priority Planned Improvement
Status Active

Description

FY25: Engineering design for using Antietam Creek as a second raw water source for a new potable water plant ($250,000).

FY26 - FY28: Begin construction/maintenance and design of Antietam Creek water plant. Possible future funding through MDE Bond ($15,000,000).

Justification

Provide a second source for potable water.

Budget Impact/Other

FY25 $1.25M for engineering study to evaluate the Antietam Creek as a second raw water source for a new potable water plant. This study will evaluate the average day and peak day withdraw limitations, raw water treatability, water treatment plant location, water intake location, etc.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance		5,000,000	10,000,000	10,000,000		25,000,000
Engineering	250,000	2,000,000	1,000,000	1,000,000		4,250,000
Total	250,000	7,000,000	11,000,000	11,000,000		29,250,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing-MDE (Water Fund)		5,000,000	10,000,000	10,000,000		25,000,000
Water Fund	250,000	2,000,000	1,000,000	1,000,000		4,250,000
Total	250,000	7,000,000	11,000,000	11,000,000		29,250,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # 52-C0877

Project Name Water Zone #5 System Improvements

Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location:
Year Submitted:

Department Water Fund
Contact Hausrath
Priority Planned Improvement

Status Active

Description

FY25: Continue engineering design for improvements in fire protection while ensuring water quality to Water Zone #5 ($250,000).

FY26 - FY27: Continued design/construction management and construction of fire protection improvements while ensuring water quality in Water Zone #5.

Justification

Improve fire protection and water quality in Water Zone #5.

The Comprehensive Plan recommends water system projects that will address deteriorating pipe, system pressure, and water quality. This project will help address system pressure issues in the Robinwood Drive and Meritus area.

Budget Impact/Other

FY25 - The City has been awarded a grant from Rural Maryland for $500,000 with matching $500,000 funds. $750,000 will be used in FY24. FY25 Expense is $250,000.

Based on a 20 year term at 2.5%, the preliminary annual debt service impact for the FY25 bond issue of $250,000 is $16.4K.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance		9,500,000	1,000,000			10,500,000
Engineering	250,000	400,000	300,000			950,000
Total	250,000	9,900,000	1,300,000			11,450,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing-MDE (Water Fund)	250,000	9,500,000	1,000,000			10,750,000
Water Fund		400,000	300,000			700,000
Total	250,000	9,900,000	1,300,000			11,450,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **54-C0004**

Project Name **Wastewater Vehicle and Equipment Replacement**

Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: CS, WWTP, Admin.
Year Submitted: Ongoing

Department Wastewater Fund
Contact Hausrath
Priority Planned Improvement
Status Active

Description

Per the Vehicle & Equipment Replacement Schedule:

FY25: 2015 Jeep #534 ($45,000); 2005 #533 Ford Ranger ($40,000); 2008 #535 New Holland Tractor ($40,000); 1993 #513 Kohler Generator ($80,000); 2008 #504 Ford F250 4X4 ($60,000); 2015 #526 Ford F550 4X4 ($104,628 on order in FY24; PO 20231144).

FY26: 1999 #509 Volvo Trailer Mounted Generator ($80,000); 2002 #541 Ford Ranger ($40,000).

FY27: 2006 #591 Chevy 2500 HD 4X4 W/Snow Plow ($60,000); 2001 #593 John Deere Loader ($150,000).

FY28: 2015 #526 Ford F550 ($100,000).

FY29: 2008 #560 Backhoe 4X4 ($150,000).

Justification

Replacement units - reduced maintenance costs anticipated.

Budget Impact/Other

Note: CIP 59-C0713 was consolidated into 59-C0004.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	369,628	120,000	210,000	100,000	150,000	949,628
Total	369,628	120,000	210,000	100,000	150,000	949,628

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Wastewater Fund	369,628	120,000	210,000	100,000	150,000	949,628
Total	369,628	120,000	210,000	100,000	150,000	949,628

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # 54-C0267

Project Name Collection System Improvement Program

Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: City-Wide
Year Submitted: Ongoing

Department Wastewater Fund
Contact Hausrath
Priority Public Safety

Status Active

Description

Raise manholes to meet new street grade. Replace three-inch thick lids with lighter more accessible lids.

FY25 - FY29: Manhole raising frame replacement ($50,000).

FY25 - FY29: Manhole replacement/rehabilitation on high priority deteriorating manholes ($100,000).

FY25 - FY29: Miscellaneous lining to remove I&I on laterals, manholes, and mains ($750,000).

FY25 - FY29: Replace various pieces of aging equipment for 23 pump stations including muffin monsters, drive gears, cutters, soft starts, transfer switches, etc. ($100,000).

FY25 - FY29: Continued Collection System improvements by others associated with private residential and commerical development ($100,000).

Justification

Note: this CIP combines 59-C0800 and 59-C0327.

Budget Impact/Other

Reduction in liability exepenses and improved road conditions.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	250,000	250,000	250,000	250,000	250,000	1,250,000
Equip/Vehicles/Furnishings	100,000	100,000	100,000	100,000	100,000	500,000
Wastewater Line Replacement	750,000	750,000	750,000	750,000	750,000	3,750,000
Total	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	5,500,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Contribution by Others	100,000	100,000	100,000	100,000	100,000	500,000
Wastewater Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Total	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	5,500,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **54-C0299**

Project Name **Pump Station SCADA Improvements**

Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: System-wide
Year Submitted: Ongoing

Department Wastewater Fund
Contact Hausrath
Priority Public Safety

Status Active

Description

Replacement and upgrades to Collection System Pump Stations SCADA systems.

FY25 - FY29: Replace/Upgrade HMI Interface, PLCs, etc. ($25,000).

FY25 - FY29: Replace SCADA hardware and software as required to keep the systems operational ($75,000).

Justification

Reduce maintenance and increase safety and security of stations. Replacing obsolete SCADA equipment is needed to improve the reliability of the SCADA system for wastewater pump stations.

Budget Impact/Other

Note: $100,000 included in the Collections Operating Budget for engineering/integration for security at the pump stations

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	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

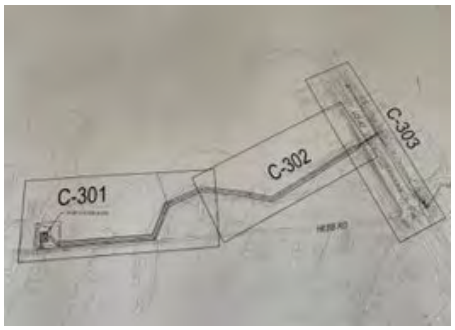
Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Wastewater Fund	100,000	100,000	100,000	100,000	100,000	500,000
Total	100,000	100,000	100,000	100,000	100,000	500,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25: Complete the construction of Pump Station #33 to include 2,400' gravity sewer main, 4,000' force main, jack and bore with sleeve 250' under Dual Highway to replace Pump Station #9 ($2,190,444).

FY25: Engineering services related to construction of Pump Station #33 ($200,000).

FY25: I/I work on gravity lines leading to Pump Station #33 ($500,000)

Justification

Pump Station #9, formerly Four Points, has reached capacity and a new station is needed to promote growth and development.

The Comprehensive Plan recommends implementation of projects and policies to ensure that adequate wastewater capacity exists to serve future growth, particularly within the city and areas to be annexed. This project upgrades a wastewater pumping station identified as deficient in size to serve growth demands in the southeast area of the city.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Planning/Design	200,000					200,000
Construction/Maintenance	2,690,444					2,690,444
Total	2,890,444					2,890,444

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	1,700,000					1,700,000
Wastewater Fund	1,190,444					1,190,444
Total	2,890,444					2,890,444

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25: Re-construction of Pump Station No. 13 on Western Maryland Parkway ($2,650,000).

FY26: Complete re-construction of Pump Station No. 13 on Western Maryland Parkway ($1,100,000).

Justification

Pump Station No. 13 will need to be rebuilt and returned to service in accordance with the requirements in the Joint Sewer Service Area Agreement.

The Comprehensive Plan recommends implementation of projects and policies to ensure that adequate wastewater capacity exists to serve future growth, particularly within the city and areas to be annexed. This project upgrades a wastewater pumping station identified necessary to take back wastewater flow from the County as part of the Joint Sewer Service Area Agreement on the west side of the city.

Budget Impact/Other

Total Project: $3,900,000

MDE Bond: $1,940,000

ARC Grant: $780,000

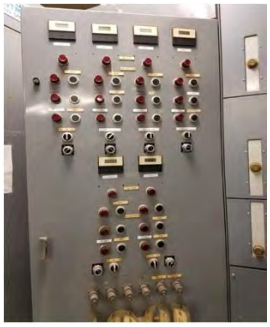
Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	2,500,000	1,000,000				3,500,000
Engineering	150,000	100,000				250,000
Total	2,650,000	1,100,000				3,750,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-ARC	780,000					780,000
Grant-State MDE	940,000	1,000,000				1,940,000
Wastewater Fund	930,000	100,000				1,030,000
Total	2,650,000	1,100,000				3,750,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Hausrath
Priority Public Safety

Status Active

Description

Replaces various aging equipment or adds additional new equipment to maintain efficient operations, permit compliance, and security.

FY25: Complete engineering design for electrical, pumping, and nutrient removal upgrades ($2,000,000 Wastewater Fund). Begin construction for electrical, pumping, and nutrient removal upgrades ($3,000,000 MDE Bond).

FY25 - FY29: Replace aging equipment (pumps, mtoros, flow meters, ect.) ($750,000 Wastewater Fund).

FY25 - FY29: SCADA upgrades for all obsolete unsupported hardware and software systems ($250,000 Wastewater Fund).

FY26: Complete upgrades for electrical, pumping, and nutrient removal upgrades. Construction ($9,000,000 MDE Bond) and Engineering ($1,000,000 Wastewater Fund).

FY27: Complete upgrades for electrical, pumping, and nutrient removal upgrades. Construction ($8,000,000 MDE Bond) and Engineering ($1,000,000 WW Fund).

Justification

Deteriorating equipment that has reached the end of its useful life cycle requires replacement to maintain reliable continuous operations. Replaces aging infrastructure and upgrade the treatment process to achieve best available treatment technology for nutrient removal.

Budget Impact/Other

$20,000,000 MDE Funding Secured ($1,850,000 Loan and $1,500,000 Grant)

Based on a 20 year term at 2.5%, the preliminary annual debt service impact for the FY25 bond issue of $1,500,000 is $97.6K.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	4,000,000	10,000,000	9,000,000	1,000,000	1,000,000	25,000,000
Engineering	2,000,000	1,000,000	1,000,000			4,000,000
Total	6,000,000	11,000,000	10,000,000	1,000,000	1,000,000	29,000,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing-MDE (Wastewater Fund)	1,500,000	9,000,000	8,000,000			18,500,000
Grant-State MDE	1,500,000					1,500,000
Wastewater Fund	3,000,000	2,000,000	2,000,000	1,000,000	1,000,000	9,000,000
Total	6,000,000	11,000,000	10,000,000	1,000,000	1,000,000	29,000,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25: Renovations to the Barn (Water and Wastewater Administrative and Engineering Offices) - Upper and Lower Level Renovations and Elevator ($500,000).

FY26: Continued renovations to the Barn (Water and Wastewater Administrative and Engineering Offices) - Upper and Lower Level Renovations and Elevator ($250,000).

FY26 - FY29: Renovations, repairs, maintenance and purchase of engineering equipment and software as needed ($25,000).

FY27 - FY29: Miscellaneous work to include parking area, fencing, and security systems, etc. ($25,000).

Justification

Aging structures that require repairs and improvements.

Budget Impact/Other

Cost will be shared with the Water Fund - Water Fund Allocation identified in the 5274001-5920 - FY25-$262,500; FY26-$137,500; FY27-$25,000; FY28-$25,000; FY29-$25,000 (Total for FY25-FY29 $475,000).

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	500,000	250,000	25,000	25,000	25,000	825,000
Engineering		25,000	25,000	25,000	25,000	100,000
Total	500,000	275,000	50,000	50,000	50,000	925,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Wastewater Fund	500,000	275,000	50,000	50,000	50,000	925,000
Total	500,000	275,000	50,000	50,000	50,000	925,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
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.

FY25 - FY26: Miscellaneous repairs and equipment replacement on oxygen skid and on OAB Deck ($200,000).

FY25 - FY29: Continued improvements ($20,000).

Justification

Improve reliability, efficiencies, and maintain MDE compliance.

Budget Impact/Other

Anticipated reduction in plant maintenance costs associated with the oxygen process.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	150,000	150,000	20,000	20,000	20,000	360,000
Engineering	50,000	50,000				100,000
Total	200,000	200,000	20,000	20,000	20,000	460,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Wastewater Fund	200,000	200,000	20,000	20,000	20,000	460,000
Total	200,000	200,000	20,000	20,000	20,000	460,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Hausrath
Priority Contract Obligation

Status Active

Description

Miscellaneous improvements per the operating contract to include HVAC, electrical, plumbing, and building (roof, windows, etc).

FY25: Annual Asset Management Fee ($200,000).

FY26 - FY29: Annual Asset Management Fee ($250,000)

Justification

To maintain the solids processing structure and pelletizing equipment.

Budget Impact/Other

Work will help ensure reliability and regulatory compliance.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	200,000	250,000	250,000	250,000	250,000	1,200,000
Total	200,000	250,000	250,000	250,000	250,000	1,200,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Wastewater Fund	200,000	250,000	250,000	250,000	250,000	1,200,000
Total	200,000	250,000	250,000	250,000	250,000	1,200,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Contract Obligation

Status Active

Description

FY25: Funds to be budgeted over FY25 and FY26 to either replace or rehab the existing Pellet Silo ($300,000). Begin work to replace roof on pelletizer building ($300,000).

FY26: Funds to be budgeted over FY25 and FY26 to either replace or rehab the existing Pellet Silo ($400,000). Complete roof work ($70,000).

FY27 - FY29: Chemical, electrical, screening and pumping improvements: ($7,000,000).

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. Roof has been repaired several times and needs replaced to damage to pelletizing equipment.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	500,000	420,000	2,000,000	3,000,000	1,000,000	6,920,000
Engineering	100,000	50,000	750,000	150,000	100,000	1,150,000
Total	600,000	470,000	2,750,000	3,150,000	1,100,000	8,070,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Wastewater Fund	600,000	470,000	2,750,000	3,150,000	1,100,000	8,070,000
Total	600,000	470,000	2,750,000	3,150,000	1,100,000	8,070,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Planned Improvement

Status Active

Description

FY25: New Hood and Ventilation system: ($500,000), DI water system: ($20,000), Laboratory Design and Construction Phase Engineering: ($250,000), Construction of Lab improvements: ($500,000).

FY26: Construction of Lab improvements: ($2,000,000, construction) and ($100,000, engineering).

FY25 - FY29: Replacement of Laboratory equipment ($25,000).

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. 45% of capital expenses will be charged to the Water Fund. An allocation to the Water Laboratory Budget (5270503-5920) will be FY25-$582,750. FY26 Allocation is $956,250.
FY27-FY29 annual allocation is $11,2502 annually.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	1,045,000	2,025,000	25,000	25,000	25,000	3,145,000
Engineering	250,000	100,000				350,000
Total	1,295,000	2,125,000	25,000	25,000	25,000	3,495,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Wastewater Fund	1,295,000	2,125,000	25,000	25,000	25,000	3,495,000
Total	1,295,000	2,125,000	25,000	25,000	25,000	3,495,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
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.

FY25 - FY29: This program will replace 20 grinder pumps, including the discharge assemblies, per year ($110,000) and will be entering its 13th year in the budget process.

FY25 - FY29: Grinder pump discharge assemblies for inventory ($15,000).

Justification

Reduce deteriorating equipment.

Budget Impact/Other

Reduction of annual maintenance costs is anticipated.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	125,000	125,000	125,000	125,000	125,000	625,000
Total	125,000	125,000	125,000	125,000	125,000	625,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Wastewater Fund	125,000	125,000	125,000	125,000	125,000	625,000
Total	125,000	125,000	125,000	125,000	125,000	625,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **54-C0832**

Project Name **Pump Stations 6 and 15 Removal**

Type Improvement
Useful Life 40 years
Category Infrastructure-Utilities
Location: Various locations
Year Submitted: 2016

Department Wastewater Fund
Contact Hausrath
Priority Planned Improvement
Status Active

Description

FY26: Pump Station #15 upgrades at Noland Village will need to be completed to accommodate flows from Pump Station #13. ($250,000).

FY27: Design of gravity main and package pump station to eliminate Pump Station # 6 - Planning/Engineering/Design ($100,000).

FY27: Demolition of Pump Station 6 (after PS13 is online) ($500,000 MDE Bond Financing).

FY28 - FY29: Construction of new gravity mains and package pump station to eliminate PS6. ($3,000,000 MDE Bond Financing).

Justification

Reduce annual operating costs.

Budget Impact/Other

Eliminate the cost of operating over-sized pump stations.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance		200,000	500,000	900,000	1,900,000	3,500,000
Engineering		50,000	100,000	100,000	100,000	350,000
Total		250,000	600,000	1,000,000	2,000,000	3,850,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Bond Financing-MDE (Wastewater Fund)		200,000	500,000	900,000	1,900,000	3,500,000
Wastewater Fund		50,000	100,000	100,000	100,000	350,000
Total		250,000	600,000	1,000,000	2,000,000	3,850,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Hausrath
Priority Contract Obligation

Status Active

Description

FY25 - FY29: 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. $165,000 annually ($15,000 land acquisition; $150,000 Construction)

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 '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

City of Hagerstown, Maryland

Project # 56-C0173

Project Name Hub City Garage

Type Improvement
Useful Life 50 years
Category Buildings and Structures
Location: To be determined
Year Submitted: 2011

Department Parking Fund
Contact Deike and Bender
Priority Planned Improvement

Status Active

Description

Construction of the Hub City Garage is to be completed by July 2024.

FY25 - FY29: Continued minor construction and maintenance of parking garage ($10,000).

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.

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.

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 5.5%, the preliminary annual debt service impact for the FY23 bond issue of $10.0M is $704.5K. 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 $243.7K for a full year in FY25.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	Total
Parking 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 '25 *thru* FY '29

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 the parking decks.

FY25 - FY29: 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	15,000	10,000	10,000	10,000	10,000	55,000
Total	15,000	10,000	10,000	10,000	10,000	55,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Parking Fund	15,000	10,000	10,000	10,000	10,000	55,000
Total	15,000	10,000	10,000	10,000	10,000	55,000

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:

FY26: 2014 Ford Transit Van service truck #039 ($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.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings		45,000				45,000
Total		45,000				45,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Parking Fund		45,000				45,000
Total		45,000				45,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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, and handicap accessible ramps.

FY25: Generalized maintenance ($10,000).

FY26: Improvements to Rochester Parking Lot to include wall caps, fencing, and painting ($80,000).

FY27 - FY29: Maintenance to be determined ($10,000).

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.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	10,000	80,000	10,000	10,000	10,000	120,000
Total	10,000	80,000	10,000	10,000	10,000	120,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Parking Fund	10,000	80,000	10,000	10,000	10,000	120,000
Total	10,000	80,000	10,000	10,000	10,000	120,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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:

FY25: 2016 Mower #348 ($18,000); 2014 Mower #334 ($89,000).

FY26: 2012 Golf Cart #346 ($9,000); 2005 Fairway Mower #351 ($60,000).

FY27: 2007 Mower #326 ($60,000); 2012 Golf Cart #347 ($10,000).

FY28: 2004 Cushman Sprayer #389 ($65,000).

FY29: 2015 Mower #343 ($40,000); 1995 Tractor #353 ($50,000).

Justification

Replace deteriorated equipment. Maintain reliable and efficient equipment necessary to operate and maintain golf course.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	107,000	69,000	70,000	65,000	90,000	401,000
Total	107,000	69,000	70,000	65,000	90,000	401,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Golf Fund	107,000	69,000	70,000	65,000	90,000	401,000
Total	107,000	69,000	70,000	65,000	90,000	401,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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

FY26: Miscellaneous improvements and maintentance ($10,000).

FY27: Electronic sign on Route 40 ($50,000).

FY28: Miscellaneous improvements and maintentance ($10,000).

FY29: Additional cart paths, improvements to greens and tees ($100,000).

Justification

To provide a more enjoyable experience to the customers with the enhancements to the course.

The Comprehensive Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities; public sidewalk repairs and enhancements; street tree planting; and traffic island installation.

Budget Impact/Other

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance		10,000	50,000	10,000	100,000	170,000
Total		10,000	50,000	10,000	100,000	170,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Golf Fund		10,000	50,000	10,000	10,000	80,000
Grants-State Program Open Space					90,000	90,000
Total		10,000	50,000	10,000	100,000	170,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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

FY25: Painting, various leasehold improvements, and continued replacement of HVAC units on an as needed basis ($40,000).

Justification

Improvements as needed to maintain the quality of the building.

Tenant fit out expense is requested from the State for lease renewal for 10 years with one (1) five year additional option. Tenant retention contributes to the value of the building and the performance of the building in the property management fund.

Budget Impact/Other

New HVAC should be more efficient, saving on heating/cooling costs. Replace as needed.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	40,000					40,000
Total	40,000					40,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Property Management Fund	40,000					40,000
Total	40,000					40,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Deike
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.

FY25 - FY29: HVAC and miscellaneous building improvements to rental offices.

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

The buildings roof was replaced in April 2022; with a 20-year warranty.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	25,000	10,000	40,000	40,000	40,000	155,000
Total	25,000	10,000	40,000	40,000	40,000	155,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Property Management Fund	25,000	10,000	40,000	40,000	40,000	155,000
Total	25,000	10,000	40,000	40,000	40,000	155,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **58-C0836**

Project Name **309 Valley Road**

Type Improvement
Useful Life 25 - 50 years
Category Buildings and Structures
Location: 309 Valley Road
Year Submitted: Ongoing

Department Property Management Fund
Contact Deike
Priority Planned Improvement

Status Active

Description

FY25: Improvements and generalized maintenance to property in order to sell ($25,000)

Justification

This half of a double residential property was built in 1920. Very little in the way of improvements (interior or exterior) have been done since being purchased by the City over 20 years ago.

Budget Impact/Other

Reduction in maintenance and utility cost for an under-utilized property.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	25,000					25,000
Total	25,000					25,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Property Management Fund	25,000					25,000
Total	25,000					25,000

CAPITAL IMPROVEMENT PROGRAM FY '25 *thru* FY '29

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 Bender
Priority Planned Improvement

Status Active

Description

Per Vehicle & Equipment Replacement Schedule:

This CIP funds three vehicles: two sweepers and one dump truck.

FY25: 2018 Elgin Sweeper #92 ($365,000)

FY26: 2014 Ford F550 Dump Truck #18 ($140,000)

FY27: 2018 Elgin Sweeper #93 ($365,000)

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. Street sweepers generally do not last as long due to contant use and required maintenance.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Equip/Vehicles/Furnishings	365,000	140,000	365,000			870,000
Total	365,000	140,000	365,000			870,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Stormwater Fee	365,000	140,000	365,000			870,000
Total	365,000	140,000	365,000			870,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # 59-C0444

Project Name Storm Drain System Upgrades

Type Maintenance
Useful Life 100 years
Category Infrastructure-Storm Drains
Location: Various locations
Year Submitted: Ongoing

Department Stormwater
Contact Bender
Priority Planned Improvement
Status Active

Description

FY25 - FY29: $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.

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 storm drain will cost less than $5,000 per mile/per year to maintain based on current spending.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

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 Bender
Priority Planned Improvement
Status Active

Description

Replacement of existing deteriorated curbs on planned street overlay streets and other locations. Curbs are an integral part of the street system, managing surface drainage and providing separation between vehicles and pedestrians on the sidewalks.

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.

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 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 '25	FY '26	FY '27	FY '28	FY '29	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 '25	FY '26	FY '27	FY '28	FY '29	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 '25 *thru* FY '29

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 Bender
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. Funds will be used to plant trees, and as matching, funds for grants.

We anticipate increased planting in FY25 and beyond as MDE increases the credit for tree planting.

FY25 - FY29: The planting and 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.

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 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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	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 '25	FY '26	FY '27	FY '28	FY '29	Total
Stormwater Fee	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 '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **59-C0634**
Project Name **Hagerstown Field House**

Type Improvement
Useful Life 50 years
Category Land Improvements
Location: 290 East Memorial Blvd
Year Submitted: 2022

Department Stormwater
Contact Bender
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 modifications to "town run," providing quantitative and qualitative management of runoff, installation of storm drain, and planting trees.

Refer to CIP 45-C0041 in the General Fund.

Justification

Stormwater protection program is intended to address these issues.

Obtain MS4 credits as required by MDE Permit.

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

Will be maintained as part of the grounds of the field house which includes mowing and tree trimming.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	410,000					410,000
Total	410,000					410,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
American Rescue Plan Act (ARPA) Grant	410,000					410,000
Total	410,000					410,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **59-C0637**

Project Name **Stormwater Protection Program Implementation**

Type Improvement
Useful Life Indefinite
Category Infrastructure-Storm Drains
Location: City-Wide
Year Submitted: Ongoing

Department Stormwater
Contact Bender
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:

FY25: Design/construct Ice Rink retrofit ($315,000); construct North High retrofit ($620,000); design/construct Brighton Manor retrofit ($200,000).

FY26: Design/construct Community Resource retrofit ($150,000); design/construct Hagerstown Industrial Park retrofit ($350,000); design South End Shopping Center ($50,000).

FY27: Construct South End Shopping Center ($350,000).

FY28 - FY29: Other projects to be determined ($300,000).

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	1,135,000	550,000	350,000	300,000	300,000	2,635,000
Total	1,135,000	550,000	350,000	300,000	300,000	2,635,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Stormwater Fee	1,135,000	550,000	350,000	300,000	300,000	2,635,000
Total	1,135,000	550,000	350,000	300,000	300,000	2,635,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Bender
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.

FY26: Future project with possible Chesapeake Bay Trust funds.

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 '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance		175,000				175,000
Total		175,000				175,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-State		75,000				75,000
Stormwater Fee		100,000				100,000
Total		175,000				175,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

City of Hagerstown, Maryland

Project # **59-C0853**

Project Name **Marsh Run Walls Rehabilitation**

Type Maintenance
Useful Life 30 years
Category Amenities
Location: Marsh Run
Year Submitted: 2013

Department Stormwater
Contact Bender
Priority Cost Avoidance

Status Active

Description

The stone aqueduct was reconstructed in 1995, with additional repairs in 2013, 2017, and 2019. Regular rehabilitation is required approximately every five years.

Justification

Regular rehabilitation will help to avoid larger expenditures and costly maintenance in the future.

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

Reduce operational impact by eliminating interim repairs.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	350,000			350,000		700,000
Total	350,000			350,000		700,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Stormwater Fee	350,000			350,000		700,000
Total	350,000			350,000		700,000

CAPITAL IMPROVEMENT PROGRAM

FY '25 *thru* FY '29

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 Bender
Priority Planned Improvement

Status Active

Description

FY25: Stream restoration at City Park in the fall of 2024 ($200,000 funding from stormwater fund).

FY25: Construction of Hamilton Run restoration at Longmeadow Park ($410,000 federal grant; $1,000,000 from stormwater fund).

FY27: Design/construct Antietam Creek restoration ($500,000).

Justification

Streams are eroding, introducing nutrients into the water and impacting properties and the golf course. This is a cost-effective measure to obtain the required NS4 permit credits.

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

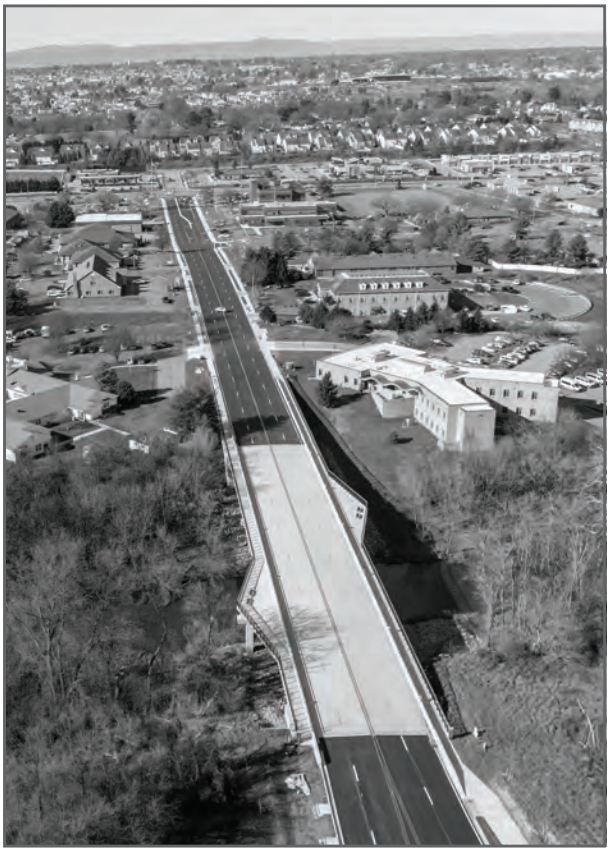
Minimal impact, additional maintenance, street light operations. Less than $5,000 annually.

Expenditures	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Construction/Maintenance	1,610,000		500,000			2,110,000
Total	1,610,000		500,000			2,110,000

Funding Sources	FY '25	FY '26	FY '27	FY '28	FY '29	Total
Grants-Federal	410,000					410,000
Stormwater Fee	1,200,000		500,000			1,700,000
Total	1,610,000		500,000			2,110,000

Economic Development

City of Hagerstown



SCHEDULE OF FEES AND SERVICE CHARGES
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SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2024/2025

NAME OF FEE/PURPOSE	EFF DATE	FY24 RATE	FY25 PROPOSED	FY23 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CITY CLERK						
01030022 - 4271				**$ 2,375**		
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: $100 + $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	Ordinance
Parade Per Event Fee	1992	$125	$125			Ordinance
Circus/Carnival Weekly Fee	1992	$125	$125		Salisbury: $75/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				**$ 420**		
Bad Check Fee Per Check (To compensate the City for Bank charges & employee time)	2007	$35	$35		$35 Area Banks	Admin Order
01072012 - 4490				**$ 14,514**		
Pay-By-Phone Transaction Fee	2012	$10	$10		Potomac Edison $7	Admin Order
COMMUNICATIONS						
01030062-4899				**$ 3,481**	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 add'l page	$1.25 plus $0.25/each add'l 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 hr		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	$100		fees. Cost of title search included in loan	
BUSINESS REVOLVING LOAN FUND						
14000001 - 4899				**$ 100**	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.	
COMMUNITY ENGAGEMENT						
				$ -		
Farmers Market Vendor Stations					Washington County Farmer's Market	Admin Order
					$10 per day Wed. & Sat. Receive 10%	
10' x 10' Vendor Space	2023	Free	Free		discount if choose to be part of the entire season	
Food Truck Space	2023	Free	Free		(Approx 20 weeks-Outdoor)	
Third Thursday of each month May to October					Boonsboro Farmers Market	
					$5 per day; $100 per season (Outdoor)	
Spring & Holiday Market Vendor Stations	2023	$25	$25			
					Town of Williamsport Farmers Market	
					$5 per week; $50 per season (Outdoor)	
PLANNING						
01090012 - 441131				**$ 745**	Washington County:	
Subdivision: Simplified Plat, Condo Plat, Replat	2015	$355	$355		$350	Admin Order
01090012 - 441122				**$ 5,120**	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 + $20/acre	Admin Order
01090012 - 441121				**$ 13,350**		
Subdivision: Development Plan	2023	$1,300+$50/lot	$1,300+$50/lot		$900+$30/Lot	Admin Order
01090012 - 441125				**$ 2,130**		
Minor Subdivision	2015	$355	$355		$350	Admin Order
01090012 - 441126				**$ -**		
Subdivision Variance/Waiver Request	2023	$0	$0		$115	Admin Order
01090012 - 441161				**$ 1,200**		
Concept Plan/Sketch Plans:						
CR Sketch Plan	2015	$1,200	$1,200			Admin Order
Mixed Use Development	2023	$1,200	$1,200			Admin Order
Multi-Family Development	2015	$1,200	$1,200			Admin Order
01090012 - 441119				**$ 4,350**		
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		$150	Admin Order
01090012 - 441112				**$ 1,457**		
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	2023	$2,400+$15/APO	$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

NAME OF FEE/PURPOSE	EFF DATE	FY24 RATE	FY25 PROPOSED	FY23 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PLANNING (continued)						
01090012 - 441102				**$ 10,563**		
Full Site Plan Fees:					Washington County:	
Concept Plan for Environmental Site Design		0	0		$200	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	2023	$1100 + $50/acre	$1100 + $50/acre		Comm: $900 +$110-$330/acre	Admin Order
01090012 - 441101				**$ 4,140**	Washington County:	
Minor Site Plan	2015	$690	$690		$650	Admin Order
01090012 - 441103				**$ -**	Washington County:	
Site Plan Variance/Waiver Request	2015	$0	$0		$115	Admin Order
01090012 - 441111				**$ 20,285**		
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	2023	$75	$75		$165	Admin Order
Zoning Verification Letter: All Others	2015	$100	$100		$165	Admin Order
Fence Permits:	2015					
Residential: Single Family, Two-Family	2023	$45	$45		If 7 ft. tall or more: $50;otherwise no permit	Admin Order
Commercial, Industrial, Multi-Family	2023	$150	$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		$2,015	Admin Order
01090012 - 4899				**$ 825**		
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, $0.75/page Color			Admin Order
01090012 - 426902				**$ 3,422**		
Forest Conservation Fee:					Washington County:	
Delineation	2015	$290	$290		$250	Admin Order
Final Plan & Easements	2023	$625+$15/acre	$625+$15/acre		$750+$10/acre	Admin Order
Forest Conservation Waiver/Variance Request	2023	$0	$0		$40	
Forest Conservation Exemption Certification	2015	$0	$0		$25	
17090012 - 426999				**$ -**	Washington County:	
Forest Conservation FIL	2023	$0.38/sq feet (inflation increase)	$0.39/sq feet (inflation increase)		$.30-$.36 sq feet	
01090012 - 441151				**$ 9,619**		
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
Nonresidentia	2012	$1,000+$50/acre	$1,000+$50/acre		N/A	Admin Order

NAME OF FEE/PURPOSE	EFF DATE	FY24 RATE	FY25 PROPOSED	FY23 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CODE ADMINISTRATION						
01140012 - 4210				**$ 634,976**	Washington County:	Ordinance
Building Permits:						
Application Fee		$20	$30		Comm: $150; Res: $65	
Tech Fee	2011	$20	$30		$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	$50			Admin Order
01140012 - 421101				**$ 69,602**	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	$30		$15	
Fixture fees (varies)		$4- $40	$4- $40		$2-$50	
Single fixture (app fee is waived)		Tech fee + fixture only	Tech fee + fixture only		$25 + tech fee	
01140012 - 4202				**$ 12,630**		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		$100	
01140012 - 421102				**$ 123,354**	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	$30		$15	
Fixture fees (vary)		$3-$50	$3-$50		$15-$50 fixture fees	
01140012 - 421103				**$ 51,155**	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	$30		$15	
Fixture fees (vary)		$5 -$30	$5 -$30		$3-$60 fixutre fees	
01140012 - 4203				**$ 5,865**	Washington County (2 yr):	Ordinance
Contractors 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 / $40 non-resident	
01140012 - 4204				**$ 31,490**	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	2023	New: $95/ Renew: $70	New: $95/ Renew: $70			
Apprentice	2023	New: $95/ Renew: $60	New: $95/ Renew: $60			
If license has lapsed more than 30 days	2007	New rate is charged	New rate is charged		$50 + $50/year left	
01140012 - 441510				**$ -**		
Transient Housing	2023	Tier 2 - $500	Tier 2 - $500			Ordinance
01140012 - 441593				**$ 32,977**		Admin Order
Administrative Fee for Excise Tax	2005	2% of excise tax	2% of excise tax			
01140012 - 450102				**$ 10,700**	Most citations are $200-$1,000; however, trash citations start at $25	Ordinance
Municipal Infractions: Fee Per Citation	2008	$25-$1,000	$25-$1,000			
01140012 - 4205				**$ 648,830**	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		Frederick: $240 per unit (biennial)	
Re-print of Rental License	2023	$5	$5			
01140012 - 4504				**$ 34,800**		Admin Order
CAD Administrative Fees:						
Snow Removal Fee + Tech Fee	2003	$50+$20	$50+$30			
Loose Trash removal + Tech Fee	2023	$50+$20	$50+$30			
All Others: Fee + Tech Fee	2011	$100+$20	$100+$30			
Refuse Pickup Admin Fee	2013	$50	$50			
Refuse Pickup Tech Fee	2013	$20	$30			
Trash Pickup Fee	2013	$5 per bag	$5 per bag			
Trash Pickup Tech Fee	2013	$20	$30			
Trash Pickup Bulk Item Fee	2021	$25 per item	$25 per item			
01140012 - 4505				**$ 450**		
Appeals Fee-Board of Code Appeals	2021				Washington County:	Admin Order
Fee Per Case		$150	$150		$250/non-resid : $150/resid	
01140012 - 441503				**$ 1,600**	Washington County:	Admin Order
Reinspection fee	2011	$50	$50		1st- $50, 2nd- $75, 3rd- $100	
Vacant Structure Reinspection Fee	2024	$150	$150			
01140012 - 441504				**$ 93,102**		
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
1st time abated in growing season	2024		$100			Admin Order
2nd time abated in growing season	2024		$250			Admin Order
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			Admin Order
Tech Fee	2016	$20	$30			Admin Order
01140012-441111				**$ -**		
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-$118 per address or tenant space	
01140012 - 441512				**$ (8,080)**		Ordinance
Vacant Structures, Residential	2014	$100-$500	$100-$500			
01140012 - 441513				**$ (11,175)**		Ordinance
Vacant Structures, Commercial	2014	$250-$1,000	$250-$1,000			
01140012 - 441594				**$ 1,725**		Ordinance
Secure Vacant Structure:						
Fee Per Building	2011	$100	$100			
Admin fee		$100	$100			
Tech fee		$20	$30			
Hourly securing rate after 1 hour	2023	$50	$50			Admin Order
Repeat call for service at vacant property	2023	$150	$150			Admin Order
Material fees		Various	Various			
01140012 - 441595				**$ 44,185**		Admin Order
Technology Fees	2004	$20	$30			
01140012-441597				**$ (1,800)**		Ordinance
Unattended Donation Bin Registration	2015	$100-$200	$100-$200			
01140012 - 449001				**$ 688**		Ordinance
Credit Card Convenience Fee	2013	$2	$10			
01140012 - 449101				**$ 71,050**		
Rental License Late Fee, Per Inciden	2011	$50	$50			Ordinance

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2024/2025

NAME OF FEE/PURPOSE	EFF DATE	FY24 RATE	FY25 PROPOSED	FY23 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
ENGINEERING						
01090042 - 421202				**$ 17,070**		
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: $35/cut	
01090042 - 4899				**$ 200**		
Sale of Construction Documents	Varies Per Contract	Varies from $5-$200	Varies from $5-$200		Frederick City: $20 Washington Co: $25-50	Admin Order Admin Order
01090042 - 4896				**$ 56**		
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	$2.00/ per scan			
01090042 - 421203				**$ 465**		
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	$5			
01090042 - 421205				**$ 78,291**		
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 acre min	
Plus % of Total Work Cost		1%	1%			
Plus Tech Fee		$25	$25			
01090042 - 421201				**$ 122,182**		
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	$25			
01090042 - 421204				**$ 64,383**		
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	$25			
01090042 - 441201				**$ 28,293**		
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) $150 + $140/acre (>10-<50 acres) $150 +	
Sim. Plats		$100	$100		$65/acre (>50 acres)	
01090042 - 421206				**$ 6,352**		
Right of Way Closure Permit	2005				None - Washington County	Admin Order
Application Fee		$10	$10			
Tech Fee		$5	$5			
Closure Fee		Fee Varies	Fee Varies			
RECYCLING AND TRASH COLLECTION						
01300012 - 4416				**$ 3,181,075**		
Recycling & Refuse Collection	2018				Similar service outside City is about three	Admin Order
Quarterly Fee - Residence		$55.00	$73.00		times the cost at around $155/quarter	
Yearly Fee - Commercial		$130	$130			
01300012 - 4417				**$ 15,578**	Maryland Junk Removal: $120	
Bulk Trash Pick-up and Disposal Fee:	2008				Junk Removal Express: $99	Admin Order
Per Scoop Fee		$25	$25			
Appliance with Freon Fee		$25	$25			
01300012 - 4493				**$ 38,000**		
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	$2,000		$1,500 each	Admin Order
PARKS & RECREATION						
01450002 - 481013				**$ 21,527**		
Pavilion Facility Reservations:	2017	$75	$75		Wash Co: Residents $75; Nonresidents $95	Admin Order
Bandshell Reservations: Includes $25 Admin Fee	2013	$150	$150		Arts Pavilion: $100 R/$120 NR	Admin Order
					Pen-Mar (Dance Pavilion): $200 R/$250 NF	Admin Order
01450002 - 481010				**$ -**	County: Season Field Fee 3 months up to	
Fields & Courts	2013	$85/$185	$85/$185		3 days per week $300 per field	Admin Order
*Rates below include $25 Admin Fee					County: Ball Field Light Fee $15/hour	
Non-Tournament		$85	$85		County: $30/field	
Tournament		$185	$185		County: $75/field	
Stable Rental	2013	$285	$285			Admin Order
01400012-481013				**$ 10,075**		
FIT Room at Fairgrounds Park						
Rental - 4 Hr Min	2017	$50/hr + $25 Admin Fee plus $75 Cleaning fee	$50/hr + $25 Admin Fee plus $75 Cleaning fee		Elementary School Gyms: $75 for 3 hours	Admin Order
01450002 - 481011				**$ 9,430**		
Fairgrounds Park						
Entire Park: Includes $25 Admin Fee	2013	$1,025	$1,025			Admin Order
01030052-4810-P0860						
University Plaza	2020			**$ -**	Washington County Park Pavilion Rentals	Admin Order
Special Events:					$60 (resident); $80 (non-resident)	
University Plaza: Includes $25 Admin Fee		$100	$100		Shaffer Park, Boonsboro (gazebo & pavilion)	
University Plaza: Restroom Fees		$50/$100	$50/$100		$45/$50 (resident); $55/$60 (non-resident)	
01404022-448701				**$ 3,107**		
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	
Children: 5 & Under		Free	Free		of 10 or more	
Group (Min. 8 people)		$4/person	$4/person			
01402022 - Various Accounts				**$ 94,425**		
Potterfield Pool:					County Pool:	
Daily Rates:	2011				2 & Under: Free	Admin Order
2 and Under/Pre-school		Free/$3	Free/$3		Pre-K: $3.00	
Student: Ages 5-14		$4	$4		K-12: $4.00	
Youth/Adult: 15-61		$5	$5		Adult: $5.00	
Senior: 62 and Older		$4	$4		Senior: $4.00	
Family: (up to 5)		N/A	N/A		After 5PM - $1	
Season Pass - City Residents:	2021					
Age 2 & Under		N/A	N/A			
Pre-school/Youth		N/A	N/A			

NAME OF FEE/PURPOSE	EFF DATE	FY24 RATE	FY25 PROPOSED	FY23 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKS & RECREATION (continued)						
Individual		$85	$85			
Family (up to 5)		$160	$160			
Season Pass - Non-City Residents:	2021				County Pool:	
Age 2 & Under		N/A	N/A		Child $85	
Pre-school/Youth		N/A	N/A		Adult $110	
Individual		$110	$110		Family $175	
Family (up to 5)		$210	$210			
Pool Rentals:	2023					Admin Order
2 hour rental for up to 100 people		$300	$300		Rates are for 2 hrs	
2 hour rental for up to 101 - 150 people		$400	$400		0-75 swimmers $225	
2 hour rental for up to 151 - 200 people		$500	$500		76-150 swimmers $300	
3 hour rental		Add $100 to each 2-hour rental rate above	Add $100 to each 2-hour rental rate above			
01404032 - 448601				**$ 2,340**		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. 8 people)		$3/ per person	$3/ per person		Ages 3 & under: Free	
Facility Rentals: 01404032-4810	2017					
Pavilion & Museum		$225 (3hr)	$225 (3hr)			
Pavilion Only		$125 (4 hr)	$125 (4 hr)			
POLICE DEPARTMENT						
01100012 - 4896 Copy Charges	2019	Incident reports: The cost is $5.00 per report plus mailing fees if applicable. Accident reports: Free to involved parties if emailed or received at HPD; mailing costs if printed and mailed. All others: $5.00 plus mailing costs if applicable.	Incident reports: The cost is $5.00 per report plus mailing fees if applicable. Accident reports: Free to involved parties if emailed or received at HPD; mailing costs if printed and mailed. All others: $5.00 plus mailing costs if applicable.	**$ 8,322**	WCSO-$5/1st page,$1/each add'l page	Admin Order
01100012 - 441301 Body-Worn Camera Footage	2018	Video footage free to person in interest, and flat fee of $25.00 for non-involved party regardless of time. All videos sent via online access. For all, Body-Worn Camera administrator's hourly wage beyond 2 hours of review and redaction	Video footage free to person in interest, and flat fee of $25.00 for non-involved party regardless of time. All videos sent via online access. For all, Body-Worn Camera administrator's hourly wage beyond 2 hours of review and redaction	**$ -**		Admin Order
01100012 - 441301 Electronic Media Duplication	2004	Cost of Media + External Cost	Cost of Media + External Cost	**$ -**	WCSO-$10/1st hour, $5 each add'l hour.	Admin Order
01104012 - 441331 Special Assignments- Hrly Fee (Dance, School Event, etc)	2023	$84.50 per hour	$84.50 per hour	**$ 192,983**		Admin Order
01100012 - 4503 Vehicle Storage Fee Per Day Storage, Towed Vehicles, Public Auctions	2007	$20	$20	**$ 4,761**	WCSO - $25; max. $1,125	Admin Order
01100012-4551				**$ 3,623**	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 Speed Camera Fine	2012	$40	$40	**$ 993,809**	Annapolis / Frederick: $40 / $40	Ordinance
01104082-4508 Red Light Camera Fine	2017	$75	$75	**$ 229,950**	Annapolis / Frederick: $75 / $75	Ordinance

NAME OF FEE/PURPOSE	EFF DATE	FY24 RATE	FY25 PROPOSED	FY23 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
FIRE DEPARTMENT						
01120012 - 441402				**$ (750)**		
False Call/Failure to notify FD working	2012	$250	$250			Ordinance
01120012 - 421302				**$ 100**		
Blasting Permits	2012	$50	$50			Ordinance
01120012 - 4210				**$ 181,916**		
Assembly Permit	2012	$50	$50		1,000>$360; 301-1000: $240; 50-300: $120	Ordinance
Building Permits:					Fairgrounds/Parks: 9 bldgs or less $240;	
% of Total Building Permit Fee	2019	30%	30%		10 bldgs>$480	
01120012 - 421301				**$ 1,750**		
Firework Permits	2007	$250	$250			Ordinance
01120012 - 441401				**$ 1,737**		
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 $2.00	
01120012 - 4507				**$ -**		
Fire Code Violations	2007	$250 or Court Ordered amount	$250 or Court Ordered amount			Ordinance
01120012 - 4899				**$ 304**		
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	$150			
ELECTRIC DEPARTMENT						
50000002 - 442101				**$ 11,482,170**		
50000002 - 442102						
Residential - All KWH	2005				Potomac Edison - MD	Maryland PSC
Base rate		$0.06263	$0.06263		$6.00 per month plus $0.11183/kWh	
Purchased Power Adj. Rate (Est. ave. rate)		$0.01096	$0.01096			
50000002 - 442201				**$ 4,293,404**		
50000002 - 442202					Potomac Edison - MD	
General and Commercial	2005				$4.85 per month plus:	Maryland PSC
1st 700 KWH		$0.08314	$0.08314		(0-350) $0.15828, (350-700) $0.17463	
>700 KWH		$0.05257	$0.05257		$0.07449	
Demand over 7.5 KW		$4.06817	$4.06817		In Block 2, 53 kWH for each 1/2 kW	
Purchased Power Adj. Rate (Est. ave. rate)		$0.01096	$0.01096		in excess	
50000002 - 442301				**$ 1,513,900**		
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)		$0.01096	$0.01096			
50000002 - 442302				**$ 3,764,565**		
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)		$0.01096	$0.01096			
50000002 - 4424				**$ 17,867**		
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)		$0.01096	$0.01096			
50000002 - 442501				**$ 551,673**		
Street & Highway Lighting Per KWH	2005	$0.06842	$0.06842		No comparison	
Purchased Power Adj. Rate (Est. ave. rate)		$0.01096	$0.01096			Maryland PSC
50000002 - 442502				**$ 19,220**		
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)		$0.01096	$0.01096			
50000002 - 481813				**$ 196,991**		
Pole Rental Application fee	2022	$510 (up to 10 poles) $20 addt'l per pole (11-100)	$510 (up to 10 poles) $20 addt'l per pole (11-100)		No comparison	Maryland PSC
Pole Rental - Fee Per Pole	2010	$20	$20			
Pole Rental (Prior 2001 grandfathered)	1966	$4.50	$4.50			
50000002 - 481815				**$ 42,000**		
50000002 - 481816						
Central Maintenance Garage Monthly Fee	2023	$43,200/Year	$43,200/Year			
Rent from Sub-Station	2007	$0.00	$0.00		Substation sold to HMS Hagerstown LLC.	Admin Order
50000002 - 489908				**$ (694)**		
50000002 - 4238				**$ 57,140**		
Connection Fees	1984	$10	$10		No comparison	Maryland PSC
Reconnection Fees		$15	$15			
Call out Charge - Reconnect		$85	$85			
Call out Charge - Pole Reconnect		Est. Actual Cost	Est. Actual Cost			
50000002-4494				**$ 5,355**		
NSF Fees	2012	$35.00/check	$35.00/check		No comparison	Admin Order
50000002 - 4493				**$ 111,258**		
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

SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2024/2025

NAME OF FEE/PURPOSE	EFF DATE	FY24 RATE	FY25 PROPOSED	FY23 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WATER DEPARTMENT						
52000002 - 4249				**$ 19,999**		
Contracted service-payment for services rendered not w/in the existing level Labor Fee	1991	Labor, various equipment, various materials, 25%	Labor, various equipment, various materials, 25%		Frederick: Labor 38.5%,Material 10%	Admin Order
52000002 - 4231				**$ 95,512**		
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	$14			
52000002 - 4235				**$ 70,671**		
Non-Utility Misc-payment for providing consumption data to Washington County	Annual Per Agreement					Admin Order
Fee Per Account/qtr	2012	$3.02	$3.02			
52000002 - 481002				**$ 18,940**	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	$721			
Edgemont (Tenants Pay Fuel)	2016	$700	$721			
Ritchie Rd (Tenants Pay Fuel)	2016	$800	$824			
52000002 - 481003				**$ 13,158**	Increase every 5 years based on consumer price index.	
Cell Tower Rental	2007	$1,096.50/month	$1,096.50/month			Motion
52000002 - 4899				**$ 18,789**		
Misc. Other Revenues	2006					Admin Order
Hunting Permits		$20	$20			
Maps (Free with Permit)		$5	$5			
52000002 - 4240				**$ -**		
Transfer Fee	2007	$50	$50		Frederick City: $50 for prop transfer fee	M&C
Meter Testing Fee	2007	$50	$50		Frederick County: $50 for meter testing fee	
52000004 - 4722		Eff July 1, 2023	Eff July 1, 2024	**$ 1,736,192**		
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 $2,700 plus $325 Meter Fee (FY24) Frederick City: Impact fee for single family dwelling - $6,907 $27.63/gal-250 gals per EDU (FY24)	Ordinance
Fee Per Gallon -Inside City		$14.50	$14.94			
Initial Fee Mininmum 200 Gallon-Inside City		$2,900	$2,988			
Fee Per gallon -Outside City		$29.00	$29.87			Ordinance
Initial Fee Minimum 200 Gallon - Outside City		$5,800	$5,974			
52000002 - 443201		Eff July 1, 2023	Eff July 1, 2024	**$ 2,679,023**	5 Year Rate Increases to be reviewed by Mayor and Council for FY2025 to FY2029	
52000002 - 443101		3% Rate Increase	.05% Rate Increase			Ordinance
Metered Sales - Inside City:						
Residential/Rate per 1,000 gallons:	2019					
First 18,000 gallons		$1.87	$1.88		Frederick City FY2025/quarterly rates:	
Over 18,000 gallons		$3.57	$3.59		1st 6,000 gals - $5.40 / 1000 gals	
Fixed Fee per meter size: 5/8" - 10"		$8.32-$1,148.16	$8.36-$1,153.90		6,001 to 15,000 gals - $6.75 / 1000 gals	
Non-Residential/Rate per 1,000 gallons:					15,001 to 120,000 gals - $8.09 / 1000 gals	
First 18,000 gallons		$1.87	$1.88		120,001 to 750,000 gals - $9.45 / 1000 gals	
Over 18,000 gallons		$1.67	$1.68		over 750,000 gals - $10.81/1000 gals	
Fixed Fee per meter size: 5/8" - 10"		$8.32-$1,148.16	$8.36-$1,153.90		Fixed meter fees, size 3/4"-8" =$51.98 - $2,772.09	
52000002 - 443202		Eff July 1, 2023	Eff July 1, 2024	**$ 9,794,721**	5 Year Rate Increases to be reviewed by Mayor and Council for FY2025 to FY2029	
52000002 - 443102		3% Rate Increase	.05% Rate Increase			Ordinance
Metered Service - County:						
Residential/Rate per 1,000 gallons:	2019					
First 18,000 gallons		$4.53	$4.55		Washington County FY24 rates	
Over 18,000 gallons		$8.61	$8.65		Residential:	
Fixed Fee per meter size: 5/8" - 10"		$24.21-$3,340.98	$24.33-$3,357.68		1st 6000 gallons minimum of $108.35	
Non-Residential/Rate per 1,000 gallons:					Over 6000 gallons = $13.61 per 1000 gals	
First 18,000 gallons		$4.53	$4.55		Commercial I:	
Over 18,000 gallons		$4.08	$4.10		1st 6000 gallons minimum of $108.43	
Fixed Fee per meter size: 5/8" - 10"		$24.21-$3,340.98	$24.33-$3,357.68		Over 6000 gallons = $12.47 per 1000 gals	
52000002 - 4237		Eff July 1, 2023	Eff July 1, 2024	**$ 198,241**		
Fire Protection:	2019					Ordinance
City - 4" - 12"		$223.09-2,005.13	$230-2,065			
County - 4" - 12"		$298.35-$2,674.40	$307-$2,753			
52000002 - 4232				**$ 398,445**		
New Services:	2020					Resolution
1" Single (3/4" meter)		$1,145	$1,145		Will include fees in the rate model	
1" RS Special		$1,750	$1,750			
2" Service		$2,315	$2,315			
Application Fee		$50	$50			
52000002 - 4238				**$ 108,185**		
Reconnection Fee:					Washington County - $50 Service Disconnect or Reconnect during business hours; $75 non-business hours	Ordinance
8:00am-3:00pm	2020	$50	$50			
After 3:00pm		$100	$100			
Water Meter Pull per customer's request	2023	$50	$50			
Water Meter Install per customer's request	2023	$50	$50			
Repeat Service Call per customer's request	2024		$100			
52000002 - 4494				**$ 5,845**		Admin Order
NSF Fees	2020	$35.00/check	$35.00/check		Per Maryland Commercial Law Section 15-803	
52000002 - 4493				**$ 95,981**	Frederick City - 1% penalty per month	
Utility Monthly Late Fee	2014	10% one-time late fee	10% one-time late fee		Washington County - $30 per bill Town of Smithsburg - 10% late charge	Ordinance
52000002-489914				**$ -**		
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	FY24 RATE	FY25 PROPOSED	FY23 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WASTEWATER DEPARTMENT						
54000002 - 4243				**$ 9,490**		
Connection Charge:	2020					Ordinance
Lateral connection		$1,300	$1,300			
Wye for side by side (duplex)		$390	$390		Will include in the rate model	
54000002 - 4242				**$ 24,642**		
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	$14			
54000002 - 4810				**$ 20,507**		
Rental Income per year	1984	$365	$365		50 year lease to expire in Oct. 2034	Admin Order
Cell Tower Rental	2015	$1,266.78/month	$1,304.78/month		3% increase/year	Resolution M&C
Cell Tower Rental	2021	$460.41/month	$474.22/month		3% increase/year	
54000004 - 4722		Eff July 1, 2023	Eff July 1, 2024	**$ 1,003,005**		
		3% Rate Increase	3% Rate Increase		Washington County - $6,600 per EDU	
Benefit Charges-Fee Per Gallon:	2019					Ordinance
In City - minimum of 200 gallons		$25.50/gallon	$26.27/gallon			
In County - minimum of 200 gallons		$28.98/gallon	$29.85/gallon			
54000002 - 444201		Eff July 1, 2023	Eff July 1, 2024	**$ 7,991,162**	5 Year Rate Increases to be reviewed by	
54000002 - 444101		2% Rate Increase	3% Rate Increase		Mayor and Council for FY25-FY29	
Sewer Service Charges-City	2019				Frederick City-FY25	Ordinance
Consumption: Per 1,000 Gallons		$6.07	$6.25		All Usage per Quarter- $6.62/1,000 gals.	
Fixed Charges: 5/8" - 10"		$24.90-$3,436.20	$25.65-$3,539.29		Sizes 3/4" to 8" or larger - $45.16-$2,408.38	
54000002 - 444202		Eff July 1, 2023	Eff July 1, 2024	**$ 3,742,122**	5 Year Rate Increases to be reviewed by	
54000002 - 444102		2% Rate Increase	3% Rate Increase		Mayor and Council for FY25-FY29	
Sewer Service Charges- County	2019				Washington County FY24:	Ordinance
Consumption: Per 1,000 Gallons		$10.17	$10.48		1st 6,000 gals: $132.92	
Fixed Charges: 5/8" - 10"		$41.37-$5,709.06	$42.61-$5,880.33		over 6000 gals: $8.14 per 1000 gals	
54000002 - 444203		Eff July 1, 2023	Eff July 1, 2024	**$ 2,773,935**	5 Year Rate Increases to be reviewed by	
54000002 - 444103		2% Rate Increase	3% Rate Increase		Mayor and Council for FY25-FY29	
Sewer Service Charges-Joint County	2019					Ordinance
Consumption: Per 1,000 Gallons		$8.83	$9.09		Washington County FY24:	
Fixed Charges: 5/8" - 10"		$35.98-$4,965.24	$37.06-$5,114.20		$62.13 per quarter	
54000002 - 4443				**$ 105,921**		
Low Pressure Systems	2010					Ordinance
Per Dwelling Quarterly Fee		$97.80	$97.80			
If 2 Dwelling Pump Quarterly Fee		$53.73	$53.73			
54000002 - 4246				**$ -**		
Monitoring Report/Lab Testing Fees:	2012				Washington County FY24:	
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 $38	
Suspended Solids		$15	$15		PH (Corrosivity) $6	
PH		$8	$8			
Metals		$15	$15			
54000002 - 4241				**$ 61,096**		
54000002 - 4244					Washington County FY24:	
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 - $2000	
54000002 - 4493				**$ 201,620**	Frederick City - 1% penalty per month	
Utility Monthly Late Fee	2014	10% one-time late fee	10% one-time late fee		Washington County - $30 per bill Town of Smithsburg - 10% late charge	Ordinance
PARKING FACILITIES						
56740112 - 4451				**$ 380,924**		
56740122 - 4451						
Parking Deck Permits - Monthly Fee:					Annapolis: $110-$350/month	
Regular Customers	2021	$70	$70		Cumberland: $55-$90/month	Resolution
Personally Assigned Space	2014	$120	$120		Frederick: $97/month	Resolution
					Winchester:$50/month	
56740112 - 4452				**$ 150,013**		
56740122 - 4452						
Parking Deck Fees					Annapolis: $1-$3 for 1st hr up to	Resolution
Minimum Fee	2010	$1	$1		$23.25 for hours 6 - 8; $25 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, $8 max	
Sundays	2014	Free	Free			
56740112 - 4453				**$ -**		
Special Event Parking		$5	$5		Winchester $10-$15	
56740112 - 4455				**$ 28,306**		
Web Based Validations	2010	20% Discount	20% Discount			Resolution
56740132 - 4457, 445701, 445702				**$ 138,498**		
445703, 445704, 445705, 445706						
Parking Meter Fees						Resolution
Twelve (12) Minutes	2012	$0.10	$0.10		Annapolis: $2-$4/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	
Six (6) Minutes	2003	$0.10	$0.10		Mon.-Sat.; Free on Sundays 8am to 2pm	Resolution
Twelve (12) Minutes	2003	$0.20	$0.20			
Thirty (30) Minutes	2003	$0.50	$0.50			
56740132 - 445801, 445802				**$ 143,642**		
445803, 445804						
Monthly Permit Fees Parking Lots:						
Student Rate	2019	$25	$25			
Central Lot	2021	$56	$56		Annapolis:$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 $75/month	
56740132 - 445899				**$ 21,382**		
Department Charges Monthly Fee	2022	$70.00	$70.00			Admin Order
56740142 -4551, 455101, 4552, 455201				**$ 137,386**		
4553, 4559, 483005, 4899						
Parking/Expired Meter	2003	$10/$25/$35	$10/$25/$35		Annapolis: $40-$70/$105-$140 per violation	Ordinance
Fire Hydrant		$100/$110/$120	$100/$110/$120		Cumberland: $25/expired	
Non-Meter/Street Sweeping/All Other	2023	$20/$30/$40	$20/$30/$40		Winchester: $10/expired,$100 handicap	
Handicap Zone		$100/$110/$120	$100/$110/$120		Frederick: $20/expired/street sweeping,$250/	
Parking Boot Fee		$100	$100		handicap	Resolution
Non-electric Vehicle Parked in EV Designated Spac	2023	$100/$110/$120	$100/$110/$120			Resolution

NAME OF FEE/PURPOSE	EFF DATE	FY24 RATE	FY25 PROPOSED	FY23 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
GOLF COURSE						
57000002-446501				**$ 205,367**		
Greens Fees at Hamilton Run	2023				Black Rock / South Mountain / Woodbrier	Admin Order
Walking					18-Hole / 9-Hole / 9-Hole	
Adult (17-61) 9 Hole/18 Hole		$14/$18	$14/$18		$25/$35 / $9/$11 / $15/$18	
Seniors (62+) 9 Hole/18 Hole		$11/$14	$11/$14		$16/$25 / N/A / N/A	
Weekend or Holiday 9 Hole/18 Hole		$18/$22	$18/$22		N/A / $10/$14 / $17/$20	
Riding						
Adult (17-61) 9 Hole/18 Hole		$24/$33	$24/$33		$35/$55 / $15/$20 / $25/$33	
Seniors (62+) 9 Hole/18 Hole		$18/$25	$18/$25		$25/$35 / N/A / N/A	
Weekend or Holiday 9 Hole/18 Hole		$28/$37	$28/$37		$40/$60 / $18/$25 / $27/$35	
57000002-446601				**$ 15,820**	Black Rock / South Mountain / Woodbrier	
Season Pass (City Residents Only)	2021	Cart Not Included				Admin Order
Individual		$625	$625		N/A / $390/$420 / N/A	
Senior Individual		$399	$399		N/A / $560/$600 / N/A	
					Student: $300/$325	
Season Pass (Non-City Residents)	2021					
Individual		$825	$825		N/A / N/A / N/A	
Senior Individual		$599	$599		N/A / N/A / N/A	
57000002-4467, 446707				**$ 12,070**	Black Rock / South Mountain / Woodbrier	
Tournaments & Specials	2011	Varies	Varies		$45 / Varies / Varies	Admin Order
57000002-481801				**$ 121,310**		
Cart Rentals, Per Person:					Black Rock / South Mountain / Woodbrier	Admin Order
9 Hole/18 Hole	2021	$10/$15	$10/$15		$10/$20 / $8/$11 / $10/$15	
Senior 9 Hole/Senior 18 Hole	2021	$7/$11	$7/$11		$9/$10 / N/A / N/A	
Pull Cart Fee	2021	$4	$4		N/A / $2/$4 / N/A	
PROPERTY MANAGEMENT						
58740532-489916				**$ 3,750**		
Burobox Membership Dues	2016					Resolution
Monthly Membership		City DCED Ended Program 7/1/2023 with Mayor and Council Direction			Hagerstown Community College Fletcher Incubator & Labs Packages range: $70-$380/month	
Conference Room Rental						
STORMWATER PROTECTION						
59000002-444701				**$ 3,243,718**		
Stormwater Utility Fee	March 1, 2021					Resolution
Annual Fee		$36 per 1000 square feet of impervious area	$34 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.

AMERICAN RESCUE PLAN ACT OF 2021 (ARPA) GRANT MANAGEMENT POLICY

In March 2021, the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Fund (SLFRF), established by the American Rescue Plan Act of 2021 (ARPA). The fund provides $350 billion in emergency funding to help continue to support COVID-19 response efforts, strengthen vital public services, replace public sector revenue lost due to the pandemic, and support economic recovery by helping to stabilize households and small businesses.

The Department of the Treasury allocated a total of $20,421,010 to the City of Hagerstown. ARPA funding is administered by the Department of Finance and Accounting and all allocations are reviewed and approved by the Mayor and City Council. When any project is funded in whole or in part with ARPA funds, the City and any subrecipient, beneficiary, or contractor/vendor must fully comply with all rules and regulations in 31 CFR Part 35 Pandemic Relief Programs, 2 CFR 200.1 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, all existing local procurement policies and procedures, and the Treasury's Final Rule. All ARPA funds must be obligated by December 31, 2024 and expended by December 31, 2026.

The City is committed to administering ARPA award funds in a fair and ethical manner which is consistent with the Treasury's program objectives and all local, state, and federal law. The City shall only provide ARPA funding for projects, investments, or services which are considered an eligible use of funds as outlined in the Treasury's Final Rule. ARPA funds may be used:

a) To respond to the public health emergency or its negative economic impacts;
b) To respond to workers performing essential work during the COVID-19 pandemic public health emergency by providing premium pay to eligible workers;
c) For the provision of government services, to the extent of the reduction in revenue due to the COVID-19 pandemic; and
d) To make necessary investments in water, sewer, or broadband infrastructure.

Any interested parties or organizations that wish to request ARPA funding must coordinate with the City of Hagerstown to determine if a project is eligible to receive ARPA funding as a subrecipient or beneficiary. The funding proposal will be reviewed by the Department of Finance and Accounting and/or the City's Grant Steering Committee, and Mayor and City Council. If the request for funding is approved, the organization must enter into a formal

subrecipient agreement or other written contract before ARPA funds will be disbursed and will be subject to all provisions in the Treasury's Final Rule.

Internal City departments interested in receiving an allocation of ARPA funds for local projects and initiatives must first coordinate with the Department of Finance and Accounting to determine eligibility. Internal requests must also be reviewed and approved by the Mayor and City Council.

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 a 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 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.)