CITY OF HAGERSTOWN

MAYOR & CITY COUNCIL'S
ADOPTED BUDGET

Fiscal Year 2012 - 2013

July 1, 2012 - June 30, 2013

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ORDINANCE No. 0-12-07

ESTABLISHING THE BUDGET FOR
FISCAL YEAR JULY 1, 2012 TO JUNE 30, 2013
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 was held on May 08, 2012 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, 2012 and ending June 30, 2013, is hereby established as follows:

Category	Proposed City Administrator's Budget	As Revised by Mayor and Council
General Fund	$ 36,665,855	$ 36,659,394
Community Development Block Grant	1,616,336	1,616,336
Other Special Revenue Funds	1,487,900	1,487,900
Capital Improvement Projects	18,412,900	18,412,900
TOTAL Governmental Fund Types	$ 58,182,991	$ 58,176,530
Electric Fund	$ 28,482,493	$ 28,482,493
Water Fund	17,580,726	17,580,726
Wastewater Fund	14,486,878	14,486,878
Parking Fund	800,008	800,008
Golf Fund	401,707	401,707
Property Management Fund	957,130	957,130
TOTAL Enterprise Fund Types	$ 62,708,942	$ 62,708,942
Service & Trust Funds	7,652,753	7,652,753
TOTAL Combined Uses of Funds	$128,544,686	$ 128,538,225

BE IT FURTHER ORDAINED that the effective date of the budget established herein is July 1, 2012 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

(SEAL)

Donna S. Spickler

Donna Spickler, City Clerk

R E Bruchey II

Robert E. Bruchey, II Mayor

Date of Introduction: *May 15, 2012*
Date of Passage: *May 22, 2012*
Effective Date: *July 1, 2012*

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

0-12-07

PROPOSED MODIFICATIONS TO
CITY ADMINISTRATOR'S PROPOSED 2012-2013 BUDGET

	GENERAL FUND Sources/(Uses)	IMPACT CURRENT 2012/13 Sources/(Uses)	CODE
	City Administrator's Proposed Surplus / (Deficit)	**$69,559**	
1	Reduce General Fund City Council Department to equal FY12 approved budget amounts	5,750	E
2	Reduce General Fund Mayor Department to equal FY12 approved budget amounts	711	E
3	Allocate Community Affairs Staff salary for time spent working in another Department (Neighboorhoods First)	15,000	E
4	Allocate Code Administration Staff salary for time spent working in another Department (Neighboorhoods First)	7,500	E
5	Allocate Housing & Community Development Staff salary for time spent working in another Department (Neighboorhoods First)	7,500	E
6	Allocate Staff salaries from Community Affairs, Code Administration, and Housing & Community Development to Neighboorhoods First to reflect time being spent	(30,000)	E
7			
8			
9			
10			
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12			
13			
14			
15			
16			
17			
18			
19			
	Net Change Carried Forward	**$6,461**	
	Adjusted Surplus / (Deficit) Carried Forward	**$76,020**	
	Revenue - Increase / (Decrease)	**$0**	R
	Expenditures - (Increase) / Decrease	**6,461**	E
	Net Change Carried Forward	**$6,461**	

0-12-07

ORDINANCE No. 0-12-06

ESTABLISHING THE TAX RATES
FISCAL YEAR JULY 1, 2012 TO JUNE 30, 2013
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, 2012 through June 30, 2013, is hereby established as follows:

A. All real property is hereby levied and chargeable on the basis of **$0.788** 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 **$1.97** 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, 2012 up to and including July 31, 2012, 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, 2012 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, 2012 and shall govern for the period set forth.

MAYOR AND COUNCIL OF THE
CITY OF HAGERSTOWN, MARYLAND

Robert E. Bruchey, II Mayor

Donna Spickler, City Clerk

Date of Introduction: *May 15, 2012*
Date of Passage: *May 22, 2012*
Effective Date: *July 1, 2012*

0-12-06

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Hagerstown

Maryland

For the Fiscal Year Beginning

July 1, 2011

President Executive Director

Summary

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

FY2013 Operating Budget Process

In October and November 2011, departmental management and staff conducted a review of the Capital Improvement Program (CIP) projects for each department. Meetings were held with Department Managers to review the compiled CIP projects for prioritization of timing and funding within department goals. The City Administrator 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 time, department managers met with Budget staff for a review of department CIP requests. Also in November 2011, the first public hearings on CDBG funding needs were held.

During January 2012, the City Administrator and Budget staff sought and obtained general direction and guidance from Mayor and Council for preparation of the FY2013 budget.

Review meetings began in January 2012 between Department Managers and the Budget Committee to consider departmental operating budget requests. From January 2012 through March 2012, 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 presented back to the departments for further input and agreement on these changes and adjustments. Lastly, the Budget staff compiled the FY2013 Proposed Operating Budget and the Capital Improvements Program for FY2013-2017 for presentation to Mayor and Council.

On April 10, 2012, the City Administrator and Budget staff in conjunction with City Management presented the Mayor and Council with the FY2013 proposed budget for review. The Mayor and Council and the City's senior management worked together to review and discuss the proposed budget and CIP projects. A public hearing is scheduled for May 8, 2012 where citizen input will be solicited in response to the proposed budget. On May 15, 2012, Mayor and Council are scheduled to introduce the ordinance for the approval of the budget and CIP projects. Approval is estimated to be made on May 22, 2012 to adopt the ordinances to approve the budget as revised by Mayor and Council with the water, wastewater, electric, and other service charge fees, and to establish the property tax rate.

To conclude the Budget Development Process, Budget staff will implement the FY2013 Adopted Budget and FY2013-2017 approved CIP budget during June and July 2012. The FY2013 adopted budget will become effective on July 1, 2012. The proposed operating budget and CIP is available on the City's website at www.hagerstownmd.org

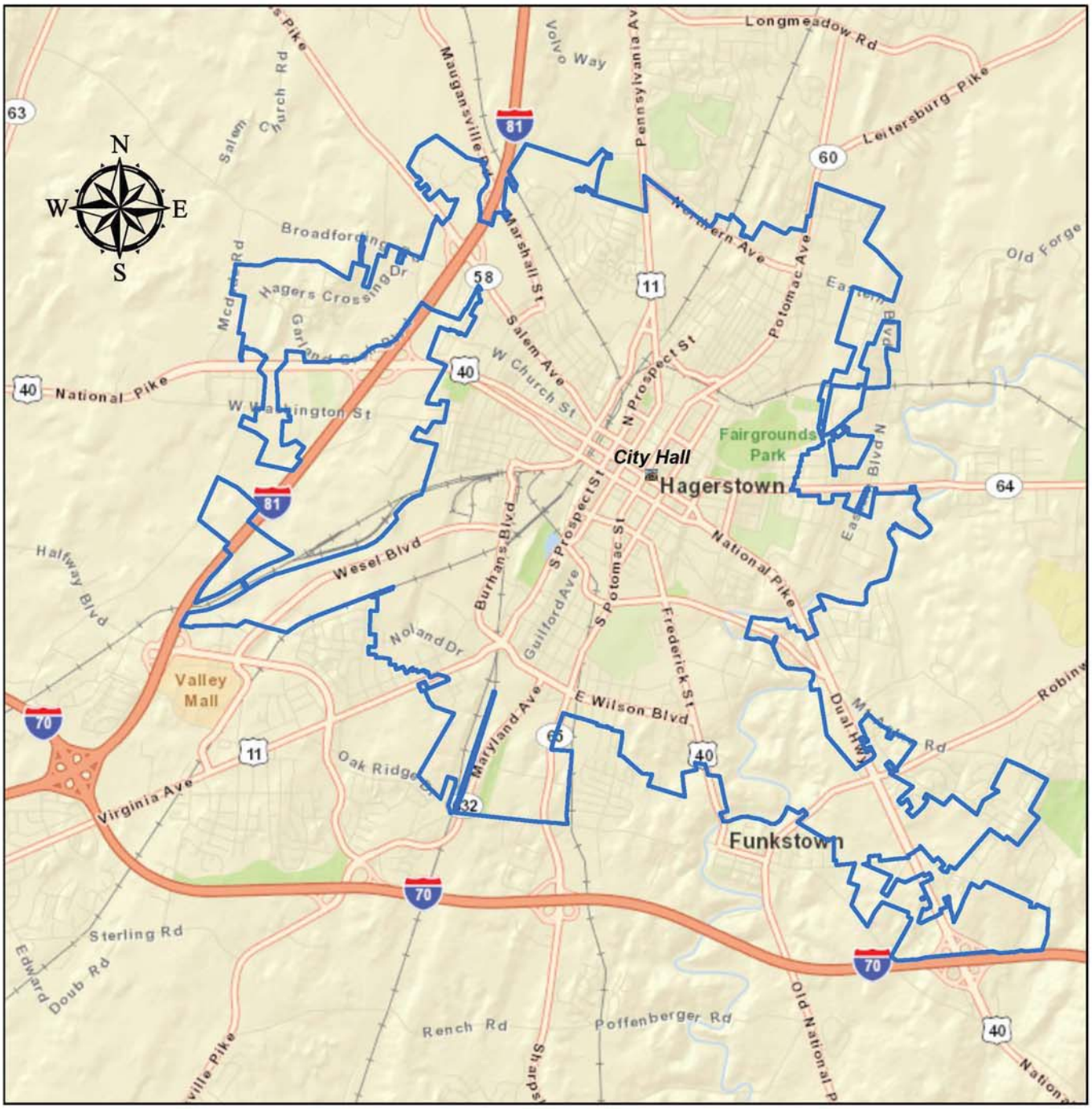
The City of Hagerstown operates under a council-manager form of municipal government. A charter granted by the General Assembly of Maryland formed the governing authority for the City. The Mayor and Council are the governing body of the City, and that body formulates administrative policies. The Mayor and Council are comprised of a mayor and five council members all directly elected by Hagerstown citizens. 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. In addition to the Washington County Sheriff's Office, Hagerstown City serves residents with its own Public Safety Department, which includes Police and Fire Protection. A full range of services are also provided by the City of Hagerstown, including: Planning, licensing, permitting, and inspections; Water, sewer, refuse, and light services; Snow removal, street maintenance and other public works functions; and Recreation and parks services.

Strategically situated in the heart of the rich Cumberland Valley, Hagerstown is located at the intersection of I-81 and I-70. The City of Frederick is located approximately 25 miles east of Hagerstown and Hagerstown is located 70 miles northwest of Baltimore and Washington, DC. The City is easily accessible by air and interstate to urban centers around the region. The Hagerstown Regional Airport (HGR) has the second-longest runway in the State of Maryland, behind only Baltimore-Washington Thurgood Marshall International Airport. Hagerstown's proud heritage and role as the regional economic hub is evidenced in the City's historic downtown and neighborhoods. Active farmland and numerous public parks abound in the surrounding rural countryside of Washington County. Hagerstown offers many different housing choices, from the historic to the more modern and new, and from affordable to the executive style.

Running through Washington County are three national and/or regional recreation trails: the C&O Canal Towpath, the Appalachian Trail, and the Western Maryland Rail Trail. Washington County also offers many historic sites to visit, such as the Antietam National Battlefield. For those who enjoy things of a classical nature, Hagerstown is home to the Maryland Symphony Orchestra and one of Maryland's three accredited fine arts museums. The City's German heritage and Sister City relationship with Wesel, Germany, is celebrated at Augustoberfest in Downtown Hagerstown. In close proximity to the City are the Hagerstown Speedway and the Mason Dixon Dragway for auto racing enthusiasts. Additionally, Hagerstown is home to the Hagerstown Suns, a Class A minor league team affiliated with the Washington Nationals through the 2012 season. The City ranks seventh in the nation in per capita retail space. Revitalization of downtown Hagerstown is underway with new investment stimulating building turnover and rehabilitation, new retail and service enterprises, and rising property values. The University System of Maryland Education Center opened in the heart of downtown in January 2005; and, currently offers more than twenty programs across five respected institutions that include attainment of Bachelor's Degrees, Master's Degrees, or even Graduate Certificates.

The population of the City of Hagerstown and its surrounding suburbs grew by approximately 8.1% between 2000 and 2010. More recently the trend has leveled and decreased slightly or by 0.2% between 2008 and 2011. The 2011 population estimate for the City of Hagerstown is 39,662 with the suburban fringe containing approximately another 57,327. In the City of Hagerstown, there are currently 1,609 housing units in various stages of development and construction. During the last 18 months, commercial activity within the City of Hagerstown has been on-going with the vast majority of the commercial growth occurring along the Eastern Boulevard corridor.

City of Hagerstown



Corporate Boundary
Interstate Highways
Parks
Rail Roads

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)	12.01
Fire Department	
Number of Stations (4 volunteer, 2 City owned)	6
Number of Fire Hydrants (within City limits)	814
Responses to Fire alarms	2428
Average response time (in minutes)	4:17
False alarms (included in above number)	18
Public fire education programs	927
Persons in attendance at public education programs	10,558
Parks and Recreation	
Parks and Playgrounds (235.8 acres)	16
Minor League Baseball Stadium (9.6 Acres)	1
Outdoor Swimming Pool (Claude M Potterfield Pool 2.2 acres)	1
Total attendance at swimming pool	23,655
Average daily attendance at pool	353
Municipal Golf Course (The Greens at Hamilton Run 67.0 acres)	1
Total attendance at golf course	10,804
Average daily attendance at golf course	39
Electric Department	
Number of active accounts	16,921
Number of meters (in use)	17,942
Kilowatt hours purchased	354,751,891
Kilowatt hours sold	343,746,297
System peak demand-kilowatts	71,024
Number of substations – 34.5KV to 13.8KV	7
Water Department	
Number of active accounts-City	13,028
Number of active accounts-County	15,319
Total number of active accounts	28,347
Daily average productions in million gallons	
R.C. Willson Plant (365 days)	11.854
Wm. M. Breichner Plant (365 days)	0.013
Greatest consumption for a single day	14
Plant pumping capacity per day	20
Average daily metered consumption	8.698
Miles of water mains (estimate)	425

Population – per United States Census

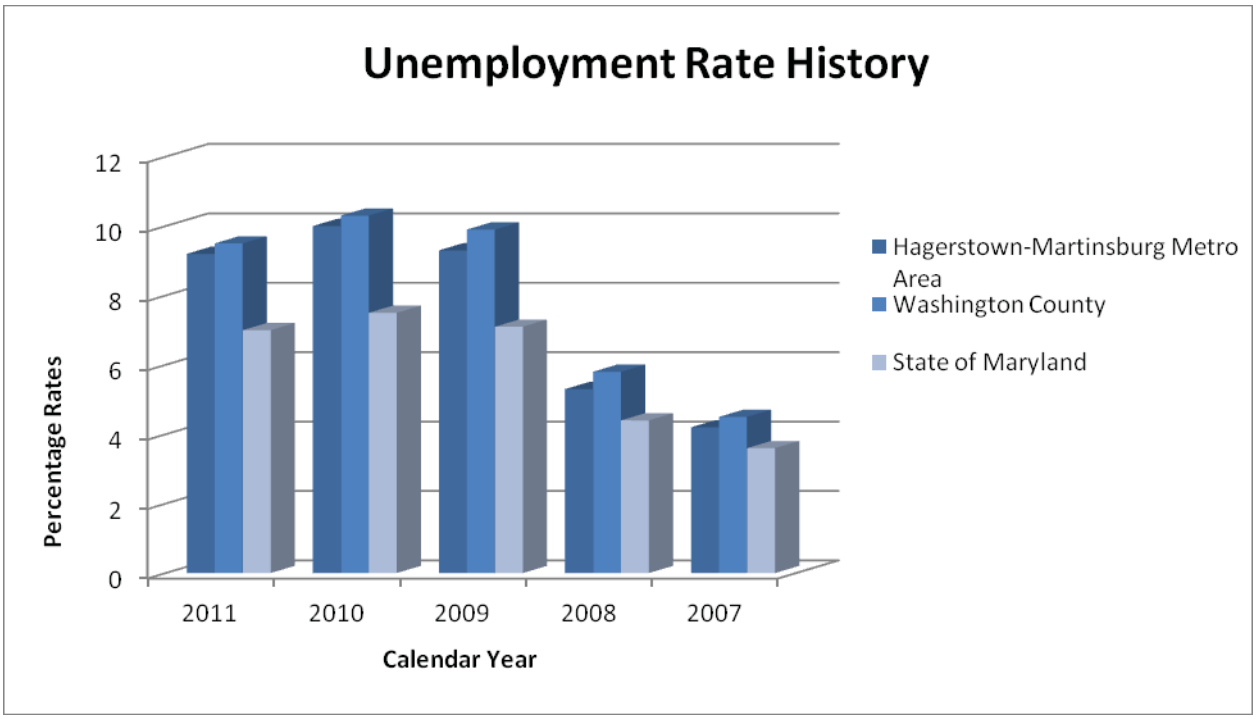
Fiscal Year	Population
1900	13,591
1910	16,507
1920	28,064
1930	30,861
1940	32,491
1950	36,260
1960	36,660
1970	35,852
1980	34,132
1990	35,445
2000	36,687
2009	40,065
2010	39,996
2011 (Estimate)	39,662

Police Department	
Parking ticket violations issued	8,117
Net parking fines	125,161
Calls for service	54,555
Alarm calls (included in above number)	1,048
Public Works	
Miles of paved streets and alleys	145.6
Number of traffic signals maintained	129
Parking Facilities Department	
Number of lots	7
Number of Parking Spaces (metered or rented)	
Lots	678
Streets	399
Parking Decks:	2
Number of Parking Spaces	625
Number of Permit Parkers	996
Wastewater Department	
Number of active accounts-City	12,778
Number of active accounts-County	2,922
Number of active accounts-District (JSA)	3,437
Number of active accounts-Total	19,137
Daily average of sewage treated (in million gallons)	7.43
Daily average plant capacity (in million gallons)	10.5
Number of City owned pumping stations	23
Miles of collection system – City owned	153

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

	2011			2002		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Washington County Public Schools	2,958	1	4.65%	2,563	3	4.02%
Washington County Health System, Inc. (Meritus Health)	2,860	2	4.50%	2,908	1	4.56%
State of Maryland	2,304	3	3.62%	2,786	2	4.37%
First Data Merchant Services	2,170	4	3.41%	2,000	5	3.14%
Citicorp Credit Services, Inc	2,067	5	3.25%	2,400	4	3.76%
Volvo Powertrain NA (Mack Trucks, Inc.)	1,165	6	1.83%	1,027	6	1.61%
Washington County Government	1,149	7	1.81%	915	8	1.43%
Fedex Ground	734	8	1.15%			
Hagerstown Community College	695	9	1.09%			
The Bowman Group, LLC	689	10	1.08%			
Federal Government				637	10	1.00%
Pheonix Color Corporation				725	9	1.14%
Garden State Tanning				1,007	7	1.58%
Total	**16,791**		**26.39%**	**14,405**		**22.59%**

Source: Principal Employers for Washington County MD provided by Hagerstown/Washington County EDC.
Note: Total County employment for 2011 was 63,577 and 2002 63,777 as supplied by Bureau of Labor Statistics



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City of Hagerstown, Maryland

City Administrator's Department

March 30, 2012

To: Mayor and Council

This Proposed FY2012/13 Budget reflects a new phase for the City of Hagerstown as our finances recover from the economic recession that has impacted local governments in the past several years. Our projected General Fund revenues of $36,735,414 for next year reflect a 2.1% increase over current year budget, and include no increase in the Property Tax Rate. This is attributed in part to our property tax revenue stabilizing to the point of slight growth and a new source of revenue from speed cameras, which will provide support for public safety operations. Unlike the last three years we are not anticipating significant losses or reductions in major revenue sources. In July 2009 we started to experience sharp decreases in state shared revenue as the State of Maryland began reducing their distribution of highway user revenue and police protection funding to local governments. By FY2010/11 this loss of State revenue coupled with the loss of the County tax rebate resulted in a combined General Fund revenue loss of $3,979,367 from the prior year. This loss of State and County revenue was carried forward into the current fiscal year, when the City experienced an additional $2,153,145 loss in property tax revenue resulting from the December 2010 Triennial Assessment of Real Estate. We have not recovered these revenue losses, but our projections for the coming year indicate we should not incur additional major reductions. For this reason we face a different scenario in FY2012/13 than we have the past three fiscal years, when we experienced the need to make adjustments in operations and reductions in expenditures to offset the loss of major revenue. We are now in a more stable financial situation, but not one where we are anticipating the strong growth in property tax revenue that supported our operations in the mid-2000's. However, it should be noted that our FY2012/13 projected General Fund revenue is $3,801,065 less than our adopted FY2009/10 budgeted revenue of $40,536,479.

Three Guiding Principles

The Mayor and Council have guided the City Government through the most difficult financial challenges Hagerstown has experienced in decades by establishing three principles to steer our finances and operations.

Living within Our Means/Respecting Taxpayers

The primary principle guiding us the past three years has been to live within our means, and in doing so respect our property taxpayers. As we started to incur the major losses in State and County revenue and subsequent reduction in City property tax revenue, we committed ourselves to offsetting these losses with expenditure reductions. We did not attempt to increase revenue by raising the City's property tax rate. Instead we adjusted our operations, deferred equipment purchases, eliminated funding for 56 staff positions and lowered wage and benefit expenditures. We successfully avoided reductions in core service operations. Including the next fiscal year, our employees will go four years without a cost of living adjustment and three years without a pay step increase. City employees have definitely contributed to our efforts to live within our means. The impact of these efforts is that our current year General Fund Budgeted Revenue reflects a $4,598,095 reduction from FY2009/10. The City is presently operating with 11.3% less revenue than two years ago. Our property tax rate of 78.8 cents per $100 of assessed value has remained unchanged since FY2008/09, when it was actually lowered 1 cent from the 79.8 cent rate established in FY2004/05. We have attempted to address our revenue shortfalls without creating a negative impact on taxpayers.

Reinvention and Rethinking City Operations

A second important principle for us has been the Mayor and Council's direction to rethink our operations and consider new ways of operating with less. In the past two years, we have significantly reduced

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staffing. We now operate with 43 fewer General Fund positions and 13 less staff positions in other operations. We have utilized citizen task forces to develop recommendations to the City on our Refuse and Recycling Program, Green Initiatives, and Sidewalk and Curb Maintenance Policies. We have restructured operations, combining smaller departments into one unified operation. City staff have introduced new technologies into operations, changing the way we staff functions and deliver service to the public. We have added new service components to our refuse and recycling program while reducing service charges. The Mayor and Council adopted a comprehensive Strategic Plan in September 2010, which has established priorities for City departments and guided our operations. The City has forged new strategies with the County Economic Development Commission with a special focus on shared objectives for the downtown. Our communications program and Channel Six programming has been strengthened. A new location for a City fire station has been acquired and is under development. A new City Ethics Code and Ethics Commission is in place. Hagerstown has undertaken new downtown revitalization projects focusing on small business and an artists' housing project. New events have been developed to bring visitors and the community downtown. Through restructured operations, we have added a whole new recreation component to our Parks and Engineering Department. Significant neighborhood based projects have begun with the goal of enhancing the quality of life for our residents. All of these efforts have reflected this theme of reinvention and rethinking how we operate.

Unity is the Key

During an October 2011 Mayor and Council meeting which focused on the difficulties and loss of business being experienced in our downtown, we discussed the important role all sectors of Hagerstown play in revitalizing downtown and creating a healthy and strong City. We discussed the need for a community partnership, which included all levels of government, local business leaders, non-profit organizations, the media, citizens, and others; and, the need for a unified commitment. This theme was further developed in the recent State of the City presented to the community earlier this month.

This Mayor and Council have consistently demonstrated unity as they worked together to forge the current year's budget and operating plan, developed major changes to our refuse and recycling program, and undertaken new downtown revitalization projects. Unity is reflected in the current community efforts to create a Multi-Use Outdoor Sports and Events Center downtown, with private sector leaders taking a strong and active role. It has been reflected in the City's labor unions and their agreement to exclude wage increases in the current and coming fiscal year. Unity is being reflected in the Mayor and Council and County Commissioner joint meetings and their willingness to work together.

LOOKING FORWARD

Each of these three principles must continue to guide us if we are to remain a strong government and serve the community well in the future. In terms of living within our means, we cannot get careless with our finances and over-commit our resources. Hagerstown needs to remain mindful that our citizens continue to face economic challenges. Based on 2010 census data, the median family income in Hagerstown is just $43,112. The unemployment rate for Hagerstown in January 2012 was 8.4%. High fuel costs, concern over employment, and the cost of housing remain important issues for our citizens. On a similar note, we need to recognize the existing uncertainties that surround the Federal and State government budgets, and their potential impact on shared revenues received by Hagerstown.

Likewise, we need to be respectful of our employees. They have felt the largest brunt of the City's decision to reduce operating expenditures. They have gone many years without wage adjustments while sustaining our operations and services with fewer staff. For most, we have maintained employment with good paying jobs, a strong health insurance program, and attractive retiree benefits. However, it is time to position our finances to budget for wage increases in FY2013/14 and beyond.

The principles of reinvention and unity will be critical to us if we are to build on what we have accomplished the past three years. We will need to continue to develop and implement new strategies and structures to our operations, rely on new technologies, and rethink the way we approach our work. Likewise we will need to strengthen and expand our partnerships, utilizing unity both internally and externally. We must avoid the divisiveness and negative attitudes that so often undermine communities and local governments. Unity helps us accomplish this.

So as we move forward, I would like to recommend two operating principles be added to the above three.

Strengthening City Revenue

We need to devote more attention to strengthening City revenue. As a City government, we can never lose sight of the need to build our property tax base through annexation and new development. Without either, we will not have sufficient revenue to sustain our operations. As the economy slowly recovers, our revenue from existing sources is also recovering and becoming more stable. However, current revenue levels are not sufficient to restore funding for the unfunded positions we would like to restore to our operations, or strong enough to reinstate either COLA's or pay step increases for our employees. As we look ahead, we should give consideration to the possibility of limited property tax rate increases to further strengthen our finances. This will also be reassuring to the bond rating agencies which analyze our finances. They have complimented us for our financial management and reduced operating expenditure levels, but they have also cautioned us that revenue needs to be strengthened.

Strong Community Based Leadership

I believe we need to dedicate ourselves and this City government to utilizing bold and courageous leadership in the years ahead. It is not a case that we have not used strong leadership in the past, but more a situation of leading into the future with a bolder vision for Hagerstown. If we are going to achieve our mission to *Be the location of choice for a diverse and dynamic citizenry,* as stated in our strategic plan, we need to be willing to think bigger and bolder. Our recent experience with the impact of the economic recession demonstrates the value of strong leadership. The current condition of our downtown reinforces the need for this. The future health of our residential neighborhoods and quality of life for our residents requires this. We need to accept that Hagerstown cannot remain static. We cannot wait on others, wish for the past, or think we are not good enough to undertake projects and programs that have proven successful in other cities.

Hagerstown currently faces opportunities to demonstrate this level of leadership that have not existed in the past. The Multi-Use Outdoor Sports and Events Center is one such opportunity. A second is the potential relocation of the Board of Education Administrative Offices to downtown. Both of these projects are needed if we are to revitalize our downtown for small businesses, better position it to absorb future economic downturns, and begin to attract higher quality housing to our City Center.

Along this theme of leadership, I believe the following quote is very relevant for Hagerstown:

> *It is not the critic who counts, not the man who points out where the doer of deeds could have done them better, the credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause; who, at the best, knows in the end the triumph of high achievement; and who, at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat. ~ President Theodore Roosevelt (1858-1919)*

General Fund Financial Projections

As we look forward, the strength of our General Fund Financial Projections will be critical to our ability to serve and lead the community as a City Government. Among the issues to consider in these projections are the possible City funding support for the Multi-Use Sports and Events Center, the need to maintain our streets and infrastructure to desired standards, the potential of State mandates on stormwater management, and the importance of providing funding to begin restoring currently unfunded positions and also to reinstate annual employee pay increases. At the same time we need to be sure our resources are sufficient to support current core City services on which our citizens rely.

We recognize that our financial projections will change as state legislation evolves, community needs arise, and the performance of both our revenues and expenditures further develops. However, these five year projections provide us a good plan for addressing both organizational and community needs within the context of our finances. The General Fund Projections, are located in Section 7 on Page 3, and include the following assumptions:

1. ***Property Tax Rate*:** There is no property tax rate increase included in either the coming year or FY2013/14. However, we have included a 3 cent tax increase as a possible consideration in the FY2014/15 projections.
2. ***Stormwater Management Fee*:** We have included $750,000 in our FY2013/14 revenue projections based on a January 1, 2014 implementation of a stormwater management fee. This will be contingent on the State's legislative requirements for all Maryland local governments, which are still under consideration in Annapolis. This revenue is projected to grow to $1.5M on an annualized basis if this fee is approved.

3. ***Red Light Cameras*:** The FY2016/17 Projections include possible revenue increases from the implementation of red light cameras. We will need to consider revenues such as this to address both community public safety issues, and the need to lessen our heavy reliance on property tax revenue.

4. ***Employee Pay Increases*:** We have included a 2.5% COLA for each of the four years beginning in FY2013/14, and the restoration of step increases in the final two years of the projections.

5. ***Stadium Funding*:** To allow for potential City funding support of the Multi-Use Sports and Events Center, we have included $2.2M in bond funding in FY2012/13 and an additional $2.1M in FY2013/14. Because of the retirement of previously funded bond issues, we can absorb this bond financing without increasing our annual debt service expenditures beyond what we budgeted in FY2011/12.

6. ***Fire Apparatus***: The debt service expenditure projections which appear in Section 7 on Page 11 also include funding to purchase new fire apparatus. $450,000 in bond financing is included in FY2012/13 to purchase a replacement engine for the First Hose Company on South Potomac Street. $900,000 is included in a bond issue for FY2013/14 to acquire a new ladder truck to operate from Pioneer Hook and Ladder on West Franklin Street. An additional $950,000 is projected in the bond issue for FY2014/15 to acquire a new ladder truck for the Western Enterprise Station.

7. ***Restoration of Unfunded Positions*:** Our financial projections in Section 7 Page 9 show a gradual restoration of funding, beginning in FY2014/15, for the 24 vacant General Fund positions which were not funded in recent years as a result of the recession.

8. ***Employee Health Insurance and Retirement Benefits*:** While the City did eliminate annual employee pay adjustments, reduce benefits, and lower staffing levels in recent years, we did not reduce or eliminate employee and retiree benefits to the drastic levels which occurred in some local governments. Our financial projections continue to include strong levels of funding to maintain current health insurance and retirement programs. FY2012/13 General Fund projections in Section 7 Page 9 include just under $2.2 M in employee health and dental insurance expenditures and slightly over $1.1 M for retiree health and dental expenditures, with increased funding in each of the following years. The financial projections include $998,000 in employer pension funding for sworn police and fire employees and $803,000 for other General Fund employees who participate in the State Retirement System. These funding levels sustain currently provided pension benefit levels for our employees.

CITY OF HAGERSTOWN STRATEGIC PLAN

The Strategic Plan adopted by the Mayor and Council in September 2010 continues to provide guidance for the City's operations and priorities. Our mission *To provide a proud and prosperous community*, applies to the services we deliver, our use and management of the public's resources, the professionalism of our operations, and our desire to both address challenges and undertake new initiatives to enhance Hagerstown. This Proposed Budget continues to reflect the vision and priorities included in the Strategic Plan, which includes the following four Focus Areas and related Goal Statements:

Focus Area	***Goal***
A Prosperous Community	Create incentives and programs to attract higher paying jobs, increase private sector investment, and market Hagerstown as the premier community for residential and economic development.
A Vibrant, Active, and Livable Community	Focus on specific areas, buildings, and projects that create a rich, social, and culturally vibrant community.
A Safe and Healthy Community	Create and maintain a community that is safe, inviting, and environmentally healthy, with an emphasis on resource conservation.
An Innovative and Sustainable Government	Invigorate the organization, to identify techniques that allow services to be delivered in the most efficient and cost effective manner.

The Parking Master Plan for Downtown, School Zone Speed Cameras, Multi-Use Outdoor Sports and Events Center, New Fire Station for the Antietams, and the Pocket Park at East Avenue and Locust Street all reflect objectives in the Strategic Plan and priorities in the City's Budget and Capital Improvement Program. A copy of the entire City of Hagerstown Strategic Plan appears later in this message.

COMBINED USES OF FUNDS
FY2012/13 BUDGET BY FUND

The Proposed FY2012/13 Budget includes $129,109,686 in expenditures for all of the City's funds, including $36,665,854 in the General Fund and $18,412,900 for the Capital Improvement Fund. The total for our utility operations include $28,482,493 for the Electric Fund, $17,580,726 for Water, and $15,051,878 for Wastewater. The Community Development Fund totals $1,616,336. Our Parking Fund's Proposed Budget is $800,008. These represent the major operating and capital funds. Other Special Revenue Funds totaling $1,487,900 along with Service and Trust Funds totaling $7,652,753 are also included within this budget.

2012/2013 BUDGET BY FUND

	Revised Budget 2011/2012	Proposed Budget 2012/2013	Increase / (Decerase)	Percent Change
General Fund	$ 35,861,619	$ 36,665,855	$ 804,236	2.2%
Communiy Dev. Block Grant Fund	1,607,027	1,616,336	9,309	0.6%
Other Special Revenue Funds	2,339,886	1,487,900	(851,986)	-36.4%
Capital Improvement Projects	4,326,497	18,412,900	14,086,403	325.6%
Total Government-type Funds	44,135,029	58,182,991	14,047,962	31.8%
Electric Fund	27,472,713	28,482,493	1,009,780	3.7%
Water Fund	14,016,690	17,580,726	3,564,036	25.4%
Wastewater Fund	13,255,940	14,486,878	1,230,938	9.3%
Parking Fund	751,472	800,008	48,536	6.5%
Golf Fund	442,609	401,707	(40,902)	-9.2%
Property Management Fund	1,303,292	957,130	(346,162)	-26.6%
Total Enterprise-type Funds	57,242,716	62,708,942	5,466,226	9.5%
Service & Trust Funds	7,136,455	7,652,753	516,298	7.2%
Total Combined Uses of Funds	**$ 108,514,200**	**$ 128,544,686**	**$ 20,030,486**	**18.5%**

THE PROPOSED FY2012/13 GENERAL FUND BUDGET

The General Fund is the City's largest operating fund and provides funding support for parks and engineering, police, public works, fire, community and economic development, and general administrative and support operations. For the most part, this Fund reflects a continuation level of expenditures from the current year. It is the General Fund which is most impacted by the loss of State and County shared revenue over the years, along with reductions in the property tax revenues resulting from the December 2010 Triennial Reassessment of Real Estate. All of the City's property tax revenue is budgeted in the General Fund. The General Fund provides funding for 291 total full-time equivalent positions. Twenty-four (24) unfunded positions remain in the FY2012/13 General Fund budget. It is our hope that we can begin filling these positions in subsequent fiscal years.

For FY2012/13 the General Fund revenues total $36,735,414 a 2.1% increase over the current year's budget. This reflects the previously mentioned stabilization of property tax and State and County shared revenues after dramatic declines in these revenue sources in recent years. While it is encouraging to see the General Fund revenues begin to recover, our projected revenue for next year still represents a $3,801,065 drop from the FY2009/10 level of $40,536,479. FY2012/13 marks the second year of the current triennial reassessment period and maintains the present property tax rate of 78.8 cents per $100 of assessed property value. This rate has been in effect since FY2008/09, when it was lowered one cent from the 0.798 rate that was established in FY2004/05. A history of the City's property tax rate can be found in Section 3 Page 6. State and County Shared revenues total $3,203,771 in this Proposed Budget, a slight decrease from the current year, but a $3,975,327 drop from the $7,179,098 the City received in FY2007/08. The introduction of Speed Cameras in School Zones provides new revenues for the City which are required to be earmarked for public safety uses.

Similar to recent years, there is no cost of living adjustment or step increases for employee pay in FY2012/13. This is consistent with the two year collective bargaining agreements approved by the City's four labor unions and the Mayor and Council for the current and next year. Capital expenditures and vehicle purchases in the General Fund remain depressed from levels which existed prior to the economic recession, but do show some slight improvement in the coming year. While we have not been required to make additional major reductions in our General Fund to balance next year's budget, the proposed expenditure levels do reflect a continuation of the large cuts we made to offset the revenue losses resulting from the economic recession. These lowered expenditure levels are being carried over into FY2012/13.

SOURCES OF FY2012/13 GENERAL FUND REVENUE

The Proposed General Fund revenue of $36,735,414 for FY2012/13 represents a 2.1% increase from the FY2011/12. The primary cause of this increase in General Fund revenue is $488 thousand in Fines & Forfeitures due to the effects of speed camera revenues.

The following table illustrates the change in the sources of General Fund Revenues from FY2011/12 to FY2012/13.

Sources of General Fund Revenue Growth			
FY 12/13 General Fund Budgeted Revenues	**$**	**36,735,414**	
FY 11/12 General Fund Budgeted Revenues		**35,989,836**	
Revenue Growth (Decrease)		**745,578**	**2.1% Increase**

Sources		
Property Tax Revenue		33,750
State & County Shared Taxes		(38,188)
Licenses & Permits		(31,125)
Intergovenmental Grants		(13,979)
Service Charges		(25,323)
Fine & Forfeitures		487,745
Unallocated Revenues		312,698
Transfers From Other Funds		20,000
Total	**$**	**745,578**

EXPENDITURES OF FY2012/13 GENERAL FUND RESOURCES

The Proposed General Fund Budget for FY 2012/13 totals $36,665,855 representing a 2.2% increase in expenditures from the FY2011/12 Budget of $35,861,622. The following table illustrates the changes in the use of General Fund resources by category of expenditure from FY2011/12 to FY2012/13. The total General Fund expenditure increase is primarily a result of restoration of funding for vehicle and equipment replacement purchases, computer replacement purchases, and the reinstatement of training and education for staff professional development.

Use of General Fund Revenue Growth			
FY 12/13 General Fund Budgeted Expenditures	**$**	**36,665,855**	
FY 11/12 General Fund Budgeted Expenditures		**35,861,619**	
Expenditure Growth (Decrease)		**804,236**	**2.2% Increase**

Uses		
Wage & Benefits		354,549
Wage & Overhead Allocations		(155,932)
Contracted Services		336,028
Materials & Supplies		128,096
Insurance		(33,977)
Capital Expenditures		596,784
Debt Service		(513,106)
Transfers To Other Funds		(92,231)
Other Expenditures		184,025
Total	**$**	**804,236**

ALLOCATION OF FY2012/13 GENERAL FUND EXPENDITURES BY FUNCTION

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

	Allocation	Percent
Public Safety		
Police	$ 11,174,966	30.5%
Fire	6,049,162	16.5%
Engineering, Parks & Recreation	3,268,217	8.9%
Street, Alleys & Signal	3,197,404	8.7%
Community & Economic Development	3,167,493	8.6%
Debt Service	2,026,747	5.5%
Refuse Collection & Disposal	2,003,191	5.5%
Technology & Support Services	1,113,125	3.0%
Retiree Benefits	1,112,021	3.0%
CIP Appropriations	882,759	2.4%
Finance	639,020	1.7%
Human Resources	466,154	1.3%
City Hall	293,765	0.8%
Contributions to Other Agencies	273,490	0.7%
Legal Counsel	260,000	0.7%
Unallocated Expenses *	220,302	0.6%
City Administrator	200,800	0.5%
Mayor & Council	181,200	0.5%
City Clerk	133,939	0.4%
Registration & Elections	2,100	0.0%
Total	**$ 36,665,855**	**100.0%**

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

FY2012/13 PROPOSED BUDGET MAJOR HIGHLIGHTS

This section of the Budget Message will provide a summary of the major highlights included in this Proposed Budget for all of the City's funds. It reflects major assumptions and adjustments used in preparing this budget for Mayor and Council's consideration. The budget narratives included in the individual department and fund sections which appear later in the budget, provide a more detailed discussion and explanation of these highlights.

1. ***Property Tax Revenue*:** When compared with FY 2011/12 estimated actual, We are projecting a slight increase of 1.7% in property tax revenue for the coming year, a nice improvement over the 9.0% decrease we are estimating in the current fiscal year. There is no proposed property tax rate increase for FY2012/13. The Proposed Budget maintains the current property tax rate of 78.8 cents per $100 of assessed real estate values.

2. ***Staffing*:** The City currently has 466 positions, of which 427 are funded in this proposed budget. The remaining 39 positions are unfunded as part of the City's efforts to offset the loss of revenue the City has experienced over the past three years. It is our goal to begin restoring funding for some of these unfunded positions in FY2014/15 and possibly sooner. Of these 39 unfunded positions, 24 are in the General Fund and the remaining 15 are in other operations.

3. ***Police Technology Position***: This Budget also provides for increased General Fund support to make a previously grant funded part-time position in HPD a full-time position. This position is presently funded with the Federal COPS Technology Grant and is scheduled to end on December 31, 2012. To compensate for the number of unfunded positions, the City has created

efficiencies in operations by increasing technology use. This position is needed to support those technology enhancements.

4. ***COLA and Pay Steps:*** Consistent with our four collective bargaining agreements and financial projections for the coming fiscal year, there are no funds included in the FY 2012/13 Proposed Budget for either employee cost of living adjustments or pay step increases. This will be the fourth consecutive year of no COLA's for our employees and the third consecutive year of no pay step increases.

5. ***Equipment Purchases*:** Following several years of deferred vehicle replacement purchases the FY2012/13 Budget begins to restore funding for vehicle equipment purchases. $180,000 is included in CIP 45-C0065 for Public Works vehicles including two dump trucks and one pickup truck. CIP 45-C0570 includes $33,000 for the acquisition of one pickup truck and one gator the Parks Department. A number of major fire apparatus purchases are reflected in CIP 45-C0010. $496,000 is budgeted to provide a new Engine for the First Hose Fire Company, and a new vehicle for the battalion chief. In addition, the CIP Budget includes $900,000 in FY2013/14 for Pioneer Hook & Ladder's new ladder truck and comparable funding in FY2014/15 to purchase a ladder truck for Western Enterprise. $226,000 is included in CIP 45-C0129 for the purchase of six replacement patrol cars for the Police Department and two pre-owned low mileage vehicles for other HPD operations. In the Electric Fund, $40,000 is included in CIP 50-C0090 to purchase a dump truck and wood chipper. The Water Fund has $262,000 budgeted for next year to replace a number of vehicles including a dump truck, backhoe and two SUV's. $580,000 is budgeted in the Wastewater Fund CIP 54-C0004 to replace a pickup truck, dump truck, and collections system vacuum truck.

6. ***Community Development Block Grant (CDBG) Program*:** Our annual Federal entitlement grant for the Community Development Block Grant continues to decline as the US Government scales back funding for this program. In FY2012/13 we are anticipating a 21% reduction in the grant, which follows a 16.5% decrease in the current year. As the graph on Page 6 of Section 5 illustrates, our anticipated annual entitlement grant for the coming year is $661,780, a significant drop from the $1,004,945 received in FY2010/11. We have offset much of this revenue loss by reducing CDBG supported staff positions from 5.8 at the beginning of FY2010/11 to 3.5 positions in the current year, and 2.5 full-time positions next year. This budget reflects transferring one CDBG funded position to the General Fund, where we used a vacant position to absorb this transfer. It should also be highlighted that during the course of the past year, CDBG staff have identified that there was a significant amount of carryover entitlement funds unexpended from prior years. It is the availability of these unspent carryover funds that creates the 30.6% increase in accumulated entitlement revenues reflected in the revenue summary on Page 5 of Section 5. So, despite the reduction in our annual entitlement for the coming year, the availability of unexpended entitlement funds provides funding for a total of $1,616,336 in the CDBG budget for FY2012/13 expenditures, as shown in Section 5. FY2012/13 expenditures are being targeted toward Housing Programs listed on Section 5 Page 8. Due to the reduced annual entitlement for the coming year, Public Services expenditures have been reduced by 17.7% in FY2012/13 to comply with HUD's funding cap. Proposed appropriations for Public Services are reflected in the expenditure summary on Page 7. We continue to show our reduction in CDBG funded administrative expenditures on Page 9. Administrative expenditures have been reduced from $247,236 in FY2010/11 to $170,123 for FY 2012/13.

7. ***CDBG Funded Public Services*:** The Proposed Budget reflects a 17.7% drop in Public Service agency funding from the Community Development Block Grant. This results from the previously mentioned drop in our annual entitlement and the funding cap established by the Federal Department of Housing and Urban Development on these expenditures. The funding proposals are outlined on Page 7 of Section 5, and the $135,213 allocated in FY2012/13 represents the 17.7% drop from the $164,250 allocation in the current year. This reflects an across the board decrease for currently funded agencies and the elimination of $5,000 in funding for Food & Friends.

8. ***School Zone Speed Cameras:*** The first two speed cameras in School Zones were installed on Tuesday, March 13th with a 30 day period in which warning notices will be mailed to drivers prior

to the issuance of citations. A total of 12 cameras will be installed in school zones. In accordance with the approved program, the City will receive 60% of the revenue from the $40 citations for drivers who exceed the posted speed limit by twelve or more miles per hour. Citations will be discounted to $35 for those who pay within seven days of issuance. The Cameras will operate from 6 a.m. to 8 p.m. Monday thru Friday. As this program is fully implemented, we will gain a better handle on the costs and revenues associated with Speed Cameras. State law requires that these revenues be appropriated toward public safety related costs, either existing or new expenditures. For FY2012/13 we have projected $600,000 in revenue in the General Fund, with $240,000 in expenditures to the camera vendor, Brekford, and $114,000 for police overtime and other related operating expenses to monitor the cameras with existing officers. The remaining balance of $246,000 is allocated toward public safety expenditures.

9. ***Multi-Use Stadium & Events Center*:** CIP 45-C0041 reflects some initial planning of potential City financial support for this project. Clearly, any future decision on moving forward with the construction of a downtown stadium and events center will depend on the outcome of the Ripken Feasibility Study, which is due in April, and subsequent funding decisions by the State and County. To provide possible City funding staff has included bond funded support of $2,208,333 in the coming year and the same amount again in FY2013/14 to supplement State and County funding of construction costs. Additionally, potential funding for a third parking deck that would be needed to support this project is discussed in bullet 26 on Page 12 of this Section. These costs are preliminary, and subject to change based on future decisions on whether to move forward with the project. However, the recommended funding in CIP 45-C0041 also shows that the City can make a substantial contribution toward the funding of such a project without a property tax rate increase due to the retirement of existing debt issues. Our General Fund Supported Debt Service Expenditures are reflected in the financial projections appearing in Section 7 Page 11.

10. ***Pavement Preservation***: CIP 45-0025 reflects our FY2012/13 proposal for funding our Pavement Preservation Program. These funds provide for the resurfacing of various streets, crack filling, pavement overlays, milling, and markings. Even during the recession, it has been a priority for the City to devote resources to this program. In FY2012/13, we are proposing $600,000 in funding, with $313,601 coming from State Highway User Revenue, $200,000 from CIP Fund Balance, and $86,399 from a General Fund transfer. In the event the State of Maryland does restore Highway User funding for municipalities at some point in the future, this will provide us additional resources to support pavement preservation projects in Hagerstown.

11. ***General Fund Supported Bond Issue*:** This budget proposal reflects $2,855,333 as a projected General Fund Supported Bond Issue in FY2012/13. The majority of this funding, or $2,208,333 is allocated toward the Multi-Use Stadium & Events Center, should this project move forward. In addition, $296,000 is allocated for the purchase of a replacement fire engine for the First Hose Company, $171,000 for Public Works Vehicles, $110,000 for Market House Improvements, $50,000 for seating improvements at the City Park Bandshell, and $20,000 for Stormdrain System Upgrades. As has been our practice, Mayor and Council will have the opportunity in the future to consider its decisions on any bond financed projects.

12. ***Excise Tax Fund*:** As the recession slowed economic development projects, the revenue into this fund from the City's portion of the County's Excise Tax has significantly decreased. However, we are proposing that $480,000 in Excise Tax funds be appropriated for a number of projects in FY2012/13 including $290,000 for our Bridge Repair Program, $20,000 for Kiwanis Park, $150,000 for the Frederick Street Culvert, and $20,000 for irrigation systems in City Park and Oswald Park. The Excise Tax Fund appears on Page 17 of Section 5.

13. ***Bridge Repair Program*:** CIP 45-C0400 includes $1,330,000 for the repair and maintenance of bridges within Hagerstown. There are 13 existing bridges in the City. The primary source of funding is Federal Grant funds in the amount of $1,040,000 plus the previously mentioned $290,000 in Excise Tax funds. In the coming year, these funds will be used for repairs to three bridges on Burhans Boulevard.

14. ***Park Improvements*:** There are a number of capital projects for park improvements in this Proposed Budget. These projects are included in a list of CIP projects appearing on Page 16 of Section 9. Among the projects are the following: $90,000 for the park on East Avenue, $170,000 for Kiwanis Park along the Antietam Creek, $36,000 for Memorial Park at the corner of Potomac Street and Memorial Boulevard, $37,000 for the Mills Park Hiker/Biker Trail, and $50,000 for Neighborhood Parks.

15. ***Utility Rates*:** City Light's new wholesale power service agreement will reduce customer rates by approximately 15% beginning in 2013 and are the lowest electric costs in the County. In accordance with our five year rate schedule approved by Mayor and Council in 2009, water rates will increase by 5% July 1, 2012 for inside City customers and 6% for those outside the City. For Wastewater the rate increases will be 5% for inside and 3.5% for outside customers.

16. ***Stormwater Management Fee:*** There is no Stormwater Management Fee included in the FY2012/13 budget proposal. We have reflected a $750,000 in General Fund revenue from this fee in FY2013/14 based on the assumption of a January, 2014 implementation of the fee. The City's future decision on whether to approve this fee is dependent on future State actions on stormwater legislation and mandates placed on local governments in Maryland.

17. ***Pension Funding:*** This budget reflects a decrease in the employer's share of funding for the Maryland State Retirement Program from 10.94% to 8.99%. The employee's share will remain at 7%. For the City's 25 year retirement program for sworn police and fire personnel, the employee's share will also remain at 7%. The City's share as the employer will decrease from 11.48% to 11.29%.

18. ***Health and Dental Insurance:*** Our projections for the City's share of employee and retiree health insurance show a 4% cost increase for the coming year. We are including $2,175,000 in FY2012/13 City funding for employee health and dental insurance and $1,112,000 for retirees. While these amounts reflect an increase over the current year, they are substantially lower than the FY2009/10 actual costs of $2,428,000 for employees and $1,367,000 for retirees.

19. ***Refuse Service Fee*:** The City has approved substantial enhancements to Hagerstown's Refuse and Recycling Curbside Collection Program. The Proposed Budget reflects the $39 quarterly Refuse Service Fee approved by Mayor and Council in November, 2011 as part of the service enhancements and new collection contract with Waste Management. This results in an annual cost reduction for citizens from the fee approved in May, 2011.

20. ***Economic Redevelopment Fund:*** This fund appears on Page 11 of Section 5 and includes $200,000 in funding through a transfer from the General Fund. This Fund will provide $70,000 in support for the Partners in Economic Progress (PEP) Program in FY2012/13 and also has a balance of $110,281 available for other economic development priorities established by the Mayor and Council in the coming year.

21. ***Business Revolving Loan Fund:*** This fund appears in Section 5 Page 12 and provides funding for business and upper floor loans.

22. ***General Fund Surplus:*** This important component of the City's finances remains very healthy. Information related to the condition of the General Fund and this surplus is found on Page 2 of Section 3. Throughout the course of the recession and the loss of State and County and property tax revenue Hagerstown has avoided reappropriating fund balance to support annual operating expenditures. For FY2012/13 we are projecting a year end unassigned fund balance of $8,256,742, which is 23.3% or 2.8 months of total General Fund Expenditures. The Government Finance Officers Association guideline of maintaining an unassigned fund balance suggests maintaining an equivalent to at least 16.67% or two (2) months of total General Fund Expenditures.

23. ***Water Fund Capital Improvement Projects:*** The Proposed Budget includes $2,245,000 in Water Fund supported bond financing to fund $415,000 in System Scada Improvements, $350,000 in main replacements, and $1,170,000 for Distribution System Meter Replacements. A

complete list of these bond funded projects appears in Section 9 Page 25. In addition CIP 52-C0740 outlines the City's plans to use $4,000,000 in loan funding from the Maryland Department of the Environment to complete Phase IV Improvements to the RC Willson Water Treatment Plant. This project will address Environmental Protection Agency requirements related to disinfectant by-products.

24. ***Wastewater Fund Capital Improvement Projects:*** Page 27 in Section 9 summarizes a variety of funding recommendations including the use of $1,345,000 to be used toward the collection system rehabilitation projects, grinder pump replacements, the elimination of Pump Station #2, treatment plant equipment, and vehicle replacements. In addition there is $300,000 in MDE loan financing for additional Citywide collection system rehabilitation projects.

25. ***Professional Development and Training:*** Throughout the operating budgets there are recommended increases for staff development and training. Following several years of not funding training and professional development and tuition reimbursement, it is time we begin to restore this important commitment to our employees.

26. ***Parking Fund:*** CIP 56-C0173 includes no expenditures in the coming year but does begin to establish a potential funding plan for the construction of a third parking deck if the Mayor and Council make a future decision to move forward with this project. $500,000 is included in FY2013/14 for property acquisition and design and then $8,900,000 for construction costs in FY2014/15. This CIP contemplates a funding split of 50/50 between City bond financing and then funding contributions from other sources. This is all preliminary information on this project, but this CIP does reflect the potential of this project moving forward. This Fund includes $100,000 in bond financing to complete repairs and upgrades to the North Potomac Street Parking Deck. In addition it should be noted that the annual debt service expenditures in this Fund are declining due to the expiration of the yearly debt payments on the bond financing used for the construction of the deck. Parking fees for the decks, lots, and street meters are proposed to remain at existing levels in the coming year. The entire Parking Fund budget appears in Section 4 Page 32.

27. ***Electric Fund Capital Improvement Projects:*** Section 9 Page 22 includes a listing of capital projects anticipated in FY2012/13 to support our City Electric System. These projects total $476,000 and are described in more detail on the individual CIP pages appearing in Section 9.

28. ***Home Store/HNDP:*** This budget sustains the current year level of funding for the Home Store at $50,000. HNDP is also funded at the current level of $50,000. In addition the City continues to provide office space for both programs in the Roslyn Building at a charge of $1 per year.

29. ***General Fund Agency Contributions:*** These expenditures appear in Section 3 Page 55 and reflect a continuation level of funding.

30. ***Assessable Tax Base:*** Our Assessable Base for the coming year is projected to increase 0.9%. This follows the 10.3% decrease we experienced in the current year as a result of the December, 2010 Triennial Reassessment of Real Estate. A history of annual changes in our Assessable Base appears on Page 6 of Section 7.

PROPERTY TAX

REAL PROPERTY TAX RATE
PER $100 OF ASSESSED VALUE

	1982/1983 Rate *	2012/2013 Rate	Change $	Change %
City	$ 0.668	$ 0.788	$ 0.120	18.0%
County *	0.667	0.823	0.156	23.4%
State	0.084	0.112	0.028	33.3%

* Assumes County rate remains stable from current year and reflects the 0.125 cent rate reduction for County residents living in the City due to tax differential that began in FY 2010/11. Prior to FY 2010/11, the tax differential was given to the City in the form of a tax rebate. The FY 1982/83 County rate has been lowered by the 0.125 rate reduction for comparability purposes.

As mentioned earlier in the message, the real estate tax rate is proposed to remain unchanged from FY 2011/12 at $0.788 per $100 of assessed value. The table above compares City, County, and State tax rates since the City adopted its current City Charter. In this period City property tax rates have increased less than the County or State rates.

GENERAL FUND CAPITAL INVESTMENT

The following table summarizes our history of General Fund capital investment since FY1996/97.

Fiscal Year	Capital Outlay	Approriation To CIP Fund	Total
1996/1997	$ 151,139	$ 1,349,610	$ 1,500,749
1997/1998	167,683	836,500	1,004,183
1998/1999	84,894	428,001	512,895
1999/2000	371,221	1,146,484	1,517,705
2000/2001	117,839	754,070	871,909
2001/2002	112,988	597,301	710,289
2002/2003	211,417	888,160	1,099,577
2003/2004	187,480	614,800	802,280
2004/2005	202,262	1,061,767	1,264,029
2005/2006	161,135	1,090,294	1,251,429
2006/2007	186,154	985,262	1,171,416
2007/2008	201,312	1,267,000	1,468,312
2008/2009	164,018	1,179,314	1,343,332
2009/2010	45,781	397,563	443,344
2010/2011	69,225	666,506	735,731
Estimated Actual:			
2011/2012	106,349	311,900	418,249
Proposed Budget:			
2012/2013	133,495	882,759	1,016,254
Projected:			
2013/2014	200,000	1,092,983	1,292,983
2014/2015	200,000	1,189,395	1,389,395
2015/2016	200,000	1,728,255	1,928,255
2016/2017	200,000	2,201,500	2,401,500

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 capital projects funding so that the City's assets and infrastructure are replaced and maintained for our citizens' safety and recreational needs.

BONDED DEBT OUTSTANDING

In FY 2011/12 we project borrowing $4,822,950 in Water Fund debt and $3,227,473 in Waste Water fund debt. In FY 2012/13 we propose to issue $6,295,000 of Water Fund debt, $1,695,000 of Waste Water Fund debt, and $100,000 of Parking Fund debt. These proposed capital expenditures are described in detail in the Capital Improvement Program (Section 9) and in the Enterprise Funds (Section 4).

The following table illustrates the balance of bonded debt outstanding at the end of each fiscal year since FY 1998/99. It is separated into tax supported general bonded debt and self-supporting enterprise fund debt for the City's Electric, Water, Wastewater, Parking, and Property Management funds.

Fiscal Year	Total Bonded Debt	General Tax Supported	Self-Supporting Enterprise
1998/1999	$ 30,244,293	$ 10,121,215	$ 20,123,078
1999/2000	31,033,591	9,420,333	21,613,258
2000/2001	31,287,614	8,673,737	22,613,877
2001/2002	30,813,068	7,918,021	22,895,047
2002/2003	28,343,504	7,203,628	21,139,876
2003/2004	28,429,079	7,741,852	20,687,227
2004/2005	31,011,741	11,642,712	19,369,029
2005/2006	31,842,647	9,836,534	22,006,113
2006/2007	40,078,392	16,120,194	23,958,198
2007/2008	39,691,668	14,835,434	24,856,234
2008/2009	39,436,600	13,442,607	25,993,993
2009/2010	62,314,151	20,457,426	41,856,725
2010/2011	63,755,733	18,695,138	45,060,595
2011/2012 Estimated Actual	67,021,004	17,461,301	49,559,703
2012/2013 Proposed Budget	73,374,103	18,878,793	54,495,310
12 Year Increase in Outstanding Debt	**$ 42,086,489**	**$ 10,205,056**	**$ 31,881,433**

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 policy which is included as part of the fiscal policies section of this document to ensure it prudently and responsibly manages its debt. While the City issues general obligation bonds for its utilities to lower interest costs, this debt is considered self-supporting from utility user charges. Only non-utility general obligation financing bonds are considered to be tax supported.

As the table below demonstrates, the City's debt is still well below the limits established in the City's debt policy.

TAX SUPPORTED GENERAL OBLIGATION DEBT RATIOS

Fiscal Year	Percent of Assessed Value	Debt Per Capita	General Fund Debt Service as % of General Fund Operating Revenue
1998/1999	0.79%	$ 286	5.40%
1999/2000	0.71%	257	4.90%
2000/2001	0.63%	237	4.70%
2001/2002	0.54%	215	4.60%
2002/2003	0.48%	194	4.30%
2003/2004	0.51%	206	3.60%
2004/2005	0.71%	310	3.70%
2005/2006	0.54%	257	4.77%
2006/2007	0.77%	413	4.73%
2007/2008	0.01%	371	5.42%
2008/2009	0.53%	333	5.16%
2009/2010	0.74%	511	5.25%
2010/2011	0.71%	511	6.41%
2011/2012 Estimated Actual	0.79%	511	6.94%
2012/2013 Proposed Budget	0.78%	511	5.52%
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 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13	Percent Change
Property Taxes	$ 24,863,333	$ 24,487,538	$ 24,897,083	0.1%
State and County Shared Taxes	3,241,959	3,214,649	3,203,771	-1.2%
Charges for Current Services	3,125,061	3,071,042	3,130,620	0.2%
Interdepartmental Charges	2,107,000	2,031,000	2,107,000	0.0%
Licenses & Permits	1,575,575	1,649,061	1,544,450	-2.0%
Fines & Forfeitures	242,525	203,905	730,270	201.1%
Transfers from Other Funds	236,000	325,844	256,000	8.5%
Contributions & Donations	105,417	123,249	118,471	12.4%
Interest Income	55,000	55,000	55,000	0.0%
Intergovernmental Revenue	188,979	215,281	175,000	-7.4%
Other General Revenue	248,987	260,860	517,749	107.9%
Total Current Revenue	**$ 35,989,836**	**$ 35,637,429**	**$ 36,735,414**	**2.1%**

The major revenue changes between budgets are as follows:

- Property Tax assessments are expected to increase from $2.585 billion in FY 2011/12 to $2.609 billion for FY 2012/13, or a 0.9% increase in the assessable base. The current tax rate of $0.788 per $100 in assessed value is recommended to be maintained for FY 2012/13. Real estate taxes are estimated at $19.5M and business personal property taxes at $2.6M.

- The State and County Shared Taxes 1.2% decrease from the 2011/12 budget is primarily due to Highway User Revenues now being allocated 100% to the CIP Fund in FY2012/13 for the City's pavement preservation program.

- Overall Charges for Current Services are proposed to remain relatively flat for FY 2012/13.

- The 107.9% ($268,762) increase in Other General Revenue is primarily due to the planned resumption of the fire incident response fees and the auto accident response fee.

- Transfers from Other Funds is higher by $20,000 because FY 2012/13 includes an increase in the transfer from the City's Workers Compensation Internal Service Fund to offset the Injured Workers Insurance Fund's decision to breakout Fire and Police employees separately from other field personnel and charge a higher rate to insure these employees.

- The 201.1% ($487,745) increase in Fines and Forfeitures reflects the new fine for automatic speed camera enforcement.

COST BY FUNCTION

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

	Revised Budget 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13	Percent Change
Police	$ 10,302,373	$ 9,981,266	$ 11,174,966	8.5%
Fire	5,861,226	6,001,929	6,049,162	3.2%
Total Public Safety	16,163,599	15,983,195	17,224,128	6.6%
Engineering, Parks & Recreation	3,251,715	3,277,489	3,268,217	0.5%
Street, Alleys & Signal	3,200,318	3,163,154	3,197,404	-0.1%
Community & Economic Dev.	3,027,322	3,173,181	3,167,493	4.6%
Debt Service	2,539,853	2,472,463	2,026,747	-20.2%
Waste Collection & Disposal	2,130,557	2,143,691	2,003,191	-6.0%
Technology & Support Services	978,150	1,099,930	1,113,125	13.8%
Retiree Benefits	1,024,000	1,024,000	1,112,021	8.6%
CIP Appropriations	327,700	311,900	882,759	169.4%
Finance	690,985	683,834	639,020	-7.5%
Human Resources	454,383	452,213	466,154	2.6%
City Hall	275,785	282,924	293,765	6.5%
Contributions to Other Agencies	269,465	269,465	273,490	1.5%
Legal Counsel	243,700	227,200	260,000	6.7%
Unallocated Expenses/Transfers	742,533	509,005	220,302	-70.3%
City Administrator	203,631	204,391	200,800	-1.4%
Mayor & Council	170,580	182,566	181,200	6.2%
City Clerk	164,943	159,874	133,939	-18.8%
Registration & Elections	2,400	2,400	2,100	-12.5%
Total	**$ 35,861,619**	**$ 35,622,875**	**$ 36,665,855**	**2.2%**

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

The General Fund expenditures by function reflect the following:

- Debt Service reflects an overall decrease of 20.2% from the prior year due to the payoff or impending payoff of several prior debt issues.
- CIP Appropriations reflects an expected increase due to the reinstatement of expenditures for vehicle and equipment purchases.
- Legal Counsel includes additional funds for specialized consulting services to assist with the renewal of the City's Cable TV Franchise Agreement.
- The City Clerk budget includes additional funds for updating the City Code.
- The Police department budget includes added funding for contract fees associated with automated speed camera enforcement.
- The Technology and Support Services department budget includes funding for a new Information Technology position to support increased technological needs of departments.
- All other increases are attributable to a 7.7% increase in Health and Dental insurance premiums, restoration of capital outlay for computer purchases and the reinstatement of training and education for staff professional development.

EXPENDITURES BY TYPE

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

	Revised Budget 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13	Percent Change
Base Wages	$ 15,981,938	$ 15,552,945	$ 15,861,959	-0.8%
Additional Wages	784,684	856,688	900,480	14.8%
Total Wages	16,766,622	16,409,633	16,762,439	0.0%
Employee Benefits	7,145,411	7,206,080	7,504,143	5.0%
Total Wages and Benefits	23,912,033	23,615,713	24,266,582	1.5%
Contracted Services	3,464,543	3,707,785	3,800,571	9.7%
Materials, Supplies & Utilities	2,179,255	2,189,631	2,307,351	5.9%
Debt Service	2,539,853	2,472,463	2,026,747	-20.2%
Vehicle Operating Expenses	820,905	869,093	888,532	8.2%
Maintenance & Repairs	634,797	639,813	665,068	4.8%
Unallocated General Expenses	604,565	604,565	608,590	0.7%
Other Expenses	644,597	587,138	549,064	-14.8%
Transfers to Other Funds	507,533	504,005	415,302	-18.2%
Advertising & Printing	309,210	320,025	312,678	1.1%
Insurance	309,364	196,213	275,387	-11.0%
Communication Expenses	165,914	246,565	262,638	58.3%
Professional Development	56,568	68,110	137,760	143.5%
Rentals	85,157	81,405	81,405	-4.4%
Capital Expenditures	419,470	418,249	1,016,254	142.3%
Reimbursements/Allocations	(792,142)	(898,099)	(948,074)	19.7%
Total Expenditures	**$ 35,861,622**	**$ 35,622,674**	**$ 36,665,855**	**2.2%**

Compared with the previous year, the major General Fund expenditures in the proposed budget are as follows:

- The $354,549 (1.5%) increase in Total Wages & Benefits due to a 7.7% increase in health and dental insurance offset by a decrease in retirement costs. Reimbursements/Allocations have also increased

- The $92,231 (-18.2%) decrease in Transfers to Other Funds is due to a decrease in transfers out to the Special Revenue Grant Fund as grant funding sources from the State and Federal Government have decreased.

- The $81,192 (143.5%) increase in Professional Development is due to the reinstatement of training and educational benefits for staff professional development.

- The $596,784 (142.3%) increase in Capital Expenditures is related to the restoration of funding for vehicle and equipment purchases.

ENTERPRISE FUNDS

ELECTRIC FUND

	Revised Budget 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13
Operating Revenues	$ 26,418,009	$ 28,661,205	$ 27,565,284
Operating Expenses	26,559,355	28,745,353	27,543,664
Operating Income (Loss)	(141,346)	(84,148)	21,620
Non-operating Revenues (Exps)	167,123	170,968	163,500
Capital Contributions & Grants	100,000	126,000	170,000
Transfers In (Out)	(55,000)	(55,000)	(40,000)
Operating Income (Loss)	70,777	157,820	315,120
Add Back Depreciation	1,032,200	915,790	950,200
Capital Outlay	(848,000)	(427,903)	(890,000)
Repayment of Debt Principal	(45,875)	(45,875)	(21,638)
Deduct Non-Cash Capital Contrib.	(100,000)	(126,000)	(170,000)
Net Surplus (Deficit)	**$ 109,102**	**$ 473,832**	**$ 183,682**

Compared with the previous year, the major revenue changes in the proposed budget are:

- No electric rate increases have been projected for FY 2012/13. The proposed budget reflects the fifth year of a power supply contract with Allegheny Energy.

- Sales of electric revenues are decreasing due to the decline in economic activity. Also FY2012/13 revenues reflect the expected loss of Unilever Breyers Good Humor Ice Cream.

The major expenditure changes in the proposed budget are as follows:

- The $890,000 Capital Outlay Program includes ($106,000) for the library project, ($172,000) for various new development projects, ($50,000) in Building & Site Improvements, and ($40,000) for vehicle replacement.

- The expected closing of Unilever Breyers Good Humor Ice Cream, will reduce purchased power costs for FY 2012/13.

WATER FUND

	Revised Budget 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13
Operating Revenues	$ 9,733,360	$ 10,068,266	$ 10,540,797
Operating Expenses	9,370,880	9,413,276	9,744,459
Operating Income (Loss)	362,480	654,990	796,338
Non-operating Revenues (Exps)	(442,617)	(428,218)	(413,666)
Capital Contributions & Grants	650,000	600,000	600,000
Gain on Fixed Asset Disposal	-	2,500	2,500
Transfers In (Out)	(55,000)	(55,000)	(40,000)
Operating Income (Loss)	514,863	774,272	945,172
Add Back Depreciation	1,804,600	1,804,600	1,831,700
Capital Outlay	(4,131,606)	(3,710,000)	(7,362,000)
Repayment of Debt Principal	(1,546,187)	(1,494,761)	(1,337,658)
Deduct Non-Cash Capital Contrib.	(500,000)	(600,000)	(600,000)
Bond Proceeds	3,115,800	4,833,950	6,295,000
Benefit Charge Funds	1,026,116	1,078,245	871,657
Net Surplus (Deficit)	**$ 283,586**	**$ 2,686,306**	**$ 643,871**

Compared with the previous year, the major revenue changes in the proposed budget are:

- Annual rate increases have been approved for FY 2012/13 through 2013/14. The increase effective July 1, 2012 is 5% for inside customers and 6.5% for outside customers. The increase is part of a multi-year plan insure the fund continues to be self-supporting and to fund necessary infrastructure improvements.

- The City is anticipating borrowing about $6.3 million for various Water Fund projects. Approximately $4.1 million is anticipated from MDE for R.C. Willson Plant – Phase IV ($4,000,000) and Breichner Wastewater Treatment Plant Improvements ($50,000). Approximately $2.2 million is anticipated from City Bonds for Distribution Services ($1.2 million), SCADA Water System Improvements ($415,000), Distribution Equipment ($350,000), and R.C. Willson Plant and Pump Station Improvements ($310,000).

The major expenditure changes in the proposed budget are as follows:

- The FY 2012/13 budget includes $1.1 million for other capital and system improvements.

- Operating Expenses include increases in chemical, material, and utility costs. No additional staffing or increases in wages is projected.

WASTEWATER FUND

	Revised Budget 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13
Operating Revenues	$ 9,808,165	$ 10,127,925	$ 10,523,025
Operating Expenses	11,617,141	11,680,700	11,819,968
Operating Income (Loss)	(1,808,976)	(1,552,775)	(1,296,943)
Non-operating Revenues (Exps)	(449,105)	(397,349)	(393,957)
Capital Contributions & Grants	-	1,747,266	100,000
Transfers In (Out)	(55,000)	(55,000)	(40,000)
Operating Income (Loss)	(2,313,081)	(257,858)	(1,630,900)
Add Back Depreciation	2,355,000	2,355,000	2,400,000
Capital Outlay	(1,123,000)	(3,143,471)	(2,220,000)
Repayment of Debt Principal	(1,713,146)	(1,662,366)	(1,623,343)
Bond Proceeds	962,000	3,227,473	1,695,000
Benefit Charge Funds	880,000	600,000	700,000
Net Surplus (Deficit)	**$ (952,227)**	**$ 1,118,778**	**$ (679,243)**

Compared with the previous year, the major revenue changes in the proposed budget are:

- Annual rate increases have been approved for FY 2012/13 through 2013/14. The increase effective July 1, 2012 is 5% for inside customers and 3.0% for outside customers. The increase is part of a multi-year plan to insure the fund continues to be self-supporting and to fun necessary infrastructure improvements.

- The City is anticipating borrowing $1,695,000 for Wastewater Fund projects. A City bond issue is planned for $1,345,000 for various capital improvement needs.

The major expenditure changes in the proposed budget are as follows:

- Capital Outlay includes continuation of a multi-year collection system improvement plan to reduce infiltration and inflow into the wastewater system ($400,000), vehicle replacements ($580,000), various plant equipment replacement needs ($465,000) and other system improvements.

- Operating Expenses reflect higher anticipated chemical and utility costs related to the new enhanced nutrient removal process.

PARKING FUND

	Revised Budget 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13
Operating Revenues	$ 874,430	$ 815,600	$ 840,080
Operating Expenses	621,870	623,242	603,328
Operating Income (Loss)	252,560	192,358	236,752
Non-operating Revenues (Exps)	(91,602)	(81,968)	(69,923)
Transfers From General Fund	35,000	35,000	-
Operating Income (Loss)	195,958	145,390	166,829
Add Back Depreciation	203,000	206,047	208,000
Capital Outlay	(35,000)	(33,735)	(125,000)
Repayment of Debt Principal	(362,448)	(362,448)	(171,754)
Bond Proceeds	-	-	100,000
Net Surplus (Deficit)	**$ 1,510**	**$ (44,746)**	**$ 178,075**

The major revenue changes are as follows:

- Operating Revenues reflect the effects of the sluggish economy on the downtown area, as well as the loss of monthly parkers, and the impact of the hospital relocation.

The major expenditure changes in the proposed budget are as follows:

- Operating Expenses include a continuation of operations.

- The sluggish economy and loss of the Washington County Hospital customers requires the General Fund to provide a $35,000 transfer in FY 2011/12 to partially cover debt service payments. The maturity of the North Potomac Street Parking Deck bond borrowing in FY2012/13 will eliminate the need for future transfers from the General Fund.

GOLF COURSE FUND

	Revised Budget 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13
Operating Revenues	$ 214,902	$ 153,286	$ 183,938
Operating Expenses	392,609	379,370	376,707
Operating Income (Loss)	(177,707)	(226,084)	(192,769)
Non-operating Revenues (Exps)	1,000	100	146
Transfers From General Fund	175,000	175,000	175,000
Operating Income (Loss)	(1,707)	(50,984)	(17,623)
Add Back Depreciation	21,060	21,060	21,692
Capital Outlay	(50,000)	(50,000)	(25,000)
Bond Proceeds	40,000	40,000	-
Net Surplus (Deficit)	**$ 9,353**	**$ (39,924)**	**$ (20,931)**

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

- Substantial renovations and upgrades were made to the Clubhouse in FY2011/12 to attract more golfers. Included in the renovations were: concession area improvements with an expanded food menu; an outside deck to allow patrons time to relax and enjoy the view of the golf course greens; and exterior changes that include an increased roof pitch and a modern facade.

- Mayor and Council approved a rate increase effective July 1, 2012. However, based on current trends, revenue is estimated lower than FY12 revised budget.

- FY13 operating expenses are expected to be lower than the FY12 budget due to improved utilization of assigned personnel across other parks and recreation departments when seasonal slowdowns that occur at the Golf Course.

- Capital Outlay includes $25,000 to replace the 20 year old truck that was deferred in the FY12 budget.

PROPERTY MANAGEMENT FUND

	Revised Budget 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13
Operating Revenues	$ 332,162	$ 352,463	$ 368,325
Operating Expenses	349,965	434,982	402,130
Operating Income (Loss)	(17,803)	(82,519)	(33,805)
Non-operating Revenues (Exps)	2,234	10	500
Capital Contributions & Grants	50,000	50,000	205,000
Transfers From CDBG Fund	397,561	572,658	320,000
Transfers From CIP Fund	475,000	475,000	-
Operating Income (Loss)	906,992	1,015,149	491,695
Add Back Depreciation	82,000	82,000	85,000
Capital Outlay	(952,561)	(912,658)	(555,000)
Repayment of Debt Principal	(36,885)	(36,865)	-
Net Surplus (Deficit)	**$ (454)**	**$ 147,626**	**$ 21,695**

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

- Operating Revenues reflect nine leases from the Elizabeth Hager Center, three leases from the Roslyn Building, and a shared-use agreement for the stair tower adjacent to the Clock Tower Building in Public Square. We conservatively projected that we may lose $26,600 in FY12 before we find replacement tenants.

- Capital Outlay includes $150,000 for renovation costs for the Hagerstown Small Business Center (formerly the CVS building), $375,000 for the creation of the Artists Lofts & Gallery located at 36-40 North Potomac Street, and $30,000 for the Elizabeth Hager Center for replacement of the HVAC units and other necessary facility expenditures.

SPECIAL REVENUE FUNDS

C.D.B.G. FUND

	Revised Budget 2011/12	Estimated Actual 2011/12	Proposed Budget 2012/13
CDBG Grant Revenues	$ 1,168,884	$ 1,155,799	$ 1,526,231
Program Income - Principal	$ 235,000	$ 285,000	$ 174,753
Other Revenues	2,500	-	-
Total Revenues	1,406,384	1,440,799	1,700,984
Acquisition	235,003	235,000	220,000
Commercial/Industrial Improvements	135,000	130,000	100,000
Clearance & Demolition	100	-	45,000
Public Facilities & Improvements	340,507	324,658	236,000
Public Services	164,250	164,287	135,213
Housing	568,500	327,500	710,000
Administration	163,667	195,161	170,123
Total Expenses	1,607,027	1,376,606	1,616,336
Net Change in Fund Balance	**$ (200,643)**	**$ 64,193**	**$ 84,648**

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

- The new entitlement grant for FY2012/13 is $661,780, down an anticipated 21% from the current year due to expected cuts in Federal funding. This new grant money, remaining grant funds that have not been drawn down as of June 30, 2012, and program income will be used to fund FY2012/13 projects.

- The FY2012/13 program income of $174,753 is primarily CDBG loan repayments.

Compared with the previous year, the major expenditure changes in the proposed budget are:

- Public Services, which are still close to the maximum 15% of C.D.B.G .new entitlement revenue and the prior year program income, are proposed to have a 15% reduction.

- Housing expenditures of $710,000 include funds for increased loan and housing improvement activities including $270,000 for City-Owned Housing Rehabilitation and $303,000 for the Single Family and Residential Rental Loan programs.

- Public Facilities & Improvements include funds for handicap ramps ($40,000), neighborhood development ($50,000) and neighborhood parks ($86,000).

- Administration costs are considerably lower to stay within a 20% cap through a restructuring of CDBG and elimination of positions.

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 business and home ownership in the City Center. Revenues in this fund for consist of interest revenue from investments and a transfer from the General Fund to assist in carrying out the strategic revitalization efforts such as building rehabilitation and/or acquisition activities. Expenditures consist of costs for administration, PEP Upper Floors Rent Assistance program, Downtown Residency Initiative, and potential future downtown property acquisitions for redevelopment purposes.

BUSINESS REVOLVING LOAN FUND. These funds are designed to assist in the recruitment, retention and expansion of businesses within the City of Hagerstown. The Business Revolving Loan Fund was initially funded through a grant from the MD Department of Business and Economic Development and City Community Betterment Funds. This program provides financing for new and expanding businesses for working capital, equipment and rehabilitation. For FY2012/13 it is anticipated that program income will allow $200,000 in new loans to be made.

UPPER FLOORS REDEVELOPMENT FUND. This program provides assistance to install elevators and other equipment necessary to make the upper floors of existing downtown buildings attractive for residential or business use. In FY2012/13, the fund balance of $300,000 is proposed to be transferred to and consolidated with the Business Revolving Loan Fund.

TELEWORK CENTER FUND. The Telecommunications Center Fund was established to account for activities related to the City's participation in the federal government's telecommunication work center pilot program. The activities were primarily funded by a federal operating grant and user fees and were self supporting. After March 31, 2012, the federal General Services Administration (GSA) has advised it would stop paying the cost of operating and leasing the center. Therefore, the City closed the center and transferred fund balance to the General Fund prior to the beginning of FY2012/13.

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 for offsite forestation activities. During FY2012/13 the proposed budget anticipates $26,000 being available for transfer to the CIP Fund for street trees and other forestation activities.

EMPLOYEE FLEXIBLE SPENDING FUND. The Employee Flexible Spending Fund was established to account for the employee contributions into a pre-tax unreimbursed medical and dependent care fund. Funds are transferred into this fund on a pre-tax basis for employees who participate in the FSA Program for reimbursed medical and dependent care costs. The City savings in social security and Medicare cost from this pre-tax funding are used to pay for the program's administrative costs. For FY2012/13, $6,000 is proposed for transfer to the General Fund for employee activities.

EXCISE TAX FUND. The Excise Tax Fund was established to account for the City share of the County Excise Taxes collected by the City. The Excise Taxes may be used only for specific purposes and are tracked in order to comply with the purposes permitted. The permitted purposes include: roads, new construction or development of parks and recreational facilities, new construction or development of water and wastewater infrastructure, and new construction or development of public safety facilities.

For FY2012/13 an estimated $139,500 in new excise tax revenue is expected to be received and $480,000 is proposed to be transferred to the CIP for the bridge repair program ($290,000), Frederick Street Culvert widening ($150,000), Kiwanis Park ($20,000), Oswald Park ($10,000), and the City Park Irrigation System ($10,000).

SPECIAL REVENUE GRANT FUND. The Special Revenue Grant Fund was established to account for operating grants from various federal, state, and local agencies. The fund allows the grant revenues and expenditures to be tracked separately by grant project or program. Local matches, if required are shown as transfers in from other funds. For FY2012/13, $325,763 in grant revenues are expected to be received, requiring a transfer of $40,302 from the General Fund as local matching funds for the grants.

SERVICE AND TRUST FUNDS

In addition to the Enterprise and Governmental Funds, the City has established three internal service funds and one trust fund.

WORKERS COMPENSATION FUND. The fund was created in 1995 to help smooth potential large fluctuations in the City worker's compensation cost that might occur under a large deductible insurance program the City used from September 1, 1995 through 1998. Since September 1, 1998, the City has been using a traditional 100% coverage insurance program. The fund serves as a conduit to collect premium charges based on the payroll of each department. The actual medical claims, processing fees, and premium to the insurance carrier are then paid from this fund. The City experienced a large increase in the expected premium rates for its police and fire employees for 2012/13. It is hoped that this increase can be mitigated through negotiation or bidding the insurance. An operating transfer to the General Fund in 2012/13 of $250,000 has been proposed to offset the impact of the higher proposed rates.

HEALTH CARE FUND. The 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 a specific stop loss for each individual covered. 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. For FY 2012/13 City departments, employees and retirees are expected to pay $6.1M in premium billings and other revenues which will be used to pay expected program costs of $6.1M for claims, insurance and other administrative costs.

The Health Care Fund also includes continued funding for Other Post-Employment Benefits (OPEB) future liabilities. The 2012/13 proposed budget reflects $650,000 to continue funding the City's estimated Annual Required Contribution (ARC) that is needed to fund future liabilities associated with retiree health care benefits. The City has continued to fund its annual required contribution towards its OPEB liabilities unlike many other state and local governments.

DENTAL CARE FUND. The fund was created in 2006 to manage a self-insurance program for dental care. Under the self-funded plan, the City pays a standard monthly administrative fee for each covered member and process claims up to a $2,000 limit for each individual covered. Administratively, all City departments are billed pre-established internal "insurance" rates for their department employees, retirees, and dependents. These billings represent the funding source for the Dental Care Fund from which all dental care related administrative and medical reimbursement costs are paid. The 2012/13 proposed budget includes $384,000 in expected claim and administrative costs.

BLOOM-CARLILE TRUST FUND. The 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 income earned on investment of the fund is being used to provide assistance to the poor and needy of Hagerstown. The proposed Bloom-Carlile Fund budget for FY 2011/12 includes interest revenues of $100, $2,575 in audit fee expenditure, and expenditures administered through the Community Action Council totaling $4,800.

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:

October 21 - November 16, 2011	Review of Department CIP requests with Department Managers
November 22, 2011	First Public Hearing on Community Development funding needs.
January 31, 2012	Mayor and Council Budget Work Session and review of budget projections and FY2012/13 Preliminary Budget Plan
January 23 - January 27, 2012	Department budget requests and start of review meetings between Department Managers and Budget Committee.
February 15, 2012	Began prioritizing department requests and developing City Administrator adjustments.
February 28, 2012	Began meeting with departments to review proposed adjustments, obtain their further input and agreement on adjustments.
March 31, 2012	City Administrator's Proposed Budget submitted to Mayor and City Council.
April 5 – May 22, 2012	Mayor and City Council review of Proposed Budget and Capital Improvement Program.
May 8, 2012	Public Hearing on Budget and Capital Improvement Program; property tax rates; and second public hearing on Community Development funding needs.
May 15, 2012	Introduction of Ordinances
May 22, 2012	Adoption of budgets and CIP for all funds; set tax rate.

DISTINGUISHED BUDGET PRESENTATION AWARD

This was the eighth consecutive year that the Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Hagerstown, Maryland for its annual budget for the fiscal year beginning July 1, 2011. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operating guide, as a financial plan, and as a communications device.

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

ACKNOWLEDGEMENTS

This budget reflects the efforts of a dedicated group of Department Managers and staff. They have contributed creativity, initiative, and many hours toward the programs and projects proposed in this budget. I am appreciative of their efforts.

Preparation of the budget always draws heavily on City staff throughout the organization. I wish to especially acknowledge Michelle Burker and Michelle Hepburn for guiding the budget preparation process. Angie Ludeman, Rana Rose, and Erica Bonilla assisted in researching and preparing the budget. They deserve much credit for the many hours they spent in coordinating and preparing this document. Nelia Tidler assisted in the preparation of utility revenue projections as well as reviewing and analyzing all of the utility fund budgets. Karen Paulson provided oversight on personnel and fringe benefit budget issues. Credit should be given to Dani Frye for assisting with preparation of the budget message. The entire Finance staff deserves special acknowledgment for the extra hours they worked in assisting with and coordinating the production of this year's budget. These contributions have resulted in this comprehensive presentation of next year's budget.

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

Respectfully submitted,

Bruce Zimmerman

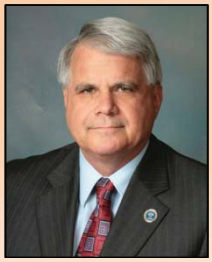
Bruce Zimmerman
City Administrator

Organizational Structure

City of Hagerstown Elected Officials

Mayor
Robert E.
Bruchey II

Councilmember
William M.
Breichner



Councilmember
Martin E.
Brubaker

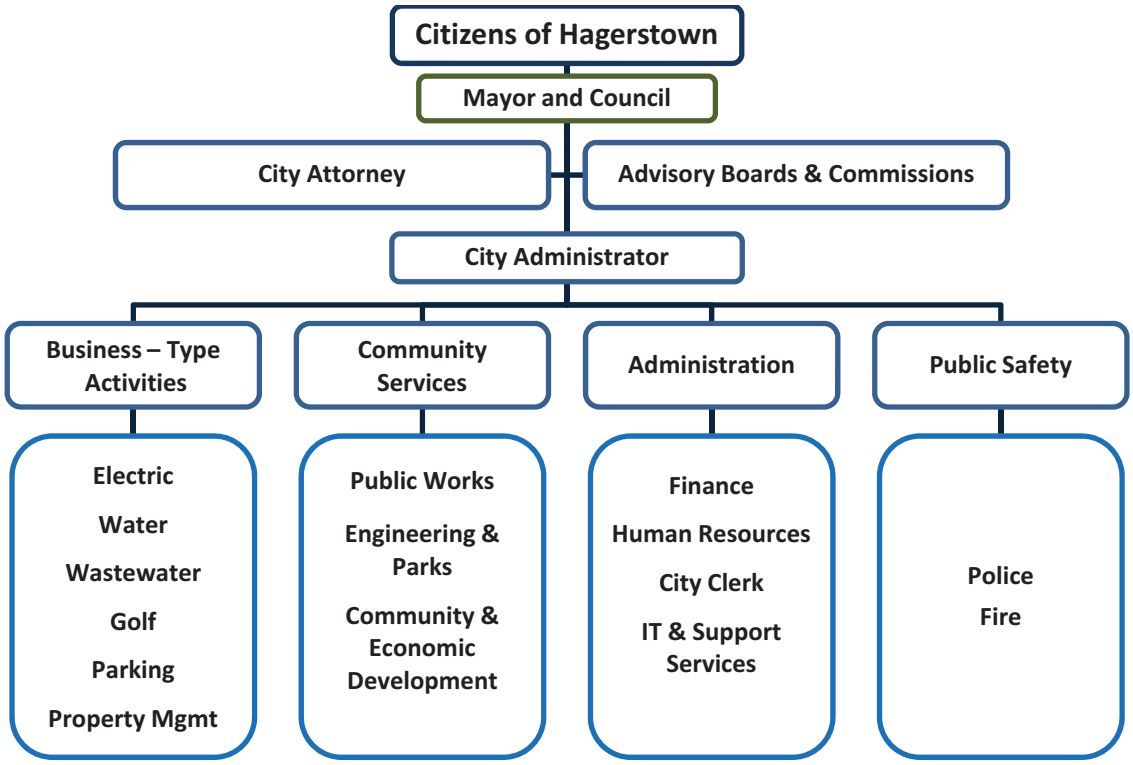
Councilmember
Forrest W.
Easton

Councilmember
Ashley C.
Haywood

Councilmember
Lewis C.
Metzner

City of Hagerstown Structure

Bruce J. Zimmerman, City Administrator



Through a mix of financial management policies, land use, and forecasting, the City will ensure stability by maximizing its current use of resources. To assist the City, a five year forecast of the City's General and Enterprise Funds is included in the City's budget document to show them the financial impact of their decisions. The Mayor and City Council began working on a new Strategic Plan in FY10 and formally adopted that Plan in September, 2010.

Vision Statement: Be the location of choice for a diverse and dynamic citizenry.
Mission Statement: To provide a proud and prosperous community.

A Prosperous Community

Goal Statement – Create incentives and programs to attract higher paying jobs, increase private sector investment, and market Hagerstown as the premier community for residential and economic development.

Objectives –

- Participate in a community partnership to develop a Parking Master Plan for Downtown by Fall, 2011 with the goal of identifying site and capacities for future parking facilities.
- Complete the Comprehensive Rezoning Plan by October, 2010.
- Examine the feasibility for revitalization of Municipal Stadium, or the construction of a new multi-functional stadium. October, 2010 – March, 2013.
- Begin a collaborative review with the County and State of the feasibility of a bridge over Antietam Creek at Professional Court and its relationship to future annexation and development. November 2010.
- Extend technology assets by January, 2012 to attract future business development in the City Center.
- Develop concept and feasibility plan for retail commercial business, and recreational use along Antietam Creek utilizing public/private partnerships. April, 2011.
- Identify innovative means of providing non-monetary support to local non-profit agencies through discussions with M&C.

A Vibrant, Active and Livable Community

Goal Statement – Focus on specific areas, buildings and projects that create a rich, social and culturally vibrant community

Objectives –

- Completion of the N. Potomac St. Sidewalk Project by September, 2010.
- Enhance the image of Hagerstown through the use of social networking and current media outlets by Fall, 2011.
- Development concept plan for adaptive Fairgrounds Park grandstand use. January, 2011.
- Identify development priorities and strategies for the East End in coordination with City's Planning Commission.
- Assist and support Washington County in the redevelopment of remaining lands of the Massey property to compliment the expansion of the Washington County Public Library.
- Development of "pocket parks" program as part of a Parks Strategic Plan Initiative. July, 2011.
- Complete commercial/residential redevelopment projects in City Center.
- Evaluate opportunities for establishment of a trolley service from outer edge destinations to City Center.
- Explore expansion of "trails" system to promote biking and walking throughout the City.

A Safe and Healthy Community

Goal Statement – Create and maintain a community that is safe, inviting, and environmentally healthy, with an emphasis on resource conservation.

Objectives –

- Implement approved recommendations from the Green Task Force by June, 2011.
- Completion of the West End Water Tank by December, 2010.
- Completion of Wastewater Treatment Plant ENR upgrade by December, 2010.
- Implement approved recommendations of the Trash and Recycling Task Force by December, 2011.
- Complete the engineering and bidding requirements for the R.C. Willson Transmission Water Main Replacement – Year 2013.
- Continue to create new governmental and community partnerships to improve Police and Fire services and reduce costs.
- Study benefit of red light and speed cameras for presentation to M&C by January, 2011.
- Planning and implementation of the public safety technology initiatives provided by the DOJ Technology Grant – November, 2011.
- Evaluation of optimal fire station locations and related operating requirements to enhance fire services and operating costs in collaboration with Washington County Fire & EMS. 2011-2012.
- Explore the establishment of a commission to study the revitalization of City/County waterways in collaboration with County/State agencies.

An Innovative and Sustainable Government

Goal Statement – Invigorate the organization, to identify techniques that allow services to be delivered in the most efficient and cost effective manner.

Objectives –

- Begin the process of developing recommendations by January 2011 to realign our resources and personnel to deliver services more efficiently and timely.
- Explore alternative retirement plans for non-safety personnel by September 2011.
- Implement the phases of employee/retiree healthcare reform beginning in July 2010-2018.
- Implement a paperless meeting system by Spring 2011.
- Develop a preliminary budget plan for FY11/12 by December 2010.
- Completion of MUNIS Municipal Operations project by Summer 2011.
- Propose initiatives to better service our lobby/phone/online customers. July 2011.
- Establishment of a Volunteer Corps as means of enhancing services.
- Explore opportunities for City/County partnerships to address mutually shared goals (ongoing).
- Implement approved revisions to the City's Ethics Code. June 2011.

COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	GOVERNMENTAL FUND TYPES	ENTERPRISE FUND TYPES	SERVICE AND TRUST FUNDS	COMBINED TOTALS
REVENUES				
General Property Taxes	$ 24,897,083	$ -	$ -	$ 24,897,083
State and County Shared Taxes	4,134,372	-	-	4,134,372
Licenses and Permits	1,544,450	-	-	1,544,450
Fines and Forteitures	730,270	-	-	730,270
Admissions, Fees and Rentals	3,130,620	50,021,449	7,265,030	60,417,099
Interdepartmental Charges	2,107,000	-	-	2,107,000
Federal, State and County Grants	7,795,301	-	-	7,795,301
Program Income	356,996			356,996
Interest Earned on Investments	60,075	165,975	18,590	244,640
Miscellaneous	656,720	23,000	115,000	794,720
TOTAL REVENUES	**$ 45,412,887**	**$ 50,210,424**	**$ 7,398,620**	**$ 103,021,931**
EXPENDITURES				
General Government	5,810,990	-	-	5,810,990
Public Safety	18,824,892	-	-	18,824,892
Streets and Alleys	2,684,074	-	-	2,684,074
Sanitation, Health and Welfare	2,003,191	-	-	2,003,191
Parks and Recreation	2,318,123	-	-	2,318,123
Economic and Community Development	509,266	-	-	509,266
Unallocated General Expense	1,190,511	-	-	1,190,511
Debt Service - Principal and Interest	2,026,747	4,054,268	-	6,081,015
Operating Expenses	20,705,136	50,490,256	7,402,410	78,597,802
TOTAL EXPENDITURES	**56,072,930**	**54,544,524**	**7,402,410**	**118,019,864**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	**(10,660,043)**	**(4,334,100)**	**(3,790)**	**(14,997,933)**
OTHER FINANCING SOURCES(USES)				
Add Back Net Depreciation	-	5,496,592	-	5,496,592
Bond and Lease Proceeds	2,855,333	8,090,000	-	10,945,333
Bond Prior Proceeds - Reprogrammed	90,000	-	-	90,000
Change in Restricted Cash	-	219,529	-	219,529
Capital Contributions	-	2,327,128	-	2,327,128
Operating Transfers In	2,011,061	495,000	-	2,506,061
Contributions by Others	7,082,500	100,000	-	7,182,500
Prior Years Unexpended Fund Balance	608,400	-	-	608,400
Deduct Non-Cash Contributions	-	(770,000)	-	(770,000)
Capital Transfers (Out)	(1,388,759)	-	-	(1,388,759)
Operating Transfers (Out)	(721,302)	(120,000)	(250,000)	(1,091,302)
Capital Outlay	-	(11,177,000)	-	(11,177,000)
TOTAL OTHER FINANCING SOURCES(USES)	**10,537,233**	**4,661,249**	**(250,000)**	**14,948,482**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ (122,810)**	**$ 327,149**	**$ (253,790)**	**$ (49,451)**

(Cash Basis)

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE (ALL FUNDS)
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 ADOPTED	2012/13 % CHANGE
REVENUES BY TYPE					
Taxes	$ 30,499,623	$ 28,763,292	$ 28,380,566	$ 28,701,455	-0.2%
Charges for Services	65,593,506	58,576,587	59,226,662	59,753,406	2.0%
Licenses and Permits	1,558,515	1,578,075	1,649,061	1,544,450	-2.1%
Fines and Forfeitures	75,046	244,125	213,405	744,270	204.9%
Other Governmental	2,493,911	4,104,436	3,183,155	7,907,297	92.7%
Other / Transfers In	18,087,016	11,163,165	11,010,061	19,263,174	72.6%
Appropriated Fund Balance / Net Assets	(1,319,130)	3,672,490	6,964,763	10,630,634	189.5%
Total Current Revenues	**$ 116,988,487**	**$ 108,102,170**	**$ 110,627,673**	**$ 128,544,686**	**18.9%**
EXPENDITURES BY DEPARTMENT					
Mayor and City Council	$ 309,505	$ 337,923	$ 344,840	$ 317,239	-6.1%
City Administrator	396,333	447,331	431,591	460,800	3.0%
Finance	916,049	690,987	683,834	639,019	-7.5%
Information and Tech.	1,242,976	978,150	1,099,930	1,113,125	13.8%
Human Resources	461,683	454,383	452,213	466,154	2.6%
Community Planning and Development Services	1,764,821	1,824,724	1,892,431	2,003,579	9.8%
Public Works	2,835,851	2,957,125	2,941,004	2,977,839	0.7%
Community Development Block Grant	1,061,504	1,607,027	1,376,606	1,616,336	0.6%
Public Safety	18,078,424	17,809,499	17,670,602	18,824,892	5.7%
Culture and Recreation	2,134,693	2,290,221	2,383,828	2,318,123	1.2%
Engineering and Construction	3,217,583	3,167,728	3,135,769	3,029,765	-4.4%
Enterprise Funds	67,382,782	56,830,683	60,304,441	62,708,943	10.3%
Other Special Revenue Funds	8,921,320	9,476,341	9,214,311	9,140,653	-3.5%
Capital Improvement Projects Fund	2,418,340	4,326,497	4,109,440	18,412,900	325.6%
Non-Departmental General Fund	5,846,623	4,903,551	4,586,833	4,515,319	-7.9%
Total Expenditures	**$ 116,988,487**	**$ 108,102,170**	**$ 110,627,673**	**$ 128,544,686**	**18.9%**
				$ -	

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

The City 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 12.01 square miles; its population is 39,662 according to the most recent 2010 census.

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

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

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

FUND ACCOUNTING

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

GOVERNMENTAL FUNDS

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

Special Revenue Funds – These funds, such as the Community Development Block Grant Fund, Flexible Spending Fund, Economic Redevelopment Fund, Business Revolving Loan Fund, Excise Tax Fund, and Special Revenue 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, and Property Management Fund all operate as Enterprise Funds.

FIDUCIARY FUNDS

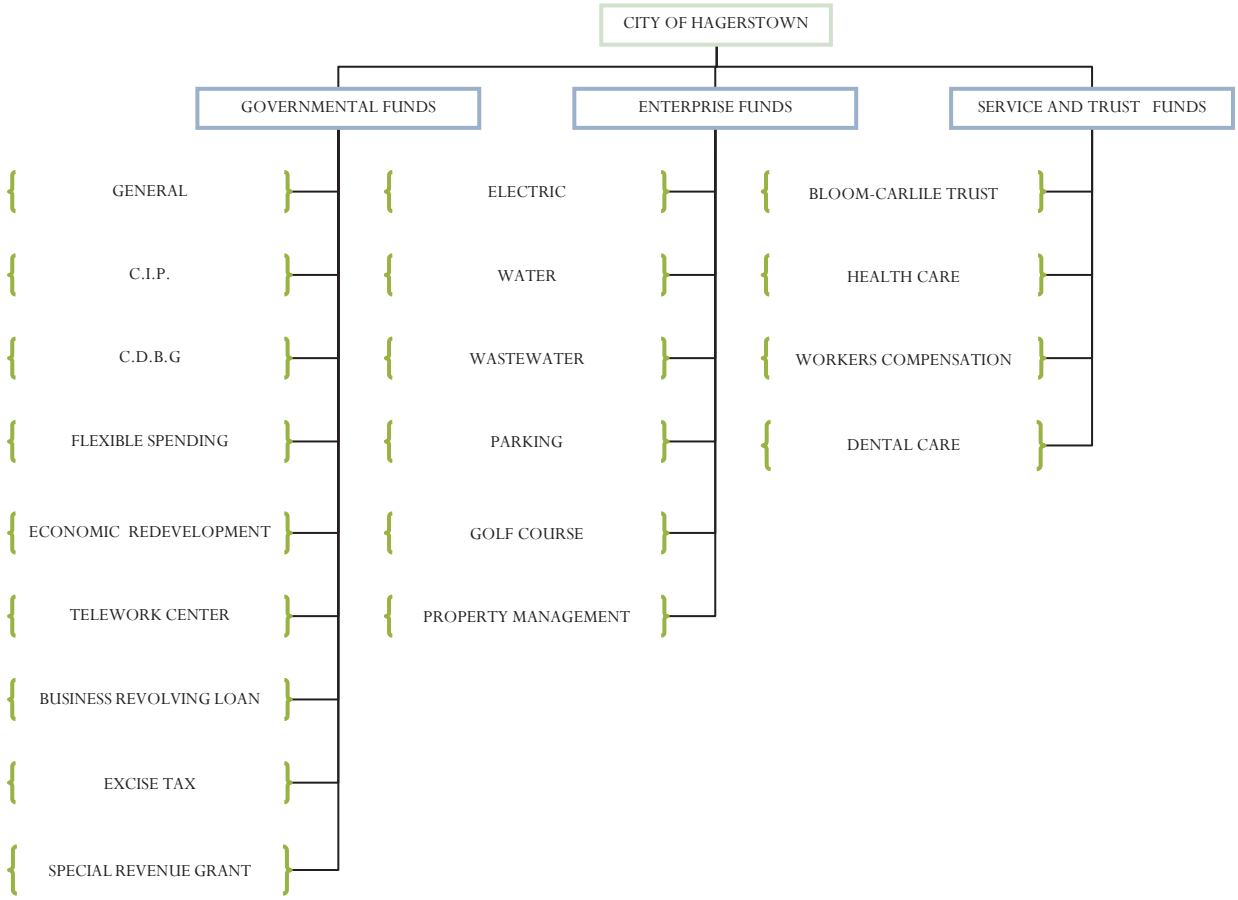
Trust Funds - These funds are used to account for assets held by the City in a trustee capacity. The Bloom-Carlile Trust Fund operates as a Trust Fund.

INTERNAL SERVICE FUNDS

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

BASIS OF ACCOUNTING AND BUDGETING

Basis of accounting and budgeting refers to when revenues and expenditures are recognized 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.



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 - 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 (C.D.B.G.) 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.

Telework Center Fund - This fund is used to account for activities related to the City's participation in the federal government's telecommunications work center pilot program. These activities are primarily funded by federal grants.

Explanation of Funds (continued):

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.

Special Revenue Grant Fund – This fund was created to account for operating grant revenues from various agencies – federal, state, and local.

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.

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.

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 HIF. It allocates to costs by billing a pre-established internal insurance rate for each fund's employees, retirees and dependents. This charge represents the funding sources for the HCF from which all health care related administrative and medical reimbursements costs are paid.

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.

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.

FIVE YEAR COMPARISON - STAFFING SCHEDULE

DEPARTMENT	FISCAL YEARS 2008/09 FULL-TIME	2008/09 PART-TIME	2009/10 FULL-TIME	2009/10 PART-TIME	2010/11 FULL-TIME	2010/11 PART-TIME	2010/11 FT POS. ELIMN'D	2010/11 FT POS. ADDED	2011/12 FULL-TIME	2011/12 PART-TIME	2012/13 FULL-TIME	2012/13 PART-TIME
Office of The Mayor	0.34	-	0.34	-	0.34	-	-	-	0.34	-	0.34	-
City Administrator	1.33	-	1.33	-	1.33	-	-	-	1.33	-	1.33	-
City Clerk	1.50	-	1.50	-	1.33	-	-	0.17	1.50	-	1.33	-
Community & Economic Development	25.83	7.00	25.83	7.00	26.17	7.00	(6.17)	3.00	23.00	7.00	23.50	7.00
Unfunded Positions	-	-	-	-	-	-			-	-	-	-
Total Funded Positions	25.83	7.00	25.83	7.00	26.17	7.00	(6.17)	3.00	23.00	7.00	23.50	7.00
Finance	13.00	2.00	13.00	2.00	10.00	-	(3.00)	1.75	8.75	-	8.75	-
Unfunded Positions	-	-	-	-	-	-			-	-	-	-
Total Funded Positions	13.00	2.00	13.00	2.00	10.00	-	(3.00)	1.75	8.75	-	8.75	-
IT & Support Services	10.00	-	10.00	-	13.60	-	(2.60)	1.00	12.00	-	12.00	-
Unfunded Positions	-	-	-	-	-	-			(1.00)	-	-	-
Total Funded Positions	10.00	-	10.00	-	13.60	-	(2.60)	1.00	11.00	-	12.00	-
Human Resources	4.00	4.00	4.00	4.00	4.00	5.00	-	-	4.00	3.00	4.00	3.00
Engineering & Parks	34.00	4.00	34.00	4.00	34.33	-	(6.33)	1.00	29.00	-	29.66	-
Unfunded Positions	-	-	-	-	(3.00)	-			(3.00)	-	(3.00)	-
Total Funded Positions	34.00	4.00	34.00	4.00	31.33	-	(6.33)	1.00	26.00	-	26.66	-
Police Sworn	107.00	-	105.00	-	105.00	-	(1.00)	1.00	105.00	-	105.00	-
Police Administrative/Civilian	24.00	6.00	13.00	6.00	13.00	6.00	(1.00)	1.00	13.00	6.00	13.00	6.00
Unfunded Positions	-	-	-	-	-	-			(8.00)	-	(8.00)	-
Total Funded Positions	131.00	6.00	118.00	6.00	118.00	6.00	(2.00)	2.00	110.00	6.00	110.00	6.00
Fire	83.60	-	83.60	-	83.60	-	(0.60)	-	83.00	-	83.00	-
Unfunded Positions	-	-	-	-	-	-			(8.00)	-	(8.00)	-
Total Funded Positions	83.60	-	83.60	-	83.60	-	(0.60)	-	75.00	-	75.00	-
Public Works	34.00	3.00	34.00	3.00	34.00	3.00	-	-	34.00	8.00	33.40	8.00
Unfunded Positions	-	-	-	-	-	-			(4.00)	-	(5.00)	-
Total Funded Positions	34.00	3.00	34.00	3.00	34.00	3.00	-	-	30.00	8.00	28.40	8.00
Total General Fund	**338.60**	**26.00**	**325.60**	**26.00**	**326.70**	**21.00**	**(20.70)**	**8.92**	**314.92**	**24.00**	**315.31**	**24.00**
Unfunded Total - General Fund	**-**	**-**	**-**	**-**	**(3.00)**	**-**			**(24.00)**	**-**	**(24.00)**	**-**
Total Funded Positions-General Fund	**338.60**	**26.00**	**325.60**	**26.00**	**323.70**	**21.00**	**(20.70)**	**8.92**	**290.92**	**24.00**	**291.31**	**24.00**
Electric	40.00	-	38.00	-	40.00	-	-	-	40.00	-	40.18	-
Unfunded Positions	-	-	(5.00)	-	(7.00)	-			(7.00)	-	(10.00)	-
Total Funded Positions	40.00	-	33.00	-	33.00	-	-	-	33.00	-	30.18	-
Water	56.00	-	54.50	-	55.00	-	(1.00)	0.25	54.25	-	55.49	-
Unfunded Positions	-	-	-	-	(1.00)	-			(5.00)	-	(3.00)	-
Total Funded Positions	56.00	-	54.50	-	54.00	-	(1.00)	0.25	49.25	-	52.49	-
Wastewater	48.00	-	47.50	-	48.00	-	-	-	48.00	-	47.40	-
Unfunded Positions	-	-	-	-	-	-			(1.00)	-	(2.00)	-
Total Funded Positions	48.00	-	47.50	-	48.00	-	-	-	47.00	-	45.40	-
Golf Course	3.00	2.00	3.00	4.00	3.00	4.00	-	-	3.00	4.00	2.52	4.00
Parking	2.00	6.00	2.00	9.00	2.00	9.00	-	0.40	2.40	9.00	2.20	9.00
Property Management	-	-	-	-	-	-	-	-	-	-	0.40	-
Community Dev Block Grant	6.40	-	5.80	-	5.80	-	(2.87)	0.50	3.43	3.43	2.50	3.43
Telework Center	1.00	-	1.00	-	1.00	-	(1.00)	-	-	-	-	-
City-wide Staffing Levels	**495.00**	**34.00**	**477.40**	**39.00**	**481.50**	**34.00**	**(25.57)**	**10.07**	**466.00**	**40.43**	**466.00**	**40.43**
Unfunded Total - City-wide	**-**	**-**	**(5.00)**	**-**	**(11.00)**	**-**			**(37.00)**	**-**	**(39.00)**	**-**
Total Funded Positions - City-wide	**495.00**	**34.00**	**472.40**	**39.00**	**470.50**	**34.00**	**(25.57)**	**10.07**	**429.00**	**40.43**	**427.00**	**40.43**
General Operations	**131.40**	**20.00**	**130.80**	**20.00**	**131.90**	**15.00**	**(21.97)**	**7.42**	**117.35**	**21.43**	**116.81**	**21.43**
Public Safety	**214.60**	**6.00**	**201.60**	**6.00**	**201.60**	**6.00**	**(2.60)**	**2.00**	**201.00**	**6.00**	**201.00**	**6.00**
Enterprise Funds	**149.00**	**8.00**	**145.00**	**13.00**	**148.00**	**13.00**	**(1.00)**	**0.65**	**147.65**	**13.00**	**148.19**	**13.00**

GOVERNMENTAL FUNDS
SECTION 2

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Governmental Funds
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General Funds
CIP Fund
C.D.B.G.
Economic Development
Telework Center
Business Revolving
Employee Flexible
Excise Tax Fund
Special Revenue
General Government
Public Safety
Streets and Alleys
Waste Collection
Parks & Recreation
Municipal Buildings
Economic & Community
Unallocated General
Debt Service
Transfer To

GOVERNMENTAL FUNDS - COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2012/2013

	GENERAL	SPECIAL REVENUE	CAPITAL IMPROVEMENT FUNDS	TOTAL
REVENUES				
General Property Taxes	$ 24,897,083	$ -	$ -	$ 24,897,083
State and County Shared Taxes	3,203,771	137,000	793,601	4,134,372
Licenses and Permits	1,544,450	-	-	1,544,450
Fines and Forfeitures	730,270	-	-	730,270
Charges for Current Services	3,130,620	-	-	3,130,620
Interdepartmental Charges	2,107,000	-	-	2,107,000
Federal, State and County Grants	175,000	1,851,994	5,768,307	7,795,301
Program Income	-	356,996	-	356,996
Interest Earned on investments	55,000	5,075	-	60,075
Miscellaneous	636,220	20,500	-	656,720
TOTAL REVENUES	**36,479,414**	**2,371,565**	**6,561,908**	**45,412,887**
EXPENDITURES				
General Government	5,810,990	-	-	5,810,990
Public Safety	18,824,892	-	-	18,824,892
Streets and Alleys	2,684,074	-	-	2,684,074
Sanitation, Health and Welfare	2,003,191	-	-	2,003,191
Parks and Recreation	2,318,123	-	-	2,318,123
Economic and Community Development	509,266	-	-	509,266
Unallocated General Expense	1,190,511	-	-	1,190,511
Debt Service - Principal and Interest	2,026,747	-	-	2,026,747
Operating Expenses	-	2,292,236	18,412,900	20,705,136
TOTAL EXPENDITURES	**35,367,794**	**2,292,236**	**18,412,900**	**56,072,930**
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,111,620	79,329	(11,850,992)	(10,660,043)
OTHER FINANCING SOURCES(USES)				
Operating Transfers In	256,000	540,302	1,214,759	2,011,061
Prior Bond Proceeds - Reprogrammed	-	-	90,000	90,000
Bond Financing Proceeds	-	-	2,855,333	2,855,333
Contributions by Others	-	-	7,082,500	7,082,500
Budgeted Use of Fund Balance	-	-	608,400	608,400
Capital Transfers (Out)	(882,759)	(506,000)	-	(1,388,759)
Operating Transfers (Out)	(415,302)	(306,000)	-	(721,302)
TOTAL OTHER FINANCING SOURCES (USES)	**(1,042,061)**	**(271,698)**	**11,850,992**	**10,537,233**
EXCESS(DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	$ 69,559	$ (192,369)	$ -	(122,810)
Beginning Fund Balance	**$ 8,787,183**	**$ 5,978,589**	**$ 4,508,782**	**19,274,554**
Ending Fund Balance	**$ 8,856,742**	**$ 5,786,220**	**$ 4,508,782**	**19,151,744**
DETAIL OF ENDING FUND BALANCES:				
Nonspendable	$ 500,000	$ 2,438,331	$ -	2,938,331
Restricted	-	2,417,432	600,000	3,017,432
Committed	-	788,294	500,000	1,288,294
Assigned	100,000	142,163	3,408,782	3,650,945
Unassigned	8,256,742	-	-	8,256,742
Ending Fund Equity	**$ 8,856,742**	**$ 5,786,220**	**$ 4,508,782**	**$ 19,151,744**

GENERAL FUND
SECTION 3

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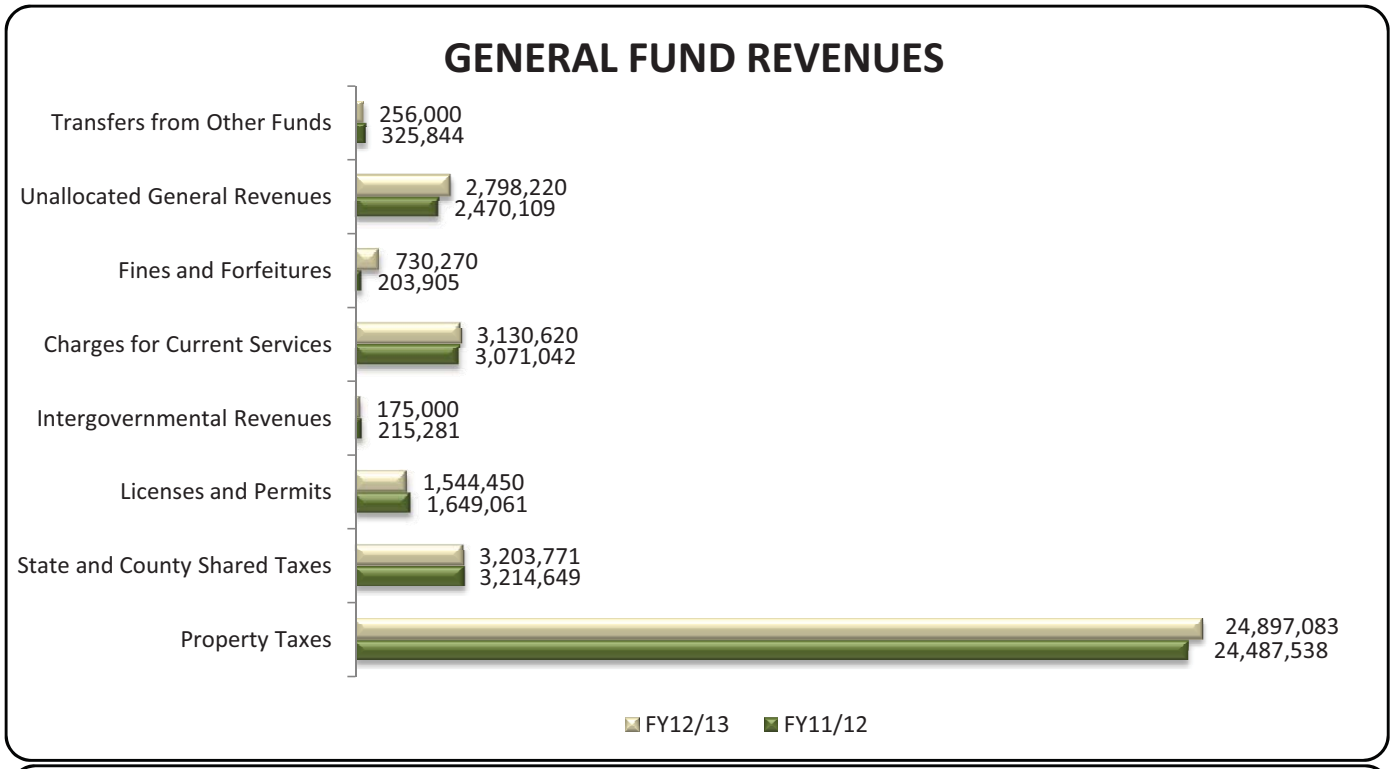
STATEMENT OF REVENUE,EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2012/2013

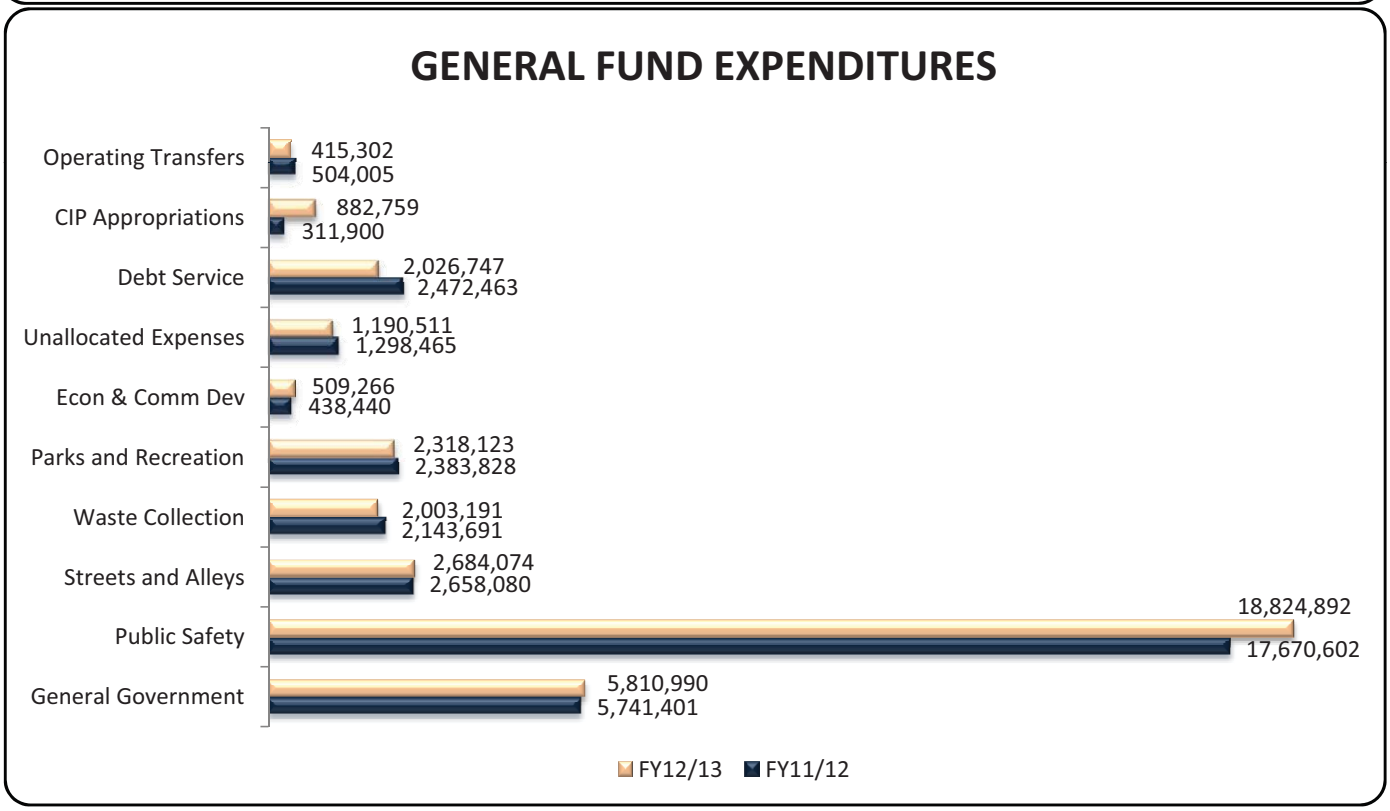
ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES BY TYPE					
Property Taxes	$26,910,889	$ 24,863,333	$24,487,538	$ 24,897,083	0.1%
State and County Shared Taxes	3,292,667	3,241,959	3,214,649	3,203,771	-1.2%
Licenses and Permits	1,554,465	1,575,575	1,649,061	1,544,450	-2.0%
Intergovernmental Revenues	191,820	188,979	215,281	175,000	-7.4%
Charges for Current Services	2,937,027	3,125,061	3,071,042	3,130,620	0.2%
Fines and Forfeitures	73,634	242,525	203,905	730,270	201.1%
Unallocated General Revenues	2,447,185	2,516,404	2,470,109	2,798,220	11.2%
Transfers from Other Funds	11,000	236,000	325,844	256,000	8.5%
Total Current Revenues	**$37,418,687**	**$ 35,989,836**	**$35,637,429**	**$ 36,735,414**	**2.1%**
EXPENDITURES BY DEPARTMENT					
0101001-Council	105,052	107,968	107,829	116,535	7.9%
0101002-Mayor	59,606	62,612	74,737	64,665	3.3%
0103001-City Administrator	204,699	203,631	204,391	200,800	-1.4%
0103002-City Clerk	144,847	164,943	159,874	133,939	-18.8%
0103003-Community Affairs	344,644	352,757	434,978	425,667	20.7%
0103XXX-Communications	54,832	187,375	181,341	165,154	-11.9%
0103004-Legal Counsel	191,634	243,700	227,200	260,000	6.7%
0103005-Public Functions	418,744	401,713	405,955	455,728	13.4%
0105001-Registration & Elections	-	2,400	2,400	2,100	-12.5%
0107001-Finance & Accounting	916,049	690,989	683,834	639,020	-7.5%
0107200-Information Technology	855,917	744,772	729,569	772,671	3.7%
0107206-Cashiering	387,059	233,378	370,361	340,454	45.9%
0109001-Planning	467,170	412,722	422,017	434,964	5.4%
0109002-Annexation	58,269	9,700	9,700	12,800	32.0%
0109003-City Hall	243,306	275,785	282,924	293,765	6.5%
0109004-Engineering & Construction	1,182,275	1,037,171	992,078	1,026,574	-1.0%
0109005-Human Resources	461,683	454,383	452,213	466,154	2.6%
Total General Government	6,095,786	5,585,999	5,741,401	5,810,990	4.0%
0110XXX-Police Department	10,525,063	10,302,373	9,981,266	11,174,966	8.5%
0112001-Fire Department	5,910,698	5,861,226	6,001,929	6,049,162	3.2%
0114001-Code Administration	1,131,255	1,126,921	1,182,333	1,087,434	-3.5%
0116XXX-Signal Department	511,408	518,979	505,074	513,330	-1.1%
Total Public Safety	18,078,424	17,809,499	17,670,602	18,824,892	5.7%
0120001-Street Lighting	764,197	775,000	775,000	775,000	0.0%
0121001-Snow Removal	419,242	422,700	422,700	472,700	11.8%
0122001-Street Cleaning	420,306	510,434	514,053	515,561	1.0%
0123XXX-Gas Station & Maint Garage	264,006	209,902	231,111	243,187	15.9%
0124001-7-PW & Street Operations	622,335	657,856	610,657	571,961	-13.1%
0124008-Central Equipment Building	102,458	105,447	104,559	105,665	0.2%
Total Highways & Streets	2,592,544	2,681,339	2,658,080	2,684,074	0.1%
0130001-Waste Collection & Disposal	2,035,308	2,130,557	2,143,691	2,003,191	-6.0%
0140001-Department of Recreation	189,265	213,029	224,784	305,286	43.3%
0140201-Skateboard Park	180	-	-	-	0.0%
0140202-Swimming Pools	152,782	147,049	157,616	174,733	18.8%
0140204-Farmers Market	97,617	75,677	98,417	76,480	1.1%
0140401-Municipal Stadium	186,074	194,037	223,678	222,177	14.5%
0140402-Hager House	94,415	45,589	55,603	47,000	3.1%
0140403-Train Museum	10,389	20,717	15,144	14,661	-29.2%
0145XXX-City Parks	1,403,972	1,594,123	1,608,586	1,477,786	-7.3%
Total Culture & Recreation	2,134,694	2,290,221	2,383,828	2,318,123	1.2%

STATEMENT OF REVENUE,EXPENDITURES AND CHANGES IN FUND BALANCE
FISCAL YEAR 2012/2013

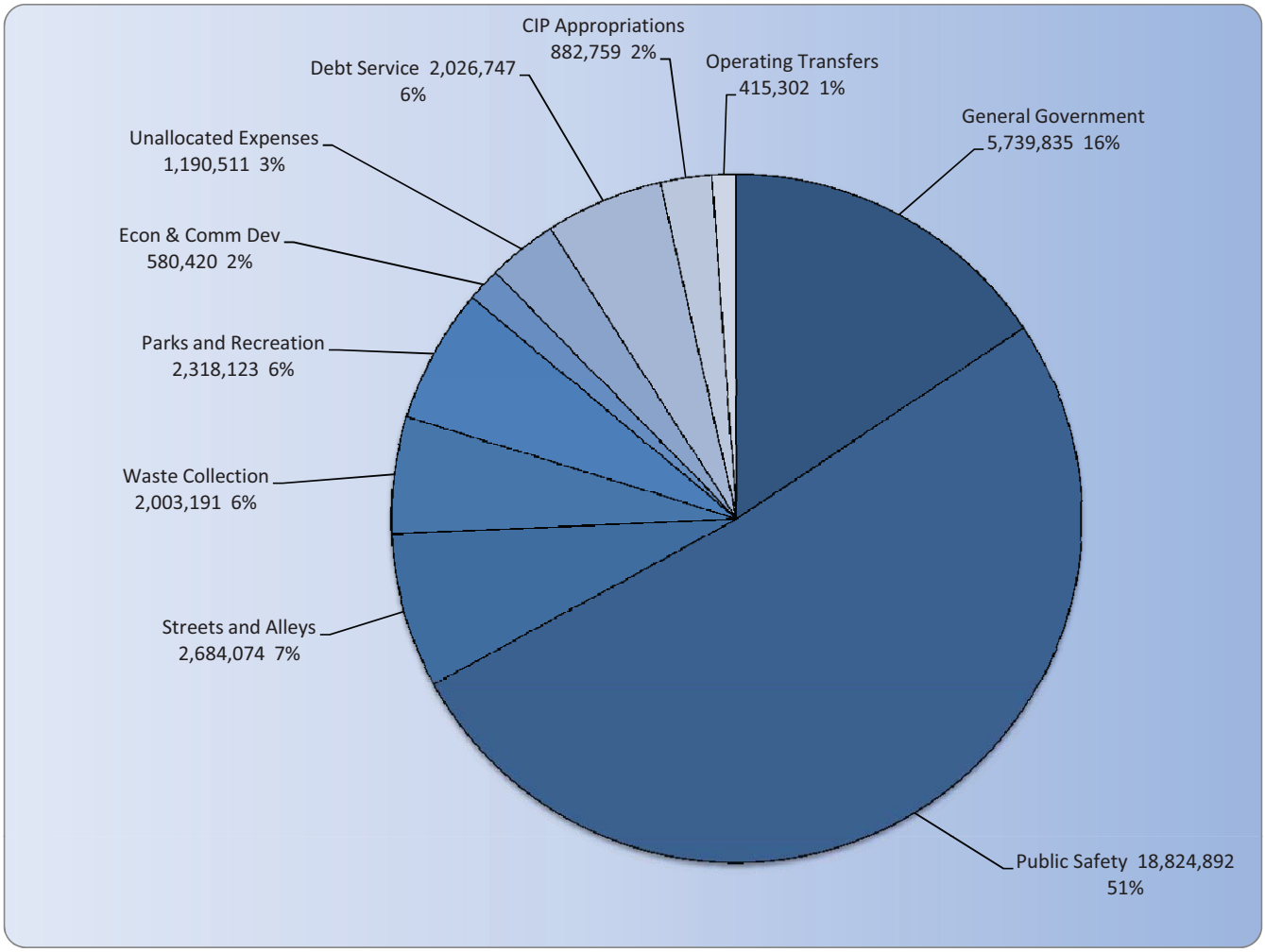
ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
0150001-Economic Development	$ 307,511	$ 318,264	$ 305,223	$ 382,605	20.2%
0150002-Neighborhoods First	87,090	107,933	100,481	17,100	-84.2%
0150004-Housing & Community Dev.	26,561	34,260	32,736	109,561	219.8%
Total Economic & Community Dev	421,162	460,457	438,440	509,266	10.6%
0160001-Retiree Benefits	1,025,437	1,024,000	1,024,000	1,112,021	8.6%
0164001-Termination Pay	-	230,000	-	-	-100.0%
0166001-Contributions-Other Agencies	292,480	269,465	269,465	273,490	1.5%
0162001-Inventory Adjustments	(23,501)	5,000	5,000	5,000	0.0%
0168001-Contingency	-	-	-	(200,000)	100.0%
Total Unallocated General Expenses	1,294,416	1,528,465	1,298,465	1,190,511	-22.1%
0190001-Debt Service-Prin	1,748,522	1,812,407	1,832,837	1,436,341	-20.7%
0191001-Debt Service- Interest	650,015	727,446	639,626	590,406	-18.8%
Total Debt Service	2,398,537	2,539,853	2,472,463	2,026,747	-20.2%
0195001-Operating Transfers to Other Funds	887,164	507,533	504,005	415,302	-18.2%
0195002-Capital Transfers to CIP & Other Funds	1,266,506	327,700	311,900	882,759	169.4%
Total Operating Transfers to All Other Funds	2,153,670	835,233	815,905	1,298,061	55.4%
Total Expenditures & Transfers	**$37,204,541**	**$ 35,861,619**	**$35,622,875**	**$ 36,665,855**	**2.2%**
Excess (Deficiency) of Revenues over Expenditures	**$ 214,146**	**$ 128,217**	**$ 14,554**	**$ 69,559**	
Beginning Fund Balance	**$ 8,558,483**	**$ 8,772,629**	**$ 8,772,629**	**$ 8,787,183**	
Ending Fund Balance	**$ 8,772,629**	**$ 8,900,846**	**$ 8,787,183**	**$ 8,856,742**	

Detail of Ending Fund Balance					
Nonspendable	$ 493,492	$ 490,000	$ 490,000	$ 500,000	
Restricted	240,816	-	-	-	
Assigned	186,504	100,000	100,000	100,000	
Unassigned	7,851,817	8,310,846	8,197,183	8,256,742	
Ending Fund Balance	$ 8,772,629	$ 8,900,846	$ 8,787,183	$ 8,856,742	
Undesignated Balances as: % of Operating Budget Less Transfers to All Other Funds	22.4%	23.7%	23.6%	23.3%	
Number of Months Expenditures	2.7	2.8	2.8	2.8	


GENERAL FUND REVENUES
Transfers from Other Funds
256,000
325,844
Unallocated General Revenues
2,798,220
2,470,109
Fines and Forfeitures
730,270
203,905
Charges for Current Services
3,130,620
3,071,042
Intergovernmental Revenues
175,000
215,281
Licenses and Permits
1,544,450
1,649,061
State and County Shared Taxes
3,203,771
3,214,649
Property Taxes
24,897,083
24,487,538
FY12/13
FY11/12


GENERAL FUND EXPENDITURES
Operating Transfers
415,302
504,005
CIP Appropriations
882,759
311,900
Debt Service
2,026,747
2,472,463
Unallocated Expenses
1,190,511
1,298,465
Econ & Comm Dev
509,266
438,440
Parks and Recreation
2,318,123
2,383,828
Waste Collection
2,003,191
2,143,691
Streets and Alleys
2,684,074
2,658,080
Public Safety
18,824,892
17,670,602
General Government
5,810,990
5,741,401
FY12/13
FY11/12

CATEGORY OF EXPENDITURES
FISCAL YEAR 2012/2013



TOTAL PROPOSED FY13 BUDGET EXPENDITURES $36,665,855

REVENUE SUMMARY

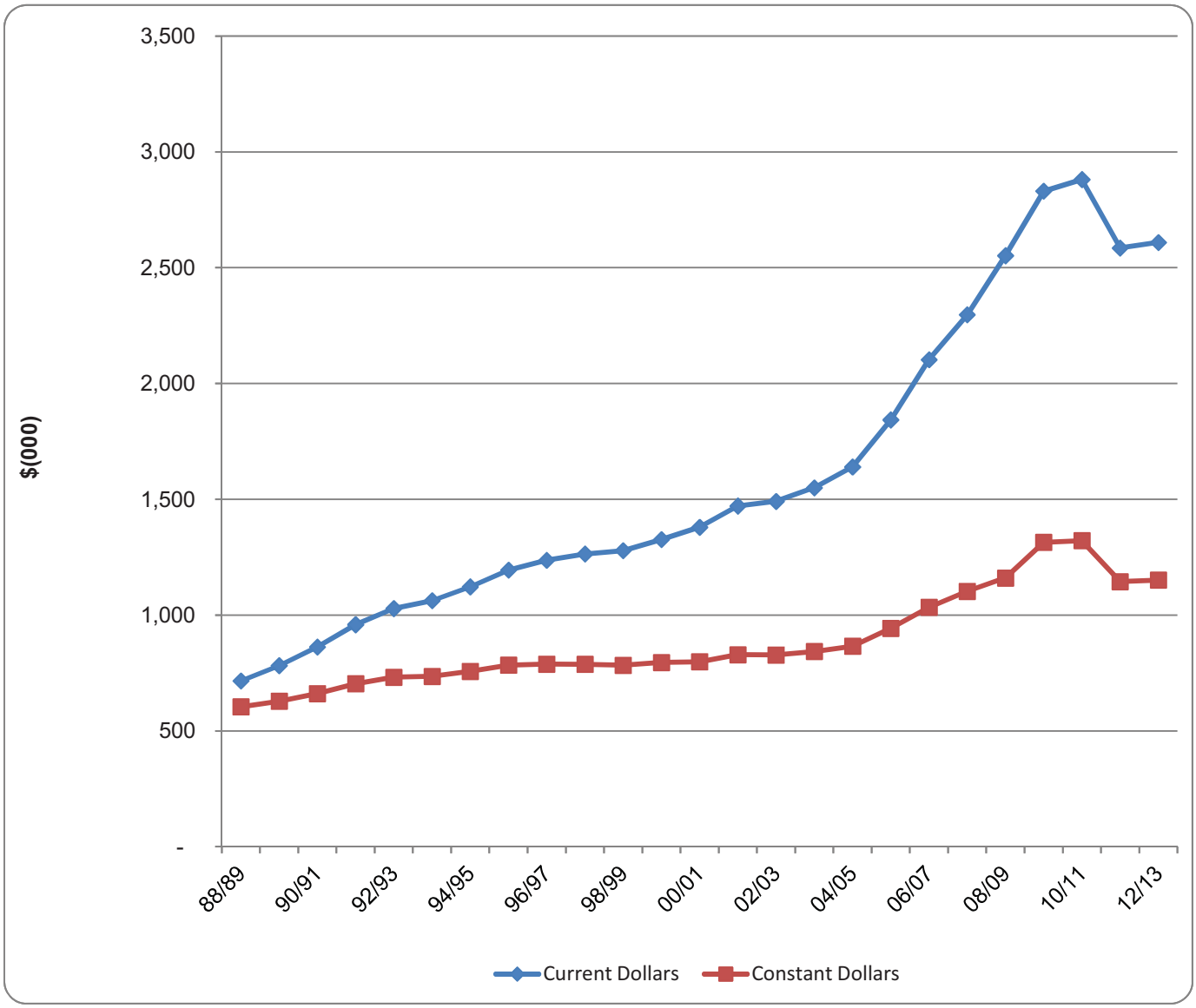
	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
CURRENT REVENUES					
Property Taxes	$ 26,910,889	$ 24,863,333	$ 24,487,538	$ 24,897,083	0%
State and County Shared Taxes	3,292,667	3,241,959	3,214,649	3,203,771	-1%
Licenses and Permits	1,554,465	1,575,575	1,649,061	1,544,450	-2%
Intergovernmental Revenues	191,820	188,979	215,281	175,000	-7%
Charges for Current Services	2,937,027	3,125,061	3,071,042	3,130,620	0%
Fines and Forfeitures	73,634	242,525	203,905	730,270	201%
Unallocated General Revenues	2,447,185	2,516,404	2,470,109	2,798,220	11%
Total Current Revenues	**$ 37,407,687**	**$ 35,753,836**	**$ 35,311,585**	**$ 36,479,414**	**2%**
OTHER FINANCING SOURCES					
Transfers from Other Funds	$ 11,000	$ 236,000	$ 325,844	$ 256,000	8%
Total Other Financing Sources	**$ 11,000**	**$ 236,000**	**$ 325,844**	**$ 256,000**	**8%**
Total Ending Revenues and Other Financing Sources	**$ 37,418,687**	**$ 35,989,836**	**$ 35,637,429**	**$ 36,735,414**	**2%**

CITY ASSESSABLE TAX BASE AND PROPERTY TAX REVENUE TRENDS AFTER ADJUSTING FOR CURRENT YEAR TAX CREDITS, ABATEMENTS, AND REFUNDS (TWENTY-FIVE YEAR HISTORY)

		Assessable Base* (in millions)	Assessable Base - % Change from Prior Year	Real Estate Tax Rate*	Property Tax Revenues (in thousands)	Property Taxes - % Change from Prior Year
	Actual 1986/1987	$ 615	4.1%	$ 0.656	$ 5,170	7.5%
	Actual 1987/1988	669	8.7%	0.656	5,567	7.7%
	Actual 1988/1989	716	7.0%	0.672	5,914	6.2%
	Actual 1989/1990	782	9.2%	0.684	6,478	9.5%
	Actual 1990/1991	862	10.3%	0.684	6,982	7.8%
	Actual 1991/1992	959	11.2%	0.684	7,672	9.9%
	Actual 1992/1993	1,028	7.3%	0.684	8,194	6.8%
	Actual 1993/1994	1,063	3.3%	0.684	8,397	2.5%
	Actual 1994/1995	1,122	5.6%	0.684	8,810	4.9%
	Actual 1995/1996	1,195	6.5%	0.680	9,156	3.9%
	Actual 1996/1997	1,237	3.6%	0.680	9,742	6.4%
	Actual 1997/1998	1,264	2.2%	0.684	9,821	0.8%
	Actual 1998/1999	1,278	1.1%	0.696	10,210	4.0%
	Actual 1999/2000	1,326	3.8%	0.692	10,388	1.7%
	Actual 2000/2001	1,380	4.0%	0.692	10,756	3.5%
	Actual 2001/2002	1,471	6.6%	0.732	11,708	8.9%
	Actual 2002/2003	1,491	1.4%	0.768	12,873	10.0%
	Actual 2003/2004	1,550	3.9%	0.783	13,555	5.3%
	Actual 2004/2005	1,640	5.8%	0.798	14,597	7.7%
	Actual 2005/2006	1,843	12.4%	0.798	16,123	10.5%
	Actual 2006/2007	2,103	14.1%	0.798	18,200	12.9%
	Actual 2007/2008	2,297	9.2%	0.798	19,742	8.5%
	Actual 2008/2009	2,552	11.1%	0.788	21,676	9.8%
	Actual 2009/2010	2,830	10.9%	0.788	23,959	10.5%
	Actual 2010/2011	2,881	1.8%	0.788	24,132	0.7%
**	*Estimated 2011/2012*	2,585	-10.3%	0.788	21,801	-9.7%
**	*Projection 2012/2013*	2,609	0.9%	0.788	22,144	1.6%

* Assessable base and tax rates have been re-stated to reflect current practice of calculating property tax revenues over 100% of Estimated Actual Value.

ASSESSABLE BASE IN CURRENT AND
CONSTANT DOLLARS (ADJUSTED FOR INFLATION - USING U.S. Dept. of Labor CPI-U)
FISCAL YEAR 2012/2013



PROPERTY TAX - PROPOSED REVENUES
FISCAL YEAR 2012/2013

DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Current Year Levy	$ 24,131,669	$ 22,072,500	$ 21,800,527	$ 22,144,000	0.3%
Interest on Delinquent Taxes	282,076	225,000	147,000	222,000	-1.3%
Prior Years' Levy-Net	(127,585)	(100,000)	(140,000)	(140,000)	40.0%
Payment in Lieu of Taxes	2,685,048	2,695,833	2,707,473	2,701,083	0.2%
Tax Discounts & Credits Allowed	(60,319)	(30,000)	(27,462)	(30,000)	0.0%
Total Property Taxes	**$ 26,910,889**	**$ 24,863,333**	**$ 24,487,538**	**$ 24,897,083**	**0.1%**

Revenues from property taxes are based on assessments established by the State Department of Assessment and Taxation. The real property tax rate for FY12 was $0.788 per $100 dollars of assessed value and for business personal property it was $1.970 per $100 of assessed value. The proposed budget for FY13 does not include a tax rate increase for either assessable base.

The real property constant yield rate certified by the State for 2012/2013 which would generate the same dollar amount of gross real tax revenues, (before local property tax credits) is $0.7842 per $100 of assessed value which is $0.0038 less than the proposed tax rate. A twenty-five year history of the change in the City's assessable tax base and property tax revenues is available on Page 7. Lastly, the Mayor and City Council took action along with Washington County to limit the maximum annual growth in assessments on owner occupied real estate to 5%. The cap had been 10%, which is still the maximum cap for State tax purposes.

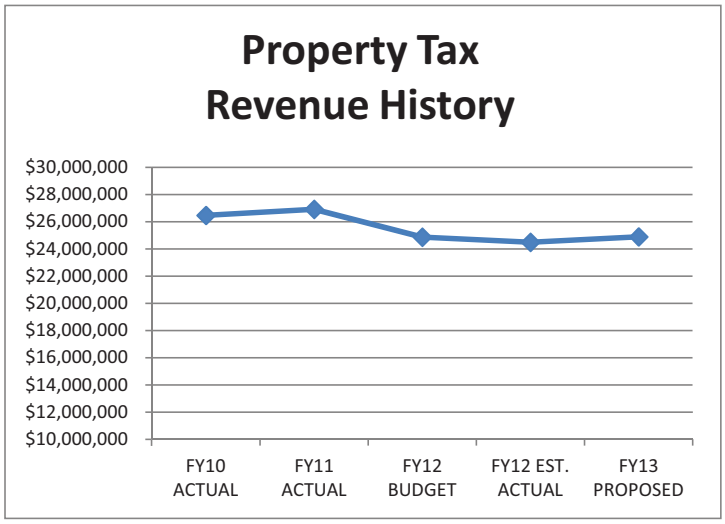
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The estimated actual for FY12 when compared with the FY12 budget is expected be about 1.2% less than originally budgeted or $272,000. Due to the downturn in the economy, personal property tax related to business personal property is expected to be lower than originally budgeted for FY12. The original budget was $2.7 million and it is estimated that revenue for FY12 will be $2.3 million. This is slightly offset by a $222,000 estimated increase in FY12's real estate property tax. Due to the impact of the recent triennial reassessment in December 2010 of real property in the City, the FY12 estimated actual property tax revenue reflects an overall 10.1% decrease (from $24.2 million in FY11 to $21.8 million in FY12). This decrease was a result of a 10.3% decrease in the City's assessable base for real property taxes, or from $2.9 billion to $2.6 billion. This decrease is unprecedented as shown on the City history of changes in assessable base since 1981/82 in Section 7-Financial Projections. Additionally, the interest on delinquent taxes declined by $78,000 over the budget assumptions.

FY12 to Proposed FY13

Overall, the proposed budget for FY13 is expected to increase slightly by 0.10% or $33,750 when compared with the FY12 budget. As mentioned previously, the real estate tax re-assessment from December 2010 had a significant impact on the City during FY12. The next two fiscal years will likely level out and experience little to no growth. The statewide requirement to phase-in reassessment-related tax base growth over a three-year period, and the City's adoption of a 5% homestead tax credit for owner occupied residential properties has effectively smoothed the effect of the near-term property devaluation that resulted from the downturn in the economy. Uncollected property tax has been increasing as a result of the economic conditions and this trend is expected to continue. An increase of $40,000 over FY12's budget is included in FY13's proposed budget.



STATE & COUNTY SHARED TAXES - PROPOSED REVENUES
FISCAL YEAR 2012/2013

DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Income Tax	$ 2,068,330	$ 2,150,000	$ 2,120,039	$ 2,173,040	1.1%
Admissions & Amusement Tax	173,017	133,500	160,000	150,000	12.4%
Financial Corporations	34,214	34,214	34,214	34,214	0.0%
Enterprise Zone Tax Credits	137,741	135,000	111,151	133,000	-1.5%
Room Tax - Tourism Promotions	147,663	140,000	140,000	143,500	2.5%
Police Protection	516,752	516,752	516,752	516,752	0.0%
State Aid For Fire Service	53,562	53,000	53,000	53,265	0.5%
Highway User Revenues	161,387	79,493	79,493	-	-100.0%
Total State & County Shared Taxes	**$ 3,292,667**	**$ 3,241,959**	**$ 3,214,649**	**$ 3,203,771**	**-1.2%**

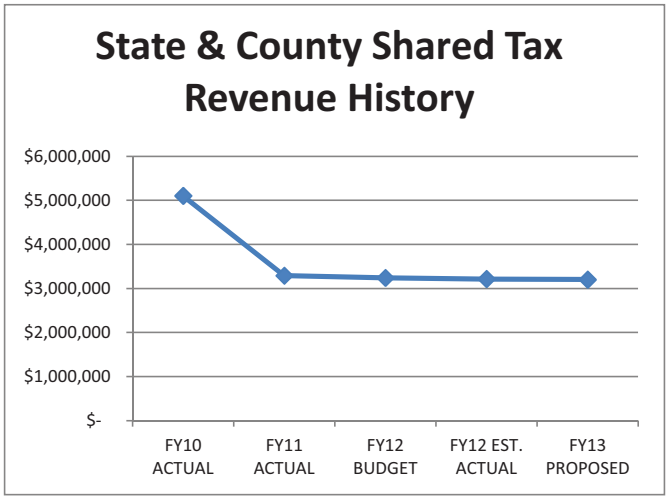
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The estimated actual for FY12 when compared with the FY12 budget is expected to decrease by 0.8% (about $27,000) as a result of a $24,000 decrease in Enterprise Zone Tax Credits and a $30,000 decrease from the local share of state Income Tax Revenue offset by an increase in Admissions & Amusement tax revenue of $27,000. The adjustments were made to better reflect actual revenue trends in those revenues for FY12.

FY12 to Proposed FY13

Overall, the proposed budget for FY13 State & County Shared Revenues is expected to decrease by 1.2%. The decrease is a result of management's decision to apply Highway User Revenues 100% to the City's Pavement Preservation Program (see Project 45-C0025 in Section 9) in the Capital Improvement Program Fund (CIP Fund). the local share of state Income Tax Revenue, Admissions & Amusement Tax and Enterprise Zone Tax Credits were adjusted to reflect actual historical revenue trending. No other significant changes were noted.



State and County Shared revenues have been trending flat in recent years. The 34.3% decrease from the FY10 actual revenue to the FY13 budget is primarily due to the decline in and redesignation of the Highway User Revenues to the CIP Fund, and the elimination of the County Tax Differential revenue sharing from the County in October 2009. FY11 and FY12 reflected a decrease of $1.8 million in Highway User Revenue approved by the Senate Budget and Taxation Committee for the City in response to the 2009-2010 state budget problems. FY11 and FY12 also reflect a permanent decrease of $1.6 million in County Tax Differential revenues. Lastly, Income Tax revenues decreased by $116,926 from FY10 to FY13. This decrease is a result of the downturn in the local economy.

LICENSES AND PERMITS - PROPOSED REVENUES
FISCAL YEAR 2012/2013

DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Traders Licenses	$ 108,116	$ 104,000	$ 104,000	$ 102,000	-1.9%
Distilled Spirits	15,200	7,600	17,911	7,600	0.0%
Utility License Fee	1,000	14,000	14,000	14,000	0.0%
Vendor Permits from City Clerk	(7,405)	4,200	4,200	4,500	7.1%
Election Filing Fees	-	375	-	-	-100.0%
Cable TV Franchise Fee	383,894	380,000	380,000	380,000	0.0%
General Construction Permits	-	2,000	500	1,000	-50.0%
Street Digging Permits	58,109	50,000	60,000	50,000	0.0%
Curbs, Sidewalks, & Driveways	7,365	3,000	3,500	3,500	16.7%
Storm Water Management Permits	4,091	4,000	1,000	2,000	-50.0%
Grading Permits	26,185	10,000	10,000	10,000	0.0%
Right of Way Permits	3,775	5,000	6,000	5,000	0.0%
Building Permits (Fire)	27,805	31,000	39,000	31,000	0.0%
Fireworks Permits	2,500	2,750	2,000	2,250	-18.2%
Blasting Permits	320	500	500	500	0.0%
Plumbing Dept-Licenses	11,080	1,900	4,500	11,000	478.9%
Contractor's Licenses	2,295	11,500	10,500	2,000	-82.6%
Electrical Licenses	27,290	2,550	4,000	25,000	880.4%
Residential Rental Licenses	422,601	415,000	415,000	415,000	0.0%
Building Permits	157,715	125,000	125,000	125,000	0.0%
Plumbing Permits	65,485	70,000	65,000	65,000	-7.1%
Electrical Permits	105,957	110,000	100,000	110,000	0.0%
Mechanical Permits	36,250	30,000	35,000	35,000	16.7%
Sewer Connection Inspection Fees	-	3,000	-	3,000	0.0%
Pre-Sale Code Inspection	360	200	100	100	-50.0%
Re-Inspection Fee	400	500	250	500	0.0%
Property Abatement Billings -Engineering	(3,034)	5,000	5,000	5,000	0.0%
Property Abatement Billings -Code	52,955	85,000	210,000	95,000	11.8%
Vacant Residential Structure Fee	1,500	10,000	1,500	1,500	-85.0%
Vacant Commercial Structure Fee	5,250	7,500	-	1,500	-80.0%
Admin Fee for Excise Tax	4,341	3,500	5,000	5,900	68.6%
Secure Vacant Structure Fee	220	1,500	600	600	-60.0%
Technology Fee	32,846	75,000	25,000	30,000	-60.0%
Total Licenses and Permits	**$ 1,554,465**	**$ 1,575,575**	**$ 1,649,061**	**$ 1,544,450**	**-2.0%**

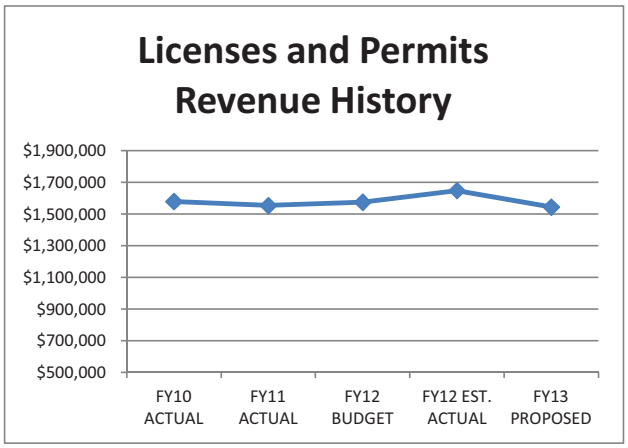
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The 4.7% increase or $73,000 from the FY12 estimated actual to the FY12 budget is primarily due to a an increase of $125,000 in Property Abatement billings; however, this revenue source is offset 100% by Property Abatement expense. Excluding Property Abatement revenue, overall projections for Licenses and Permits revenue is under budget as a direct result of the slow down in development.

FY12 to Proposed FY13

Overall, the proposed budget for FY13 is expected to decrease by 2.0% or $31,000 over the FY12 budget. Residential development has slowed significantly due to the down turn in the housing markets, but non-residential development in the City, while down, is proceeding with several new projects planned for the upcoming year. Lastly, the increase in Electrical Licenses reflects the effect of issuing electrical licenses every other year rather than annually.



INTERGOVERNMENTAL REVENUES - PROPOSED REVENUES
FISCAL YEAR 2012/2013

DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Heritage Area Planning Grant	$ -	$ -	$ 2,302	$ -	0.0%
School Resource Officer	155,625	150,000	150,000	150,000	0.0%
Public Function Revenues	-	14,979	14,979	-	-100.0%
Federal Grant - Operating	25,170	24,000	48,000	25,000	4.2%
Youth Prevention-WCCP After School	11,025	-	-	-	0.0%
Total Intergovernmental	**$ 191,820**	**$ 188,979**	**$ 215,281**	**$ 175,000**	**-7.4%**

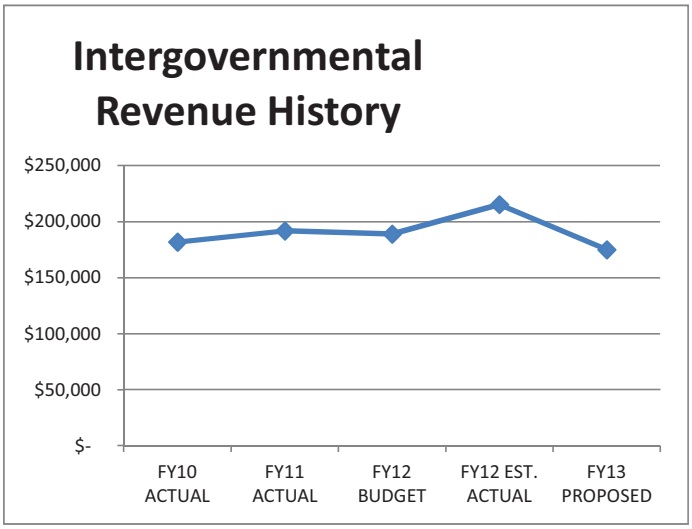
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The estimated actual for FY12 is expected to be 67.5% or $26,000 higher than originally budgeted for FY12 budget as a result of increased reimbursements from the Drug Enforcement Agency (DEA). The Hagerstown Police Department (HPD) receives reimbursement from the DEA for overtime worked by HPD's Narcotics Task Force on federal cases.

FY12 to Proposed FY13

Overall, the proposed budget for FY13 is expected to decrease by 35.9% or $14,000 from the FY12 budget. The decrease is attributable to a one-time grant award from the MD State Arts Council that was included in the FY12 budget for the Western Maryland Blues Festival, Public Function Revenues.



The graph to the left depicting Intergovernmental revenue history shows a drop in revenue of approximately $157,000 from FY10 actual revenues to FY13 proposed budget revenues. The decrease in revenue is a result of operational grant funds being moved to the Special Revenue Grant Fund as recommended by our independent auditors. The Special Revenue Grant Fund is located in Section 5 of the budget document. Additionally, the City received a one-time FEMA Snow Emergency grant that in FY10 for reimbursement of expenditures during a major snow event during that fiscal year.

CHARGES FOR CURRENT SERVICES - PROPOSED REVENUES
FISCAL YEAR 2012/2013

DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Refuse Collection Fees	$ 2,164,998	$ 2,361,300	$ 2,308,000	$ 2,250,400	-4.7%
Other Service Charges	589,479	547,765	581,179	698,345	27.5%
Public Function Revenues	124,117	151,921	115,000	115,000	-24.3%
Municipal Stadium	325	-	-	-	0.0%
Swimming Pool	58,108	64,075	66,863	66,875	4.4%
Total Charges for Current Services	**$ 2,937,027**	**$ 3,125,061**	**$ 3,071,042**	**$ 3,130,620**	**0.2%**

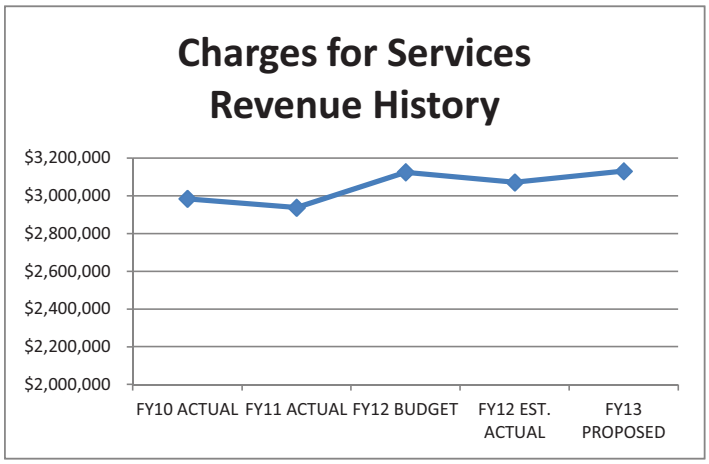
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Overall, estimated actual revenue for FY12 is anticipated to decrease by 1.7% when compared with the FY12 budget. This is primarily due to the mid-year change made to the Refuse Collection Fees charged to customers. A new vendor contract was awarded for waste collection and disposal when the service was re-bid in FY12. The new contract included a decrease in landfill tipping expenses and other refuse collection expenses. The savings realized from the reduction in waste collection services expenditures was passed on to customers when the quarterly refuse collection fee charged to was decreased from $41.00 to $39.00.

FY12 to Proposed FY13

For FY13, charges for current services reflect a slight increase of 0.2% or just $5,559 over the budget for FY12. The increase is result of the addition of several new sources of revenue that include a credit card convenience fee and new recreation programs. Increases for these new programs is offset slightly by the decrease in Refuse Collection Fees associated with quarterly service fee reduction mentioned above.



FINES & FORFEITURES - PROPOSED REVENUES
FISCAL YEAR 2012/2013

DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Permits & Fines - Alarm System	$ (485)	$ -	$ -	$ -	0.0%
Abatement Admin Fees - City Engineering	100	-	-	-	0.0%
Confiscated Revenue	16,699	23,500	17,415	19,270	-18.0%
Municipal Infractions-Police Dept	(2,050)	225	225	-	-100.0%
Red Curb & Handicap Parking Fines	-	54,000	12,000	31,200	-42.2%
Speed Camera Violation Fines	-	75,000	75,000	600,000	700.0%
Fire Code Violations	4,020	4,000	8,465	4,000	0.0%
Abatement Admin Fees - Code Admin	38,778	30,000	35,000	25,000	-16.7%
Mun Infraction-Code Enforcement	16,422	55,000	55,000	50,000	-9.1%
Tech Appeals Board Filing Fees	150	300	300	300	0.0%
Municipal Infractions-City Engineering	-	200	200	200	0.0%
Municipal Infractions-Planning	-	300	300	300	0.0%
Total Fines and Forfeitures	**$ 73,634**	**$ 242,525**	**$ 203,905**	**$ 730,270**	**201.1%**

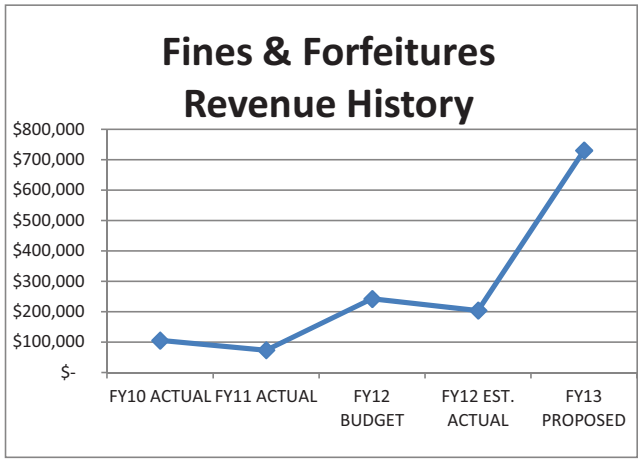
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Estimated actual revenue for FY12 is expected to be under budget by 15.9% or $38,620. In the FY12 budget, revenue for fines for red curb zones and parking in handicapped spaces in public and private parking lots or areas was originally included, but, implementation of these two new programs was delayed. As a result of this delay, FY12 estimated actual will be lower than originally expected.

FY12 to Proposed FY13

The FY13 budget includes an increase of 201.1% in Fines and Forfeitures revenues. The increase is a result of implementing a new public safety initiative in school zones. The automated speed camera program began in March 2012 and is reflected in FY13 proposed budget for a full-year at $600,000. No other significant changes wren noted.



UNALLOCATED GENERAL REVENUES - PROPOSED REVENUES
FISCAL YEAR 2012/2013

DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Administrative Allocation Revenues	$ 2,173,512	$ 2,107,000	$ 2,031,000	$ 2,107,000	0.0%
Interest on Investments	52,035	55,000	55,000	55,000	0.0%
Rental Income	50,168	212,767	211,786	217,829	2.4%
Sale of Land & Other Assets	5,555	1,000	13,054	3,000	200.0%
Contributions & Donations	115,910	105,417	123,249	118,471	12.4%
Other General Revenue	50,005	35,220	36,020	296,920	743.0%
Total Unallocated General Revenues	**$ 2,447,185**	**$ 2,516,404**	**$ 2,470,109**	**$ 2,798,220**	**11.2%**

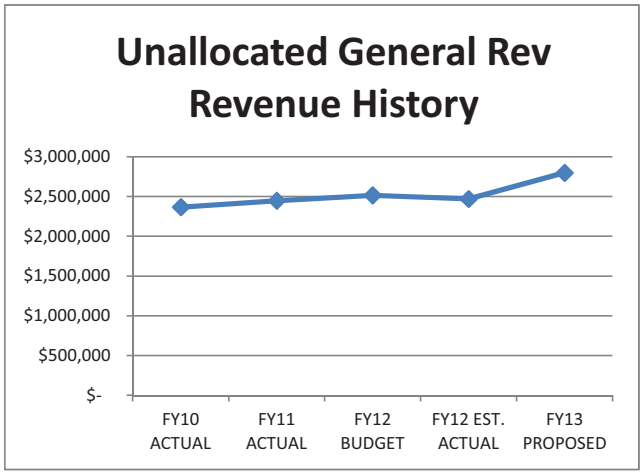
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The FY12 actual is projected to decrease over FY12 budget by 1.8% or $46,000. The FY12 budget included an administrative allocation that will not occur during this fiscal year.

FY12 to Proposed FY13

The proposed FY13 budget is anticipated to increase over the FY12 budget by 11.2%. This increase is primarily a result of a one-time receipt of corporate stock that will be sold.



TRANSFERS FROM OTHER FUNDS - PROPOSED REVENUES
FISCAL YEAR 2012/2013

DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Transfer from Flexible Spending Fund	$ 6,000	$ 6,000	$ 6,000	$ 6,000	0.0%
Transfer from Workers Comp Fund	-	200,000	200,000	250,000	25.0%
Transfer from Economic Redevelopment Fund	-	25,000	25,000	-	-100.0%
Transfer from Telework Center Fund	-	-	94,844	-	0.0%
Transfer from CDBG Fund	5,000	5,000	-	-	-100.0%
Total Transfers from Other Funds	**$ 11,000**	**$ 236,000**	**$ 325,844**	**$ 256,000**	**8.5%**

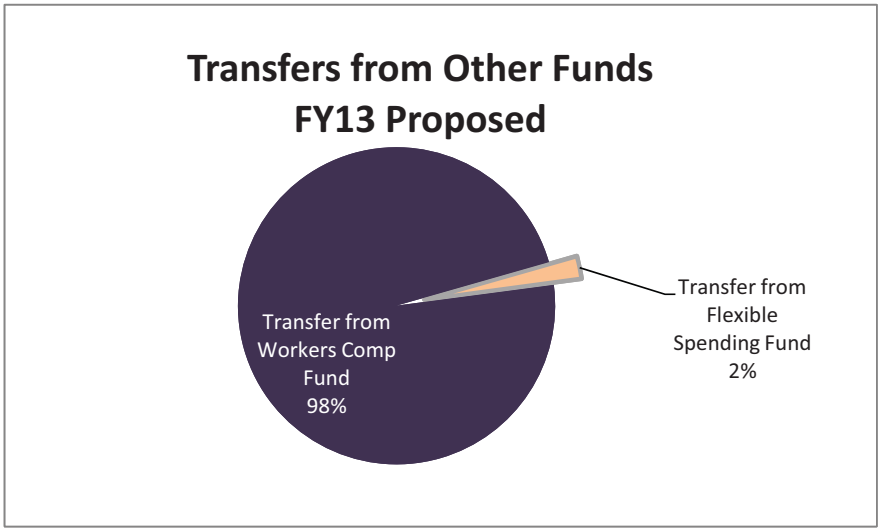
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Overall, estimated actual revenue for FY12 is expected to be 38.1% or $89,844 higher than the FY12 budget. The FY12 estimated actuals include a one-time transfer to the General Fund from the Telework Center Fund to close out that fund.

FY12 to Proposed FY13

FY13 proposed budget is estimated to increase over FY12 as a result of an increased amount transferred from the Workers Compensation Fund. The transfer into the General Fund of $250,000 from the Workers Compensation Fund represents a transfer of surplus fund balance accumulated in the Workers Compensation Fund to offset the continued increase in Workers Compensation rates for Police and Fire.



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 that 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. Additionally, the Mayor shall 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

- To serve as the community spokesperson for the City of Hagerstown and represent the City at public events and functions.

- To provide leadership and participation with citizens, community organizations, the Maryland Municipal League, the Tri-County Council, as well as with County, State, and Federal officials to advance City goals and priorities.

- To support the City Council in their efforts to develop and approve policies, programs, and projects which focus on the approved Strategic Plan with the following Focus Areas:

  A Prosperous Comunity
  A Vibrant, Active and Livable Community
  A Safe and Healthy Community
  An Innovative and Sustainable Government

- To present an annual State of the City reporting Hagerstown's goals and accomplishments to the community.

- To interact with citizens, businesses, and community organizations on issues of importance to Hagerstown.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of Mayor and Council meetings	**50**	**50**	**50**
Average number of meetings representing City (e.g. board/commission)	**24**	**35**	**24**
Average number of community functions	**25**	**25**	**25**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 45,408	$ 46,882	$ 55,300	$ 46,327	-1.2%
Benefits	8,526	9,340	13,031	11,237	20.3%
Personnel Subtotal	**53,934**	**56,222**	**68,331**	**57,564**	**2.4%**
Operating Expenditures	5,672	6,390	6,406	7,101	11.1%
Operating Subtotal	**5,672**	**6,390**	**6,406**	**7,101**	**11.1%**
Total Expenditures	**$ 59,606**	**$ 62,612**	**$ 74,737**	**$ 64,665**	**3.3%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 59,606**	**$ 62,612**	**$ 74,737**	**$ 64,665**	**3.3%**

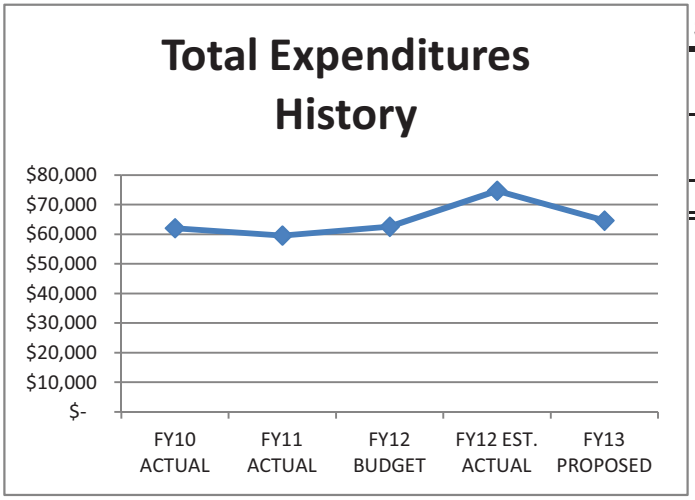
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

No significant changes were noted.

FY12 to Proposed FY13

No significant changes were noted.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	0.34	0.34	0.34	0.34
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	0.34	0.34	0.34	0.34

Elected Officials are counted separate from staffing levels for City departments and operations.

DEPARTMENT / PROGRAM OVERVIEW

In conjunction with the Mayor and the City Administrator, the Council serves on behalf of the citizens of Hagerstown as the legislative and policy making body of Hagerstown City. The City Council has responsibilities for enacting city ordinances, appropriating funds to conduct city business, establishing City priorities, and providing policy direction to City staff.

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

DEPARTMENT / PROGRAM OBJECTIVES

- To develop and approve policies, programs and projects which focus on the approved Strategic Plan with the following Focus Areas:
  - A Prosperous Community
  - A Vibrant, Active and Livable Community
  - A Safe and Healthy Community
  - An Innovative and Sustainable Government

- To strengthen the City's financial position both internally as an organization and externally as a partner with other community entities programs / processes and developing and implementing new sources of revenue that are aligned with the City's Strategic Plan and long-term goals and visions.

- To provide the citizenry with amenities and facilities which are well-maintained, aesthetically pleasing and complimentary to the City's infrastructure and landscape. These community assets should also provide a vehicle in which to market the City to new residents, businesses, and visitors as well as to retain existing members of the community.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of Mayor and Council meetings	**50**	**50**	**50**
Average number of meetings representing City (e.g. board/commission)	**24**	**35**	**24**
Average number of community functions attended representing the City	**25**	**25**	**25**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 40,155	$ 40,000	$ 40,000	$ 40,000	0.0%
Benefits	32,177	33,018	32,986	35,835	8.5%
Personnel Subtotal	**72,332**	**73,018**	**72,986**	**75,835**	**3.9%**
Operating Expenditures	32,720	34,950	34,843	40,700	16.5%
Operating Subtotal	**32,720**	**34,950**	**34,843**	**40,700**	**16.5%**
Total Expenditures	**$ 105,052**	**$ 107,968**	**$ 107,829**	**$ 116,535**	**7.9%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 105,052**	**$ 107,968**	**$ 107,829**	**$ 116,535**	**7.9%**

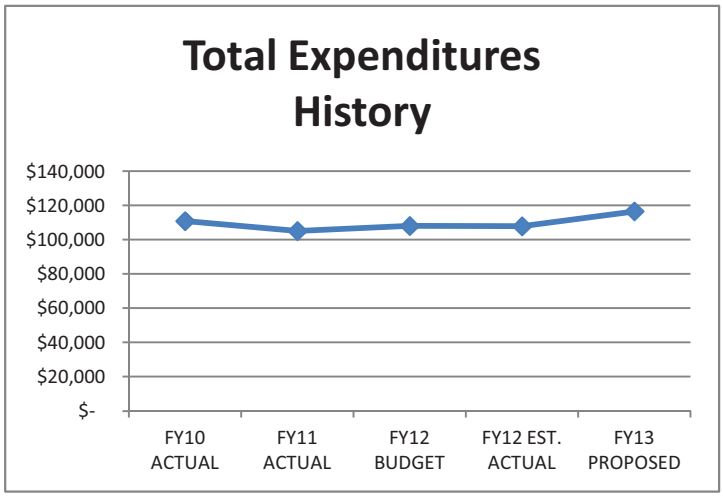
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY 12

No significant changes we noted.

FY12 to Proposed FY 13

No significant changes were noted.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	5.00	5.00	5.00	5.00
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	5.00	5.00	5.00	5.00

Elected officials are counted separate from staffing levels for city departments and operations.

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 will be held April 3, 2012 and the General Election will be held on November 6, 2012. Newly elected Mayor and Councilmembers will take office on November 27, 2012.

PERFORMANCE INDICATORS

	2005	2009	2012
Number of Candidates Filing	**19**	**25**	**15**
Number of Registered Voters at General Election	**18,906**	**20,969**	**TBD**
Number of Registered Voters at Primary Election	**15,543**	**16,814**	**TBD**
Number Voting in General Election	**4,440**	**3,173**	**TBD**
Number Voting in Primary Election	**2,365**	**1,988**	**TBD**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ -	$ -	$ -	$ -	0.0%
Personnel Subtotal	**-**	**-**	**-**	**-**	**0.0%**
Operating Expenditures	-	2,400	2,400	2,100	-12.5%
Operating Subtotal	**-**	**2,400**	**2,400**	**2,100**	**-12.5%**
Total Expenditures	**$ -**	**$ 2,400**	**$ 2,400**	**$ 2,100**	**-12.5%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ 375	$ -	$ -	-100.0%
Total Revenues	**$ -**	**$ 375**	**$ -**	**$ -**	**-100.0%**
Expenditures, net of Revenues	**$ -**	**$ 2,025**	**$ 2,400**	**$ 2,100**	**3.7%**

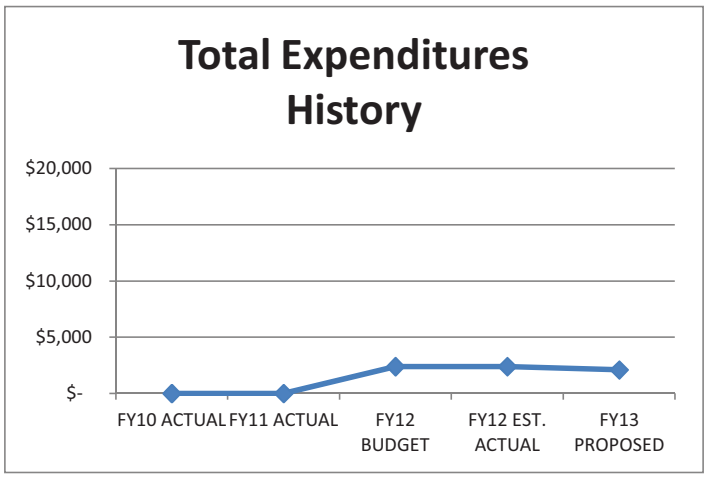
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

No changes were noted.

FY12 to Proposed FY13

In May 2009, the Mayor and City Council amended the City Charter to align the City election with the Presidential election. The Primary was held in April 2012 during the FY12 Budget. The General Election will be held on November 6, 2012. The expected costs associated with the 2012 General Election are $2,400 in FY12 and $2,100 in FY13. By realigning the City's election schedule, the Washington County Board of Elections Supervisors will conduct the City's elections, eliminating the costs previously incurred by Hagerstown. The anticipated savings for the entire City election are $65,000.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	0.00	0.00	0.00	0.00
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	0.00	0.00	0.00	0.00

DEPARTMENT / PROGRAM OVERVIEW

The City Administrator serves as the Chief Administrative Officer for the City of Hagerstown and is appointed by the Mayor and City Council. The City Administrator develops and coordinates the preparation of staff information, recommendations, and presentations to the Mayor and Council and manages the staff's follow thru on Mayor and Council's legislative actions, decisions, and directions. Primary responsibilities include the preparation of the City's annual proposed budget, day-to-day management of City operations, and providing guidance and support for City departments to achieve goals consistent with the City's Strategic Plan and meet the requirements of the City Code and Charter. The City Administrator in coordination with 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 to City elected officials. The City Administrator is responsible for promoting excellence and effectiveness in City operations, progressive programs and actions, and strong professionalism and ethical behavior with the organization.

DEPARTMENT / PROGRAM OBJECTIVES

Objectives and initiatives include:

- To develop financial strategies and plans along with adjustments to operations in response to the on-going impact of the economic recession on Hagerstown's finances.
- To coordinate with Department Heads on the completion of goals in accordance with the City's Strategic Plan and Mayor and Council priorities for Hagerstown.
- To develop programs and recommendations that address community needs related to public safety, neighborhood vitality, public infrastructure and downtown revitalization.
- 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 develop information and recommendations that enable the Mayor and Council to make informed decisions related to the community and City government.
- To promote professional and ethical operations combined with a strong organizational commitment to providing excellent community based services.
- To build strong community partnerships based on citizen involvement, interaction with local institutions, business leaders, and other levels of government with a strong focus on unified strategies that lead to a better Hagerstown.

PERFORMANCE INDICATORS

The City Administrator prepares and presents:

- The Annual Report by early March.
- The proposed budget by March 31st.
- Approximately 50 agenda and information packets for Mayor & City Council meetings throughout the year.
- A Weekly Status & Information Report.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
The City Administrator prepares and presents:			
• The Annual Report by late February			
• 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			
The City Administrator also supports:			
• The completion of goals and objectives in the Mayor and City Council's Strategic Plan			

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 158,609	$ 162,308	$ 162,355	$ 159,426	-1.8%
Benefits	35,397	31,321	30,953	29,317	-6.4%
Personnel Subtotal	**194,006**	**193,629**	**193,308**	**188,743**	**-2.5%**
Operating Expenditures	10,693	10,002	9,892	12,057	20.5%
Capital Outlay	-	-	1,191	-	0.0%
Operating Subtotal	**10,693**	**10,002**	**11,083**	**12,057**	**20.5%**
Total Expenditures	**$ 204,699**	**$ 203,631**	**$ 204,391**	**$ 200,800**	**-1.4%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 204,699**	**$ 203,631**	**$ 204,391**	**$ 200,800**	**-1.4%**

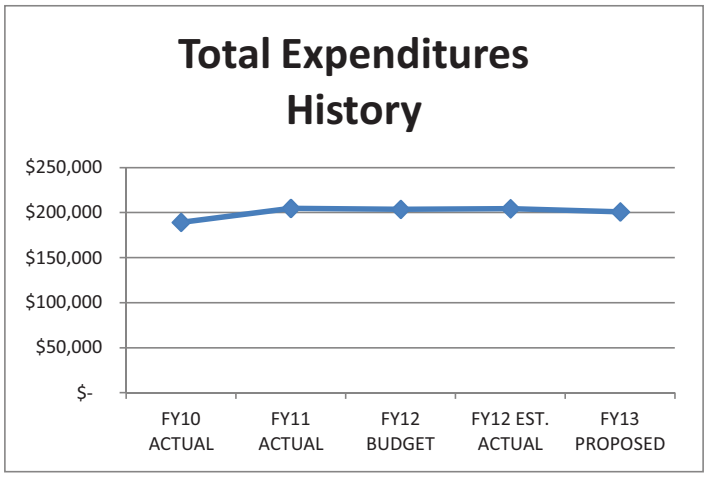
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

No significant changes were noted.

FY12 to Proposed FY13

Total personnel expenditures from the FY12 budget to the FY13 proposed budget reflect a decrease of 2.5% or $4,886. Although not material, it is a result of the 1.95% decrease (from 10.94% to 8.99%) in retirement expenditures. Operating expenditures are expected to increase by $2,831. The increase in operating expenditures is attributable to a slight increase in insurance, and an increase in conference and seminar fees, and related travel for staff professional development.



STAFFING SUMMARY

	FY11	FY 12 Budg	FY 12 Est Act	FY13
Full time	1.33	1.33	1.33	1.33
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	1.33	1.33	1.33	1.33

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 attends all meetings and prepares minutes, weekly agendas and meeting packets. Additionally, the City Clerk's office issues a variety of permits, including Auctioneer Licenses, Peddler's Permits and Parade Permits.

DEPARTMENT / PROGRAM OBJECTIVES

- To support the Mayor and Council's Strategic Plan, Focus Area, Innovative and Sustainable Government, the weekly meeting packet is available to all Mayor and Council members, staff members, and reporters by using Google Docs. This allows users to download the documents, eliminating the need for a paper packet. A meeting management system was also implemented in FY12 to provide citizens and all interested persons with electronic access to the weekly meeting packet, including all supporting documents; and, the meeting packet is available on the City's website. The paperless meeting system has streamlined the process for weekly meeting preparation.

- The City Clerk's Office will provide support for the 2012 Mayor and City Council election. The election schedule coincides with the Presidential Election. The Washington County Board of Elections will conduct the election, in compliance with Maryland Election Law. Changing the municipal election date was approved in an attempt to increase voter participation and to significantly reduce costs associated with the City election. Three people filed to run for the office Mayor and twelve people filed to run for the office of City Council in the April 3, 2012 Primary Election. The General Election will be held on November 6, 2012. The newly elected Mayor and City Council members will take office on November 27, 2012.

- Updating the 1999 Record Retention Plan, and electronic images of documents will provide greater access to official City records. An archival plan for records will also eliminate the need for large amounts of storage space.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of Ordinances Processed	**30**	**33**	**23**
Number of Resolutions Processed	**55**	**47**	**42**
Number of Licenses and Permits Issued	**177**	**120**	**110**
Number of Mayor and Council meetings processed	**50**	**50**	**50**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 97,689	$ 98,936	$ 98,161	$ 90,415	-8.6%
Benefits	30,657	31,005	29,483	25,353	-18.2%
Personnel Subtotal	**128,346**	**129,941**	**127,644**	**115,768**	**-10.9%**
Contractual Services	1,249	20,000	17,000	2,000	-90.0%
Operating Expenditures	15,252	15,002	15,050	15,991	6.6%
Capital Outlay	-	-	180	180	100.0%
Operating Subtotal	**16,501**	**35,002**	**32,230**	**18,171**	**-48.1%**
Total Expenditures	**$ 144,847**	**$ 164,943**	**$ 159,874**	**$ 133,939**	**-18.8%**
REVENUES BY TYPE					
Departmental Revenue	$ 116,911	$ 129,800	$ 140,111	$ 128,100	-1.3%
Total Revenues	**$ 116,911**	**$ 129,800**	**$ 140,111**	**$ 128,100**	**-1.3%**
Expenditures, net of Revenues	**$ 27,936**	**$ 35,143**	**$ 19,763**	**$ 5,839**	**-83.4%**

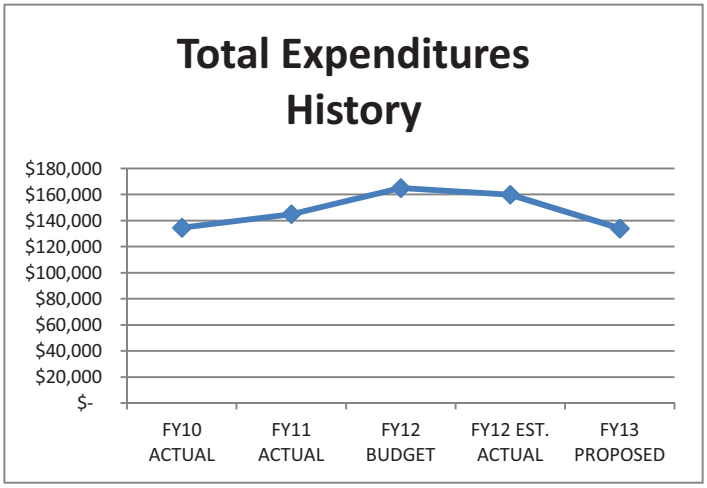
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The $5,000 decrease in estimated total expenditures for FY12 as compared to the FY12 budget is a result of a $3,000 decrease in contractual services and $1,500 decrease in employee benefits. The total project cost for implementation of the paperless meeting system is expected to be $3,000 less than originally budgeted for FY12.

FY12 to Proposed FY13

Personnel expenditures reflect a decrease of $14,000 due to a change in the budget allocation for the Administrative Assistant. This position was originally budgeted 50% to this department and 50% to another department. In FY13, this position was reallocated to align the duties being performed with the department those duties were being performed for. As a result that allocations to the City Clerk's office decreased from 50% to 33%.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	1.50	1.50	1.50	1.33
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	1.50	1.50	1.50	1.33

DEPARTMENT / PROGRAM OVERVIEW

The Legal Department assists City staff with the interpretation of City, State, and Federal laws as they pertain to City services, draft contracts, deeds, leases, ordinances and resolutions. Additionally, they are responsible for defending the City in litigation matters.

DEPARTMENT / PROGRAM OBJECTIVES

- Provide specialized services for the Human Resources Department for handling personnel matters.
- Provide advice on law enforcement issues to the Police Department, representation at internal hearings and other litigation.
- Provide the Utility Departments with advice regarding the purchase of property, general representation and other litigation.
- Provide the Property Management Department with advice on leases and facilities management.
- Provide the Community Development Block Grant department with representation for loan settlements.
- Provide all City departments with assistance in the collection of delinquent accounts b y processing legal claims for nonpayment.
- In FY12, a significant objective will be to work with the City Clerk, City Administrator, Mayor and City Council to update the City Code to include legislation adopted since the last update. A component of this objective will be to enhance the public's access to the updated Code.
- The current franchise agreement with a local cable television company expires November 1, 2013. As a result, negotiations for the renewal of that agreement will begin in FY12. Legal assistance will be required to ensure that the City's current needs are taken into consideration.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of Ordinances Processed	**30**	**33**	**23**
Number of Resolutions Processed	**55**	**47**	**42**
Number of Approved Contracts and Agreements	**120**	**100**	**75**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ -	$ -	$ -	$ -	0.0%
Personnel Subtotal	**-**	**-**	**-**	**-**	**0.0%**
Contractual Services	186,177	240,000	220,000	255,000	6.3%
Operating Expenditures	5,457	3,700	7,200	5,000	35.1%
Operating Subtotal	**191,634**	**243,700**	**227,200**	**260,000**	**6.7%**
Total Expenditures	**$ 191,634**	**$ 243,700**	**$ 227,200**	**$ 260,000**	**6.7%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 191,634**	**$ 243,700**	**$ 227,200**	**$ 260,000**	**6.7%**

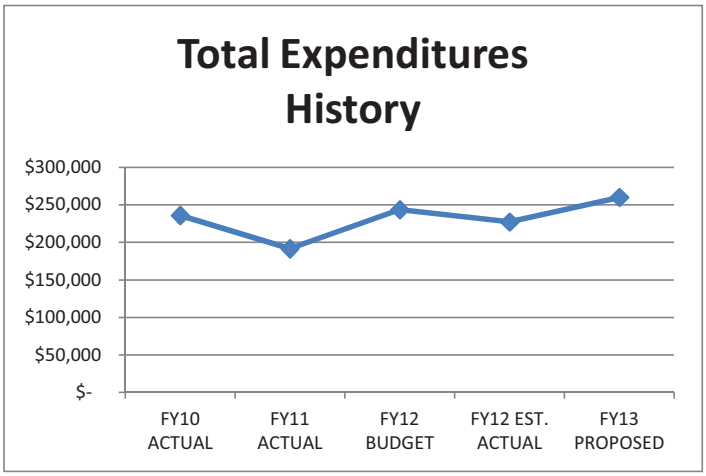
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

No significant changes were noted.

FY12 to Proposed FY13

Operating expenditures reflect a 12.8% increase or $16,300. The increase was budgeted to accommodate added departmental needs associated with the anticipated and upcoming negotiations related to the Franchise Agreement renewal.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	0.00	0.00	0.00	0.00
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	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

- Finance has strived to maintain and support the Mayor and Council's Strategic Plan. As part of the City's approved Strategic Plan, Focus Area "An Innovative and Sustainable Government", Finance will complete the implementation of the Fixed Asset module in Munis and continue to assist other City Departments in their implementation of Munis Municipal Operations; such as, the Utility Billing module.

- The new financial management software, Munis, that was implemented in November 2008 has created the need to develop new financial reports to adequately monitor the City's financial condition at all levels of the organization. Finance will develop a formalized quarterly financial review process to connect with the monthly financial reporting already being distributed to departments. This will give Finance and departments the ability to better monitor the year to date fiscal status of City operations. Furthermore, Finance will continue to meet the October 31 deadline for completion of the annual audit and Comprehensive Annual Financial Report.

- Finance is reviewing and updating vital fiscal policies in an effort to maintain compliance and effectively monitor the overall fiscal condition of the City. During the current fiscal year, we will focus on updating and implementing new debt and investment policies. Additionally, Finance will ensure that after the specific policies are reviewed and approved, the final updated policies are posted on the Finance Department's webpage of the City's website for easy access for all of our customers.

- Finance began making revisions to the City's budget document during the last fiscal cycle in an effort to streamline significant data into a document that is easier to read for all viewers. In the coming fiscal cycles, Finance will strive to make further modifications as an on-going improvement endeavor. Further, Finance will continue to apply for the GFOAs "Distinguished Budget Presentation Award".

- Finance works closely with other City Departments to plan for capital improvement projects, such as the development of pocket parks, expansion of the biking and walking trails, Wastewater Treatment Plant ENR upgrades, and much more. Finance will continue to provide oversight and continue to help prepare capital improvement projections in an effort to identify financing needs for the City. In order to provide this oversight, Finance will prepare cash flow projections to assess future bonded debt needs. As further bond debt issuance and other financing needs arise, Finance will work with both the City's attorney, Financial Advisor and Bond Counsel to complete the necessary issuances.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
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/ 6 yrs	Yes/ 7 yrs	Yes/ 8 yrs
Receive GFOA Comprehensive Annual Financial Reporting award	Yes/ 16 yrs	Yes/ 17 yrs	Yes/ 18 yrs
Receive GFOA Popular Annual Financial Reporting award	Yes/ 4 yrs	Yes/ 5 yrs	Yes/ 6 yrs
Workload Measures			
Bond sales executed	1	-	1
Number of individual employee payrolls processed	25,600	25,500	25,500
Number of vendor invoices processed	10,785	10,800	10,850
Number of Pcard transactions processed	6,455	6,700	6,800
Number of Purchase Orders issued	779	750	750

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 515,875	$ 447,244	$ 444,904	$ 436,668	-2.4%
Benefits	295,469	187,089	185,534	137,013	-26.8%
Overtime	(190)	300	-	-	-100.0%
Personnel Subtotal	**811,154**	**634,633**	**630,438**	**573,681**	**-9.6%**
Contractual Services	46,159	22,095	18,465	22,342	1.1%
Operating Expenditures	56,823	34,261	31,903	40,497	18.2%
Capital Outlay	1,913	-	3,028	2,500	100.0%
Operating Subtotal	**104,895**	**56,356**	**53,396**	**65,339**	**15.9%**
Total Expenditures	**$ 916,049**	**$ 690,989**	**$ 683,834**	**$ 639,020**	**-7.5%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 916,049**	**$ 690,989**	**$ 683,834**	**$ 639,020**	**-7.5%**

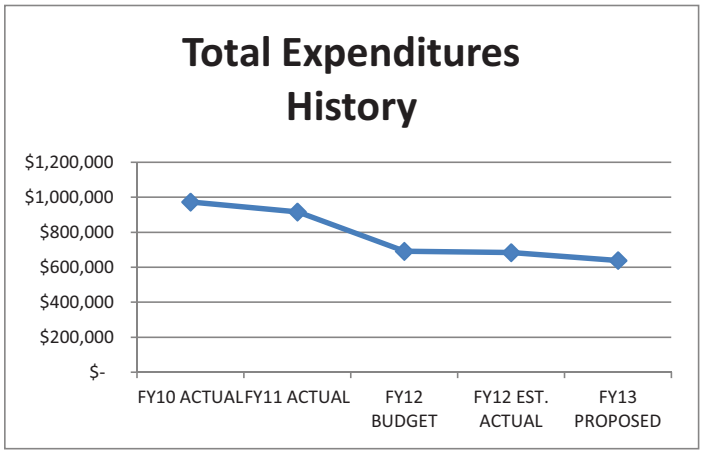
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Due to the retirement of a long-term employee, Finance experienced about $4,200 in personnel vacancy savings. Finance also reduced its expenditures for contractual services by about $3,000 by having staff perform the cost allocation analysis instead of contracting with an outside firm.

FY12 to Proposed FY13

From the FY12 budget to the FY13 proposed budget, overall personnel expenditures decreased by 9.6% or $61,000 and operating expenditures increased by 15.9% or $9,000. The decreases in personnel expenditures are the result of the retirement of another long-term employee and the restructure of those vacant positions into lower graded, staff level positions. The operating expenditure increases are a result several items. Since the cost allocation analysis was performed by Finance Department staff in FY12, $3,500 has been included in the FY13 budget to restore funding for this service. In response to the downturn in the economy, budgeting for capital outlay expenditures and employee professional development had been eliminated in prior years. Now that the City has stabilized its revenue bases, those capital outlay and professional development expenditures are being phased in slowly. Finance has included $2,500 for the replacement of computers and other small equipment and $4,500 for staff professional development.



STAFFING SUMMARY

	FY11	FY112 Budg	FY112 Est Act	FY13
Full time	8.75	8.75	8.75	8.75
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	8.75	8.75	8.75	8.75

DEPARTMENT / PROGRAM OVERVIEW

Technology has become the backbone of operations for all municipalities throughout the county, and the Information Technology department provides the City with information services to achieve its' shared goals and objectives. The Information Technology department supports all levels of technology, including internal network and Internet services, landline and cell phone services, software application support and 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 utilizing technology.

DEPARTMENT / PROGRAM OBJECTIVES

- Implementation of the final keystone module of the MUNIS system - Utility Billing. This implementation will complete the full upgrade of our municipal enterprise system, decommissioning a system that had been in place for over 25 years.

- Implementation of a full-featured Citizen Self Service portal accessible through the City website. This new feature will provide citizens and customers access to all City functions, including account management, payments, account inquiry, GIS information, and 311 services.

- Implementation of Phase III of the Geographic Information System Strategic Plan. This will provide all Internet users access to maps related to City infrastructure, zoning, and other mapping needs required by citizens.

- Complete process review of the MUNIS Financial System. The completion of the implementation of the full MUNIS Financial System will kick-off a review of departmental processes to identify any areas where current processes can be improved based upon the new features of the system since the initial 2010 implementation.

- Implementation of QUALTRAX system for document management in HPD. This system is comprised of document management, process management, training management, reporting, and implementation. All of these elements are interwoven with each other to create a complete compliance solution.

- Installation of In-Car Cameras for HPD vehicles: This process will kickoff in 2012 with the study of storage / network requirements and a pilot implementation.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of City-wide personal computers	241	220	220
Number of PC Software programs supported	22	26	26
Number of Help Desk tickets responded to	1,515	1,503	1,550
Number of SPAM e-mails blocked daily	5,200	4,438	4,700
Amount of Credit Card transactions processed (in Dollars)	$ 5,466,000	$ 7,384,733	$ 7,500,000
Amount of Internet Utility payment transactions processed (in Dollars)	$ 3,154,825	$ 4,477,289	$ 5,000,000
Phone calls managed through our central switchboard	1,384,000	375,135	400,100

Loss of dispatch calls are reasons for sharp call decrease

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 386,282	$ 364,191	$ 361,337	$ 379,718	4.3%
Benefits	163,774	105,686	99,605	106,265	0.5%
Personnel Subtotal	**550,056**	**469,877**	**460,942**	**485,983**	**3.4%**
Contractual Services	1,561	1,500	1,500	1,500	0.0%
Operating Expenditures	301,783	270,395	264,127	281,188	4.0%
Capital Outlay	2,517	3,000	3,000	4,000	33.3%
Operating Subtotal	**305,861**	**274,895**	**268,627**	**286,688**	**4.3%**
Total Expenditures	**$ 855,917**	**$ 744,772**	**$ 729,569**	**$ 772,671**	**3.7%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 855,917**	**$ 744,772**	**$ 729,569**	**$ 772,671**	**3.7%**

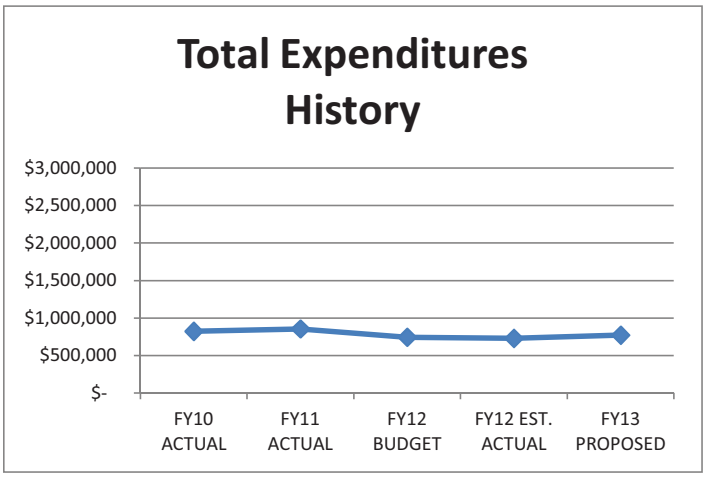
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Small increase in maintenance budget due to addition of software systems over FY12, including Clancy Parking Systems and NOVUS Meeting Management.

FY12 to Proposed FY13

Due to changes in the implementation of the MUNIS system regarding the modules put into production, savings are being achieved through the elimination of support / maintenance for the Parking Ticket and GASB34 modules. This results in a savings of $12,825. Maintenance and support was also added for two new software packages (NOVUS Meeting Management and Clancy Parking Systems Management) implemented in FY12. A staff person was also added to technology paid for through 2012 by the CopsTech grant in HPD. This positions is funded for 6 months in FY13 with General Funds.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	6.3	5.3	5.3	6.3
Part time	0.0	0.0	0.0	0.0
Staffing Total	6.34	5.34	5.34	6.34

The increase in one position for FY13 is a full-time position that was previously grant funded. It will be grant funded through December 31, 2013. Beginning January 1, 2013, this position is proposed to be funded with general fund revenues.

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. The department is committed to continuous, long-term improvement to meet needs in an exceptional way. The primary measure of success is customer satisfaction. The department's intent is to earn and maintain the respect of customers; promote trust in the Support Services operation, and establish collaborative working relationships with internal and external customers.

DEPARTMENT / PROGRAM OBJECTIVES

- Implementation of a Utility Payment lockbox system to allow for the outsourcing of mail processing. A goal is to cut down the average time to process a mail payment from 5 business days to 2 business days, thereby increasing the cash flow for the City and create efficiencies by allowing support staff to assume other duties.

- Utilization of advanced features of the City's phone system to provide more automated opportunities for citizens to make general inquiries of the City. This includes automated pay-by-phone, as well as an online FAQ for general utility questions.

- Support Services Strategic Plan. To develop inprovements in the department's ability 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 external customers. Reviews of the utility collection process, cash management operation, tax collection and reporting processes will all be documented and analyzed by staff, with recommendations on implementation.

- Increased use of online opportunities for Utility / Tax account management utilizing the MUNIS Citizen Self-Service portal. This project will not only include the advantages provided by the Citizen Self-Service portal, but also the potential use of SKYPE technology to provide customer service. SKYPE is a free Internet-based communication service that would provide face-to-face inquiries and limited transaction capabilities for citizens. This would be another low-cost alternative for citizen contact with customer service staff during specific periods of the day. This service would also be available to any other City department that deals with customers either by phone or face-to-face, including permits and inspections.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of calls offered into Support Services queue	**56,900**	**59,127**	**63,000**
Number of calls serviced in Support Services	**40,500**	**42,362**	**53,700**
Average hold time (in Seconds)	**300**	**326**	**275**
Number of counter transactions handled in City Hall	**55,000**	**57,338**	**60,000**
Average pieces of mail processed per day	**2,750**	**2,880**	**500**
Average number of customer's services handled per Customer Service representative per day	**190**	**194**	**190**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 360,121	$ 338,790	$ 320,801	$ 318,790	-5.9%
Benefits	180,553	97,032	121,451	123,589	27.4%
Overtime	9,686	4,990	7,500	6,000	20.2%
Personnel Subtotal	**550,360**	**440,812**	**449,752**	**448,379**	**1.7%**
Contractual Services	156,437	9,450	159,110	182,750	1833.9%
Operating Expenditures	(322,223)	(219,784)	(242,501)	(293,675)	33.6%
Capital Outlay	2,485	2,900	4,000	3,000	3.4%
Operating Subtotal	**(163,301)**	**(207,434)**	**(79,391)**	**(107,925)**	**-48.0%**
Total Expenditures	**$ 387,059**	**$ 233,378**	**$ 370,361**	**$ 340,454**	**45.9%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ 30,000	$ 24,600	$ 164,600	448.7%
Total Revenues	**$ -**	**$ 30,000**	**$ 24,600**	**$ 164,600**	**448.7%**
Expenditures, net of Revenues	**$ 387,059**	**$ 203,378**	**$ 345,761**	**$ 175,854**	**-13.5%**

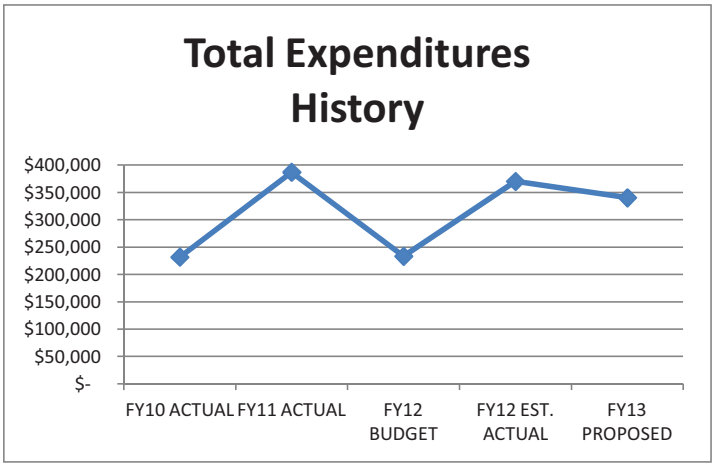
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Credit card fees are charged to the City by the bank to allow customers to pay their utility and property tax bills via credit card. This expenditure was inadvertently omitted from the FY12 budget. Estimated actual reflects an increase of $135,000 for this fee. No other significant changes were noted.

FY12 to Proposed FY13

T o create cost savings, full-time staff positions in Support Services have been filled using part-time staff. FY13 also includes an increase in contractual services of $35,000 for the implementation of lockbox payment processing services for Utility Payments. FY13 also reflects an increase of FY12's budget due to credit card fees of about $140,000. This is offset slightly by the ability to allocate some of those expenditures to the Utility Funds.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	6.67	6.67	6.67	5.67
Less: Unfunded	0.00	-1.00	-1.00	0.00
Staffing Total	6.67	5.67	5.67	5.67
Part time	1.00	1.00	1.00	2.00
Part time Seasonal	0.00	0.00	1.00	0.00
Total Part time	1.00	1.00	2.00	2.00

One full-time position was eleminated in Support Services so that Information Technology could add one additional IT Technician.

DEPARTMENT / PROGRAM OVERVIEW

The Human Resources Department is responsible for training and developing staff, labor relations, including negotiating and administering four Collective Bargaining Contracts, policies, health related benefits, safety and liability insurance, administering two retirement plans and assisting with the Deferred Compensation Program. HR works with Department Managers in the recruiting and hiring process to ensure that the process is fair and consistent, resulting in hiring the best candidate for positions. The Department continually monitors changes to all employment related laws to ensure compliance.

DEPARTMENT / PROGRAM OBJECTIVES

- Continue to adjust staffing as needed to provide services with fewer staff members.
- Implement required changes to healthcare programs to comply with healthcare reform enacted by Federal State or Local laws.
- Change negative trends in Workers Compensation and Liability through staff education and training.
- Broaden employee training programs to expand employee skill levels for broader responsibilities and increase morale.
- Change open enrollment to active process to ensure accuracy of coverage and validate eligible dependents for each employee. An active process will mean that open enrollment forms will need to be completed each year by employees.
- Work to create employee recognition programs that minimally impacts the budget.
- Develop an increasingly comprehensive wellness program in order to increase employee health and productivity while reducing healthcare claims expenses.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
HR Staff to FTE Employee Ratio	1:126	1:117	1:128
Bargaining Unit Contracts	4	4	4
HR Training Budget to number of City FT employees	$ 18.92	$ 20.75	$ 46.62
Employee / Retiree Health Plan Costs	$ 6,662	$ 7,298	$ 8,372
Number of Employment Applications Received	2,120	2,200	2,100
Number of Regular FT employees hired	24	26	26
Number of non-regular employees hired	90	90	90
Retirements	18	15	15
Voluntary Separations	24	22	25
Involuntary Separations	9	4	4
Number of Injury Reports	90	120	105
Number of Property Claims	26	34	27
Number of General Liability Claims	21	8	14
Number of Police Liability Claims	8	4	6
Number of Auto Claims	53	40	46

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 297,217	$ 286,365	$ 282,385	$ 295,817	3.3%
Benefits	125,382	93,101	125,258	95,571	2.7%
Personnel Subtotal	**422,599**	**379,466**	**407,643**	**391,388**	**3.1%**
Contractual Services	8,740	27,750	27,750	27,750	0.0%
Operating Expenditures	30,127	44,967	14,620	45,316	0.8%
Capital Outlay	217	2,200	2,200	1,700	-22.7%
Operating Subtotal	**39,084**	**74,917**	**44,570**	**74,766**	**-0.2%**
Total Expenditures	**$ 461,683**	**$ 454,383**	**$ 452,213**	**$ 466,154**	**2.6%**
REVENUES BY TYPE					
Departmental Revenue	$ -	$ -	$ -	$ -	0.0%
Total Revenues	**$ -**	**$ -**	**$ -**	**$ -**	**0.0%**
Expenditures, net of Revenues	**$ 461,683**	**$ 454,383**	**$ 452,213**	**$ 466,154**	**2.6%**

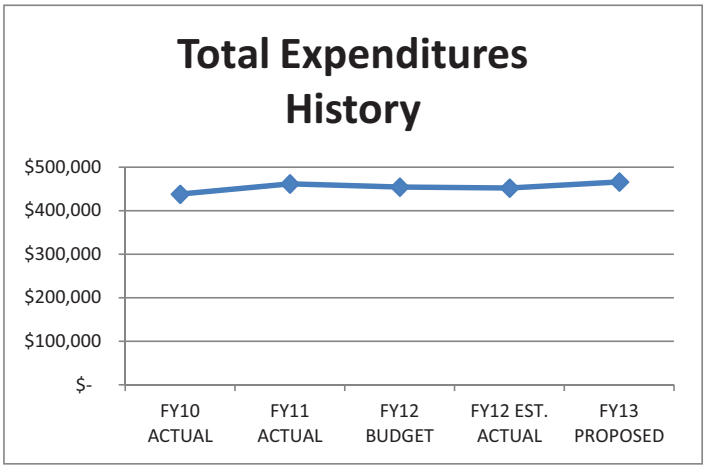
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Personnel expenditures show an increase of approximately $28,000 due to the retirement of one employee. The increase is due to costs of leave payouts for that retiring employee. The department also realized a decrease in salary costs and health insurance costs associated with the staffing movement within the department. Operating Expenditures estimated actuals for FY2011/12 are approximately $30,000 under budget due to a one-time credit received from General Liability Insurance.

FY12 to Proposed FY13

Personnel expenditures show an increase of approximately $9,452. The increase in budgeted salary and wages allows greater flexibility in recruiting permanent full time staff.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	4.00	4.00	4.00	4.00
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	4.00	4.00	4.00	4.00

There were no changes to the overall number of full time positions in the Human Resources Department. However the Human Resources Administrative Specialist position remains vacant and funded. The department increased the hours of part time staff to assist in completing those duties. The Human Resources Department also staffs the information/security desk at City Hall.

DEPARTMENT / PROGRAM OVERVIEW

The Department of Community and Economic Development (DCED) works in collaboration with all City Departments and the private sector to advance the economy, image and quality of life in Hagerstown. The Department is organized in two divisions, the *Planning and Code Administration Division* (PCAD) and the *Business and Community Relations Division* (BCRD). All Department efforts are directed toward making Hagerstown the location of choice for a diverse and dynamic citizenry.

Planning and Code Administration Division (PCAD)
PCAD provides the development 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. The administration of these development services and protection of neighborhoods encourages investment and a proud and prosperous community.

Business and Community Relations Division (BCRD)
BCRD administers business attraction and retention programs, image campaigns, community outreach initiatives, Community Development Block Grant (CDBG) functions (see also Special Revenue Section 5), public information programs, community events, the arts, entertainment and education district functions, and a new program implemented in FY12 for volunteer efforts. Several of these activities will be expanded in FY13 including business attraction and retention, added image campaigns and community events.

DEPARTMENT / PROGRAM OBJECTIVES

Planning and Code Administration Division (PCAD)
Recognizing that time is money for the development community, PCAD administers streamlined processes and provides exceptional service while planning for the future of the City through flexible regulations, progressive programs and customer-friendly processes. Further efficiencies have been achieved through the creation of one front office and the transfer of field operations to City Hall. The Planning function of the division acts as the architect of the City. Progressive protective legislation for smart development and redevelopment remains a focus. The permitting, licensing and inspections area strives to ensure speed and accuracy which in turns makes Hagerstown a location of choice for investors. In FY13, this division will conclude a comprehensive review of the Land Management and related codes as it continues to expand its reputation as an effective and efficient partner to the neighborhoods and development community.

Business and Community Relations Division (BCRD)
In partnership with the private sector and all City Departments, the BCRD works directly with existing and prospective business owners and investors to retain and attract investment in Hagerstown. These efforts include business retention and attraction programs, the administration of incentives, the development and implementation of events, the arts, education and entertainment district functions, marketing and image campaigns and increased volunteer opportunities. In FY13, this division will lead an expansion of the following programs: business attraction programs, the City-wide image campaign, the volunteer office, and community events. Additionally, the division will complete community development projects designed to have visible results with a positive impact on the community. A new feature in FY13 will be the reporting of job creation related to development.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Value of commercial investment (in thousands)*	50,319	20,000	24,000
Value of residential investment (in thousands)*	5,490	6,000	6,500
Assessed value of newly annexed land	317,250	31,500,000	1,200,000
Number of new home starts	40	40	40
Percent of HDC applicant affirmed cases	97%	98%	99%
Number of Site Plans Reviewed	12	15	16
Volume of Inspections Performed	23,392	21,000	21,150
Number of Inspections Appealed	4	6	4
Number of Zoning Certificates issued of new businesses***	116	95	95
ROI from major events**	2,497,000	3,076,000	3,032,400
Number of event attendees	44,700	42,400	45,250
Number of volunteer hours	1,490	1,550	1,670

* Measured in calendar year by permitted work
** City contribution v. impact on local economy
*** Limited to retail related businesses that collect sales tax

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,430,003	$ 1,463,087	$ 1,470,766	$ 1,559,259	6.6%
Benefits	607,285	561,556	562,307	523,354	-6.8%
Overtime	1,230	1,544	1,000	1,000	-35.2%
Personnel Subtotal	**2,038,518**	**2,026,187**	**2,034,073**	**2,083,613**	**2.8%**
Contractual Services	235,149	182,950	188,900	186,100	1.7%
Operating Expenditures	719,978	816,285	944,077	891,380	9.2%
Capital Outlay	48	1,900	6,131	6,400	236.8%
Operating Subtotal	**955,175**	**1,001,135**	**1,139,108**	**1,083,880**	**8.3%**
Total Expenditures	**$ 2,993,693**	**$ 3,027,322**	**$ 3,173,181**	**$ 3,167,493**	**4.6%**
REVENUES BY TYPE					
Departmental Revenue	$ 1,603,137	$ 1,687,110	$ 1,716,019	$ 1,635,064	-3.1%
Total Revenues	**$ 1,603,137**	**$ 1,687,110**	**$ 1,716,019**	**$ 1,635,064**	**-3.1%**
Expenditures, net of Revenues	**$ 1,390,556**	**$ 1,340,212**	**$ 1,457,162**	**$ 1,532,429**	**14.3%**

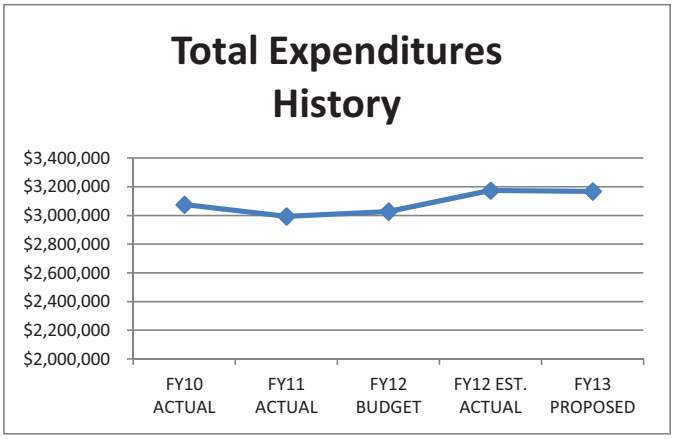
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The Operating Expenditures indicate an increase in the estimated actual for FY12 of $127,792. $115,000 of this increase is for unbudgeted Property Abatement Work such as the emergency demolition of 149 West Washington Street. Property Abatement work charges are offset by corresponding revenues as the property owners are invoiced for the work performed. Department revenues are projected to be strong, but staff maintain a continued conservative approach.

FY12 to Proposed FY13

In FY13 staff continue a conservative approach on revenue projections. Personnel costs reflect an overall increase of 2.8% for the following reasons: 1.) an existing CDBG funded position is being transferred to the General Fund, 2.) staff turn-over after submission of the FY12 budget resulted in salary variances, and 3.) the continued use of part-time hours to assist in the implementation of expanded Community and Economic Development Programs. The transfer of the formerly CDBG position did not change the number of full-time General Fund staff because a vacant funded position is being eliminated. While operating expenditure increases of 4.6% for FY13 include additional funding for marketing, outreach, training, and vehicle maintenance of an aging fleet, the proposed amount represents a 4.8% decrease over the estimated actual in FY12. In the Expenditures by Program Chart on the following page, the Neighborhood First funding reflects a significant decrease. This decrease is not associated with the funding of neighborhood activities. The decrease is an result of reductions in salaries, benefits and employee payouts due to the department restructuring efforts that took place in FY11 and FY12.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	23.00	23.00	23.50	23.50
Less: Unfunded	-	-	-	-
Staffing Total	23.00	23.00	23.50	23.50

Due to departmental restructuring, full-time staffing decreased in FY11 from a high of 26 positions at the beginning of FY11 to 23.5 positions in FY12. The number of positions remains flat for FY13.

EXPENDITURES BY PROGRAM

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES					
Community Affairs	$ 344,644	$ 352,757	$ 434,978	$ 425,667	20.7%
Communications	54,832	187,375	181,341	165,154	-11.9%
Public Functions	418,744	401,713	405,955	455,728	13.4%
Planning	467,170	412,722	422,017	434,964	5.4%
Annexation	58,269	9,700	9,700	12,800	32.0%
Code Administration	1,131,255	1,126,921	1,182,333	1,087,434	-3.5%
Farmers Market	97,617	75,677	98,417	76,480	1.1%
Economic Development	307,511	318,264	305,223	382,605	20.2%
Neighborhoods First	87,090	107,933	100,481	17,100	-84.2%
Housing & Community Dev	26,561	34,260	32,736	109,561	219.8%
Total Expenditures	**$ 2,993,693**	**$ 3,027,322**	**$ 3,173,181**	**$ 3,167,493**	**4.6%**
REVENUES					
Departmental Revenue	$ 1,603,137	$ 1,687,110	$ 1,716,019	$ 1,635,064	-3.1%
Total Revenues	**$ 1,603,137**	**$ 1,687,110**	**$ 1,716,019**	**$ 1,635,064**	**-3.1%**
Expenditures, net of Revenues	**$ 1,390,556**	**$ 1,340,212**	**$ 1,457,162**	**$ 1,532,429**	**14.3%**

City Center — The Heart of Hagerstown

DEPARTMENT / PROGRAM OVERVIEW

The Department of Parks and Engineering has the unique opportunity to improve the livability and recreations opportunities for the citizens of Hagerstown. Through the construction of Capital Improvement Projects, providing excellent Park and Recreational activities, and the implementation of residential recycling and trash collection 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, traffic flow, and stormwater management (SWM). Engineering is also responsible for preparing construction documents for various capital improvement projects identified in Section 9 of the City budget document. This includes the annual Pavement Preservation Program, construction of parking facilities, upgrades to storm drains and repairs to other public facilities. Engineering Division staff prepare contract documents, bids for the projects, administration of contracts, and inspects the work performed. Engineering Division staff are also involved in land development reviews, tri-annual inspections of SWM structures, maintenance and creation of numerous databases, and development of the City's Geographical Information System (GIS) database.

Parks and Recreation Division

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

Waste Collection and Disposal

The residential recycling and trash collection program is provided by a private contractor, administrated by the Engineering Division. In addition to collecting residential trash at curbside twice each week, the City's contractor also collects yard waste, mixed paper, and comingled glass, plastic, and aluminum recycling.

DEPARTMENT / PROGRAM OBJECTIVES

The Mayor and City Council adopted a Strategic Plan for the future of Hagerstown in September 2010 (located in Section 1). Engineering and Parks will support the Strategic Plan and provide other strategic initiatives as follows:

Engineering Division

- Staff will continue to monitor the EPA requirements for pollution reduction from runoff and will develop strategies needed to address these issues.
- Transportation initiatives in FY2012/13 include continued discussion on the construction of a bridge over Antietam Creek at Professional Court which must be tied to annexation development. The rehabilitation of three bridges on Burhans Boulevard utilizing Federal Aid funding is also an anticipated initiative.
- Other miscellaneous objectives would be the completion of Frederick Street culvert widening, improving South Prospect Street sidewalks, and increasing our pavement preservation efforts.

Parks and Recreation Division

- Examine the feasibility of constructing new multi-use athletic and event facility.
- Complete an overall strategic plan for all the City parks. Develop possible new parks including Kiwanis Park, "Memorial Park" on Memorial Boulevard, Margaret Greenawalt Park on East Avenue, and other pocket parks.
- Numerous smaller goals for 2012/13 include the creation of more recreational programs; negotiating with the YMCA to manage the Potterfield Pool; use of volunteers at the Hager House; and improvements to the Pool and University Plaza.

Solid Waste Collection and Disposal

- Implement the Mayor and City Council approved recommendations of the "Trash and Recycling Task Force" Initiatives include single-stream recycling, once per week trash collection, providing collection services to businesses, issuing recycling containers, and implementing a Recyclebank program.

PERFORMANCE INDICATORS - ENGINEERING

	2010/11	2011/12	2012/13
Number of Contracts and RFP's	16	13	13
Curb and Sidewalk Permits Issued	180	49	90
Traffic Complaints Resolved	190	200	200
Work Orders issued to Public Works	160	160	150

PERFORMANCE INDICATORS - PARKS

	2010/11	2011/12	2012/13
Number of Pavilion Reservations	357	382	400
City Park Bandshell Reservations	58	52	60
Wheaton Park Bandshell	3	5	5
Municipal Stadium: Number of Baseball Games	70	70	70
Municipal Stadium: Number of Amateur Games	5	1	3
Municipal Stadium: Number of Spectators (in 000s)	125	124	130
Hager House Visitors	2,000	1,500	1,500
Hager House Promotions/Events	22	22	10
Hagerstown Railroad Museum Promotions/Events	6	2	2
202 Locomotive Visitors	1,000	800	800

PERFORMANCE INDICATORS - POTTERFIELD POOL

	2010/11	2011/12	2012/13
Number of Days in Full Operation	62	69	69
Number of Private Rentals	39	33	40
Private Rental Attendance	2,108	1,415	2,000
Number of Season Passes	76	83	100
Daily Paid Attendance	12,032	11,150	13,000
Total Attendance	23,388	22,464	25,000

PERFORMANCE INDICATORS - WASTE COLLECTION

	2010/11	2011/12	2012/13
Tons of Garbage Collected Curbside	11,507	11,606	11,000
Tons of Yard Waste Collected	1,074	1,112	1,000
Tons of Mixed Paper Collected	649	657	N/A
Tons of Glass, Plastic, and Aluminum	345	386	1,500

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,725,770	$ 1,683,808	$ 1,631,186	$ 1,690,260	0.4%
Benefits	668,086	577,118	601,211	529,220	-8.3%
Overtime	12,495	34,050	46,248	56,547	66.1%
Personnel Subtotal	**2,406,351**	**2,294,976**	**2,278,645**	**2,276,027**	**-0.8%**
Contractual Services	2,221,655	2,290,423	2,367,149	2,176,929	-5.0%
Operating Expenditures	617,004	792,973	763,715	815,152	2.8%
Capital Outlay	9,650	3,900	11,671	3,300	-15.4%
Operating Subtotal	**2,848,309**	**3,087,296**	**3,142,535**	**2,995,381**	**-3.0%**
Total Expenditures	**$ 5,254,660**	**$ 5,382,272**	**$ 5,421,180**	**$ 5,271,408**	**-2.1%**
REVENUES BY TYPE					
Departmental Revenue	$ 2,482,550	$ 2,659,170	$ 2,635,157	$ 2,560,972	-3.7%
Total Revenues	**$ 2,482,550**	**$ 2,659,170**	**$ 2,635,157**	**$ 2,560,972**	**-3.7%**
Expenditures, net of Revenues	**$ 2,772,110**	**$ 2,723,102**	**$ 2,786,023**	**$ 2,710,436**	**-0.5%**

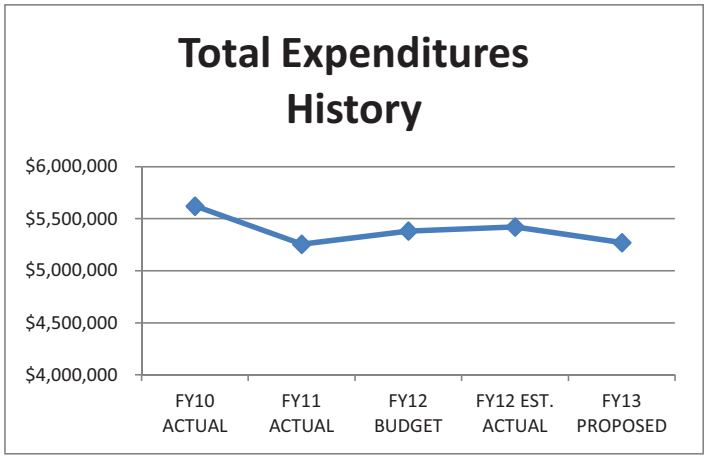
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Personnel expenditures reflect an overall decrease of $4,651 from the amount budgeted in FY12 compared to the estimated actual for FY12. The estimated actual expense for FY12 fringe benefits in Recreation Administration and the Hager House increased over the FY12 budget due to employee leave pay-outs and unexpected unemployment tax payments.

Adopted FY12 to Proposed FY13

Overall personnel expenditures proposed for FY13 reflect a continued decrease from the FY12 budget of 1.8% or $41,196. The contractual services decrease of $113,194 or 4.9% is a result of a new vendor contract that was awarded for waste collection and disposal when the service was re-bid in FY12. The new contract included a decrease in landfill tipping expenses and other refuse collection expenses. The savings realized from the reduction in waste collection services expenditures was passed on to customers when the quarterly refuse collection fee charged to was decreased from $41.00 to $39.00; subsequently, this service fee reduction accounts for the 3.7% decrease in departmental revenue.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	29.00	29.00	29.00	29.66
Less: Unfunded	-3.00	-3.00	-3.00	-3.00
Staffing Total	26.00	26.00	26.00	26.66
Part time seasonal	51.00	51.00	51.00	51.00

Three (3) vacant positions from FY11 will remain vacant and are unfunded in FY13. The Department has 15 part-time seasonal employees for grounds maintenance, park attendants and the train museum, and an additional 36 part-time seasonal employees were utilized as guards and cashiers at the Potterfield Pool.

EXPENDITURES BY PROGRAM

	2010/11	2011/12		2012/13	2012/13
	ACTUAL	BUDGET	EST. ACTUAL	PROPOSED	% CHANGE
EXPENDITURES					
Engineering	$ 1,182,275	$ 1,037,171	$ 992,078	$ 1,026,574	-1.0%
Waste Collection and Disposal	2,035,308	2,130,557	2,143,691	2,003,191	-6.0%
Recreation	189,265	213,029	224,784	305,286	43.3%
Skateboard Park	180	-	-	-	0.0%
Swimming Pool	152,782	147,049	157,616	174,733	18.8%
Municipal Stadium	186,074	194,037	223,678	222,177	14.5%
Hager House	94,415	45,589	55,603	47,000	3.1%
Train Museum	10,389	20,717	15,144	14,661	-29.2%
Parks Supervision	103,506	247,821	240,319	96,050	-61.2%
City Park	433,299	435,967	355,707	381,048	-12.6%
Hager Park	31,083	25,087	21,905	33,987	35.5%
Pangborn Park	131,913	136,695	63,909	100,844	-26.2%
Wheaton Park	80,767	61,423	49,775	78,027	27.0%
Hellane Park	60,844	62,445	48,297	49,958	-20.0%
Funkhouser Park	18,063	27,104	23,092	23,380	-13.7%
Staley Park	22,403	21,837	17,675	21,322	-2.4%
Hager House Park	2,924	4,100	15,110	12,010	192.9%
Mills Park	10,683	7,523	19,252	32,551	332.7%
Fairgrounds Park	297,311	369,204	504,593	374,373	1.4%
University Plaza	5,799	6,864	18,640	14,065	104.9%
Playgrounds	185,863	145,219	194,960	216,475	49.1%
Park Equipment	19,514	42,834	35,352	43,696	2.0%
Total Expenditures	**$ 5,254,660**	**$ 5,382,272**	**$ 5,421,180**	**$ 5,271,408**	**-2.1%**
REVENUES					
Departmental Revenue	$ 2,482,550	$ 2,659,170	$ 2,635,157	$ 2,560,972	-3.7%
Total Revenues	**$ 2,482,550**	**$ 2,659,170**	**$ 2,635,157**	**$ 2,560,972**	**-3.7%**
Expenditures, net of Revenues	**$ 2,772,110**	**$ 2,723,102**	**$ 2,786,023**	**$ 2,710,436**	**-0.5%**

DEPARTMENT / PROGRAM OVERVIEW

The Hagerstown Police Department (HPD) is a full service, nationally accredited law enforcement agency which provides first response to crime, disorder, and service requests, post-incident investigation, and proactive, data-driven initiatives and deployment. The police mission is accomplished using a variety of programs, strategies and tactics. For example, the Police Department has a Criminal Investigation Division, a fully accredited crime laboratory and a downtown squad. Additionally, the Police Department partners with the County Sheriff's Office by assigning personnel to the Narcotics Task Force, Special Response Team, and Warrant Task Force.

DEPARTMENT / PROGRAM OBJECTIVES

- ADMINISTRATION: Directs and manages the overall operation of the department.
- RECORDS: Serves as the department's centralized records repository; provides police records maintenance, control, and retrieval; operates the City's switchboard during business hours; coordinates and manages the department's use of criminal justice information systems.
- 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 and speed camera enforcement.
- 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.
- PROFESSIONAL STANDARDS: Conducts internal affairs investigations and background checks.
- VEHICLE/BUILDING MAINTENANCE: Maintains all vehicles and facilities for departmental use.
- 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.
- NARCOTICS TASK FORCE: A joint task force with HPD, Washington County Sheriff's Office, Maryland State Police, Washington County State's Attorney, and the Drug Enforcement Administration; conducts regional in-depth investigations of drug offenses.
- WESTERN MARYLAND REGIONAL CRIME LABORATORY: Analyzes and processes crime scene evidence according to international accreditation standards; provides expert testimony in prosecution of cases.

HPD has traditionally participated in numerous joint efforts with the Washington County Sheriff’s Office. These efforts leverage resources in a manner which provides the citizens of Hagerstown, as well as other residents of the County, with greater service levels than would otherwise be possible. Some of these partnerships are the Narcotics Task Force, Gang Task Force, Warrant Task Force, Western MD Crime Lab, Special Response Team, 911 Center, Central Booking, Records Management Systems, and the County-wide Radio system. HPD will continue exploring opportunities for additional partnerships in FY13.

Another multi-jurisdictional partnership we will pursue in FY13 is a regional automated fingerprint system (AFIS). Currently, the Maryland State Crime Lab has a lengthy turnaround time for fingerprint processing which greatly limits their ability to be an effective resource during criminal investigations. HPD has located a vendor with a system which can check prints for local matches in a timely fashion. Since this is a costly item and may involve personnel costs, HPD is working with the Western Maryland Information Center and four other western Maryland Police agencies to purchase and share use of this item as an investigative tool. If successful, HPD will greatly enhance its' investigative capabilities at a minimal cost.

Another program objective for that was proposed in FY12 involves the relocation of investigative units from various local agencies into a common facility to improve the exchange of information among investigators, and increase the efficiency of criminal investigations. While not accomplished yet, HPD will continue to look for potential low-cost space for such a collaborative investigative unit.

During FY12 HPD continued to utilize the funding provided through the COPS Technology Grant, (See Section 5 - Special Revenue Grant Fund) to expand and improve the Public Safety Grid. The purpose of which is to utilize technology to improved public safety, and the use and sharing of information. The most significant single component of this system was the addition of 50 new street crime cameras to our existing system. Grant and general funds are included in FY13 for part-time employees to monitor the system much of the time, including peak activity periods.

The planned reorganization of our patrol supervisory structure in FY12 could not be accomplished as the City and the police union were unable to reach an agreement during contract negotiations. Accordingly, the number of supervisory positions remained the same. Cost savings was realized by eliminating one lieutenant position in favor of a sergeant position.

DEPARTMENT / PROGRAM OBJECTIVES (continued)

In FY12 HPD transformed its volunteer Fire Police Unit into the Police Auxiliary Unit. In addition to the normal fire police function, its members will be trained to handle activities that have traditionally been performed by sworn officers. Some of these functions will include: limited parking enforcement, crime resistance inspections, abandoned vehicles, and found property. Grant funding through the COPS Technology grant enabled HPD to employ some of the members of this unit to monitor street crime cameras on a part-time basis. Through the Byrne JAG grant program, others maintain a uniformed presence on foot in the downtown area during peak pedestrian periods. In that capacity those employees are available to report incidents of crime and disorder, and provide informational assistance to citizens.

HPD made significant progress in FY12 within the records management system. HPD continues to share data with the Washington County Sheriff's Office. In FY13 we will continue to work on maximizing efficiencies. Some of the projects include automated intra-agency notification of violent offender contacts, e-Tickets, and improvements in the automated case management system. HPD will also be working toward electronic scanning and eventual shredding of our stored investigative files, which consist of more than 1.3 million documents.

The C-SAFE program ends on 6/30/12 after about 15 years. This program currently supports two police officer positions, a state's attorney's position and a crime analyst. It will be replaced by a new program known as Safe Streets. The requirements and program are new for 2012. HPD will be competing with numerous other jurisdictions for this limited funding. The goal will be to preserve these functions to the fullest extent possible.

In FY12 the City began the process to install and operate automated speed enforcement systems in school zones. By the start of FY13 we expect to have approximately 10 speed cameras and related signage installed and operating. Pre and post installation traffic studies will evaluate the effectiveness of those traffic calming efforts and determine if cameras need relocated or increased.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Total calls for service	**54,555**	**63,364**	**60,000**
Warrants served	**873**	**616**	**650**
K-9 calls	**408**	**536**	**500**
Criminal arrests	**3,141**	**3,060**	**3,100**
CDS arrests	**290**	**324**	**300**
Volunteer response hours (estimated)	**2,476**	**3,600**	**3,700**
Funded Full-time Sworn Personnel[1]	**98**	**98**	**98**
Funded Full-time Civilian Personnel[1]	**12**	**12**	**12**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 5,682,260	$ 5,748,956	$ 5,384,693	$ 5,825,376	1.3%
Benefits	2,592,827	2,184,951	2,169,961	2,512,961	15.0%
Overtime	389,804	545,980	589,310	619,303	13.4%
Personnel Subtotal	**8,664,891**	**8,479,887**	**8,143,964**	**8,957,640**	**5.6%**
Contractual Services	451,928	438,650	477,281	704,150	60.5%
Operating Expenditures	1,362,103	1,322,431	1,300,317	1,428,826	8.0%
Capital Outlay	46,141	61,405	59,704	84,350	37.4%
Operating Subtotal	**1,860,172**	**1,822,486**	**1,837,302**	**2,217,326**	**21.7%**
Total Expenditures	**$ 10,525,063**	**$ 10,302,373**	**$ 9,981,266**	**$ 11,174,966**	**8.5%**
REVENUES BY TYPE					
Departmental Revenue	$ 978,617	$ 1,095,241	$ 1,113,015	$ 1,582,426	44.5%
Total Revenues	**$ 978,617**	**$ 1,095,241**	**$ 1,113,015**	**$ 1,582,426**	**44.5%**
Expenditures, net of Revenues	**$ 9,546,446**	**$ 9,207,132**	**$ 8,868,251**	**$ 9,592,540**	**4.2%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

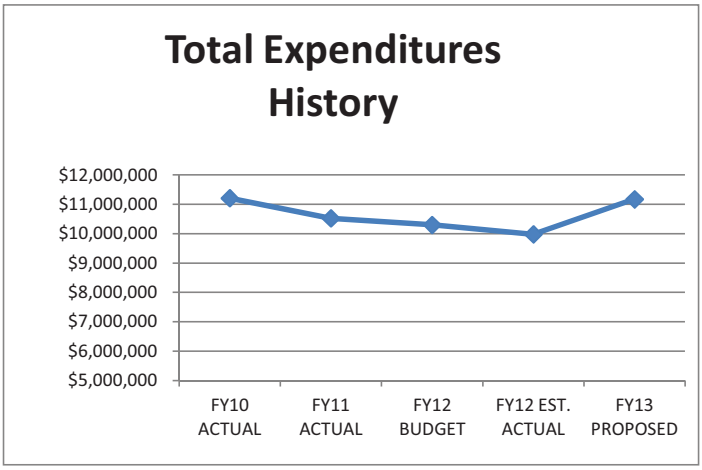
Adopted FY12 to Estimated Actual FY12

Total contractual services above are expected to increase by about $39,000 from FY12's budget to FY12's estimated actual. Implementation of automated speed cameras took place in March 2012, as a result, $30,000 was added to contractual services to cover service fees paid to the vendor who maintains the system and processes the tickets that are generated. Total personnel expenditures are expected to be about $336,000 less than originally budgeted as a result of unexpected vacancy savings from staff retirements and turnaround. No other significant changes were noted.

FY12 to Proposed FY13

Two new cost centers were created in FY12, one to separate property and evidence functions from the crime lab, and the second represents revenues and related expenditures from the automated speed enforcement system implemented in FY12 (see the Expenditures by Program on the next page). Expenditures in the speed camera enforcement cost center primarily consist of contractual services for the vendor servicing the automated speed camera system, overtime for officers operating the equipment, and staff time for reviewing and approving violations. Total contractual services above are expected to increase by 60.5% from FY12's budget to FY13's proposed budget. Of this increase, $240,000 is directly related to automated speed camera maintenance and service fees.

Operating expenditures are proposed to increase by 8.0% or $107,000. This increase is related to training and education that has been deferred for the last few fiscal years in response to the downturn in the economy. Training, educational assistance, conference & seminar fees, meals and lodging have been increased as the City begins the restoration of training and educational benefits for staff professional development. Capital outlay for computer equipment has increased by 37.4% or $23,000 over FY12 to begin catching up replacement equipment that had been deferred in previous fiscal years.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	118.00	118.00	118.00	118.00
Less: Unfunded	0.00	-8.00	-8.00	-8.00
Staffing Total	118.00	110.00	110.00	110.00

HPD currently has 8 vacant positions that are scheduled to remain unfunded for FY13. Those vacant, unfunded positions are as follows: six (6) Police Officers, one (1) Police Lieutenant, and one (1) Bookkeeping/Clerk Typist. At the beginning of the fiscal year, HPD will temporarily have 2 additional funded positions filled by trainees attending a state approved police academy. Those positions will be eliminated after anticipated retirements occur.

EXPENDITURES BY PROGRAM

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES					
Police Administration	$ 656,722	$ 552,012	$ 571,380	$ 594,539	7.7%
HPD Information Technology	93,929	148,791	147,934	139,693	-6.1%
Police Records	190,861	206,065	191,563	225,983	9.7%
Communication / Dispatch	573,107	509,384	459,074	454,904	-10.7%
Professional Services	189,803	174,933	173,067	216,664	23.9%
HPD Building	170,978	173,682	155,650	179,042	3.1%
Western Maryland Laboratory	356,546	394,849	382,532	320,976	-18.7%
Police K-9	16,648	8,650	9,250	9,600	11.0%
Police Academy	72,678	-	(1,063)	-	0.0%
Evidence & Property	-	-	-	61,890	100.0%
Patrol	6,202,319	6,260,952	5,759,946	6,432,188	2.7%
Criminal Investigation Division	935,716	884,204	801,242	855,945	-3.2%
Patrol Vehicles	472,736	440,072	416,635	459,773	4.5%
Narcotics Task Force	578,645	532,679	814,256	852,211	60.0%
Speed Camera Enforcement	-	-	84,044	353,828	100.0%
Police Auxiliary	14,375	16,100	15,756	17,730	10.1%
Total Expenditures	**$ 10,525,063**	**$ 10,302,373**	**$ 9,981,266**	**$ 11,174,966**	**8.5%**
REVENUES					
Departmental Revenue	$ 978,617	$ 1,095,241	$ 1,113,015	$ 1,582,426	44.5%
Total Revenues	**$ 978,617**	**$ 1,095,241**	**$ 1,113,015**	**$ 1,582,426**	**44.5%**
Expenditures, net of Revenues	**$ 9,546,446**	**$ 9,207,132**	**$ 8,868,251**	**$ 9,592,540**	**4.2%**

DEPARTMENT / PROGRAM OVERVIEW

Conduct research, planning, record keeping, personnel and general management functions of the Fire Department. Improve the quality of life through fire prevention, fire safety education, fire suppression, rescue and other special services to all the people that live, visit, work and invest in the City of Hagerstown.

DEPARTMENT / PROGRAM OBJECTIVES

- Fire Suppression - Control and bring to a rapid and safe termination all emergency incidents with sufficient well trained and equipped personnel. Maintain the apparatus, facilities, equipment and personnel necessary to provide fire suppression and First Responder emergency medical service.

- Fire Marshall - Provide education to the general public and develop fire safety programs. Conduct 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. 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.

- Training - Operate and maintain the Training Center on Bowman Ave. This includes a burn building, training tower, classroom building, test pit and numerous props. Include all training related expenses for both career and volunteer personnel. Maintain certification level of all personnel, including but not limited to Hazardous Materials, Blood Borne Pathogens, CPR and NIMS. Insure that training classes are available for volunteer personnel during off hours; i.e. nights and weekends.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of emergency incidents	2,399	2,550	2,570
Average response time to emergencies in minutes	3.5	3.3	4.3
Percent of structure fire causes identified	82.0%	85.0%	97.0%
Ratio of arrests to convictions by Fire Marshall Office	26 24	20 18	37 37
Number of Inspections	1,359	1,400	1,515
Number of free smoke detectors installed	1,223	1,200	753
Number of educational programs presented	471	470	809
Number of people attending educational programs	10,735	12,000	7,688
Average number of firefighters responding per incident	6	8	6
Number of active volunteer firefighters that received benefits	9	12	15
Number of active volunteers that responded to 25 or more incidents but didn't qualify for incentive benefit	3	10	2

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 3,573,685	$ 3,821,429	$ 3,855,002	$ 3,810,710	-0.3%
Benefits	1,754,829	1,495,117	1,591,396	1,659,467	11.0%
Overtime	204,829	145,191	150,000	150,000	3.3%
Personnel Subtotal	**5,533,343**	**5,461,737**	**5,596,398**	**5,620,177**	**2.9%**
Contractual Services	45,855	46,000	45,560	56,800	23.5%
Operating Expenditures	331,193	348,489	354,971	367,185	5.4%
Capital Outlay	307	5,000	5,000	5,000	0.0%
Operating Subtotal	**377,355**	**399,489**	**405,531**	**428,985**	**7.4%**
Total Expenditures	**$ 5,910,698**	**$ 5,861,226**	**$ 6,001,929**	**$ 6,049,162**	**3.2%**
REVENUES BY TYPE					
Departmental Revenue	$ 109,504	$ 193,300	$ 156,115	$ 183,315	-5.2%
Total Revenues	**$ 109,504**	**$ 193,300**	**$ 156,115**	**$ 183,315**	**-5.2%**
Expenditures, Net of Revenues	**$ 5,801,194**	**$ 5,667,926**	**$ 5,845,814**	**$ 5,865,847**	**3.5%**

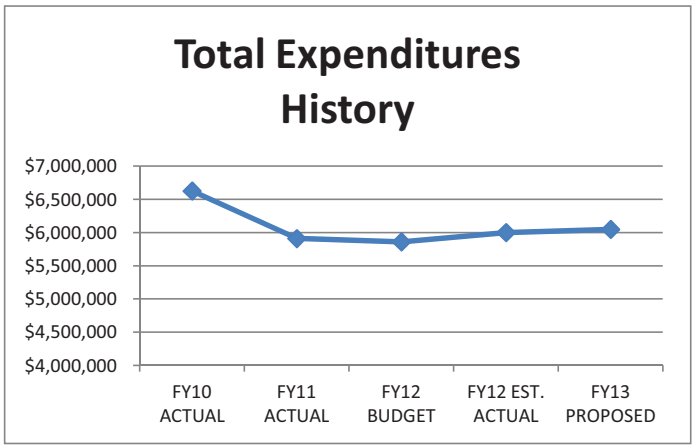
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Due to the shortfall in State and County shared revenues, 8 vacant positions that became vacant in FY11 will remain unfunded for FY12. This creates a savings of approximately $407,555. The City offered retirement incentives in FY11 through FY12. One eligible employee took advantage of this incentive creating an increase in benefits of $20,000 for incentive and $78,300 for leave payouts. Due to a contract language change reducing the number of personnel off per shift, a reduction of $44,829 in overtime is projected for FY12 from FY 11.

Estimated Actual FY12 to Proposed FY13

In October 2012 the City Administrator and Mayor and Council elected to cancel the remainder of the Safer grant that obligated the City to fill the 9 vacant positions funded by the grant. One position was filled to bring staffing levels up after one employee retired in FY11, maintaining a total of 8 unfunded vacancies. In Operating expenditures, the Fire Department has budgeted an additional $7,000 for one Deputy Fire Marshal to attend the Police Academy, and an additional $10,800 for physicals as part of the union contract.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	83.00	83.00	83.00	83.00
Less: Unfunded	0.00	-8.00	-8.00	-8.00
Staffing Total	83.00	75.00	75.00	75.00

In response to the shortfall in State and County shared revenues, the Fire Department has eight (8) vacant full time positions, which were unfunded during FY12 and in FY13.

DEPARTMENT / PROGRAM OVERVIEW

The Public Works Department provides for the maintenance of streets, traffic control devices, building maintenace and the city's fleet of vehicles and equipment. Street maintenance includes repairs (potholes, storm drains), street cleaning and snow removal of the 110 lane miles within the city. Traffic control works closely with the Engineering Department to maintain and coordinate the 131 signaled intersections. The thousands of traffic signs also fall under this division. Buildings maintenance includes 9 buildings with over 17 tenants. Finally, fleet maintenance repairs the vehicles and equipment for every department within the city including all utilities, parks, public works, fire and police

DEPARTMENT / PROGRAM OBJECTIVES

- Building maintenance includes the construction of offices in City Hall, carpeting in the Maryland Occupational Safety & Health (MOSH) offices, and numerous repairs to the N. Potomac St. Parking Deck.

- Continue repairs and maintenance to the storm drain systems consisting of over 4,000 storm drains. Public Works coordinates its efforts with the Engineering Department on the street overlay program by making street repairs ahead of the asphalt overlay. An expansion of the permanently posted streets for street sweeping activities will be put into place.

- Traffic signal work will include an upgrade to the signals located at the intersection of South Potomac St. and Howard St. This work will allow drivers to more clearly see the traffic signals and improve safety at this intersection. Battery backup power will be installed where signals are intergrated with railroad signals to ensure proper traffic signaling during a power outage. Finally, older 8 inch signal heads will be upgraded to a 12 inch diameter LED signal head for better visibility and lower operating costs.

- A major overhaul of the 2-way radios used in City vehicles will occur by Jan. 1, 2013. FCC regulations reguire these radios to operate in a much narrower band. Radios in Public Works, Water and Electric will experience the majority of changes and upgrades.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of lane miles swept	**13,500**	**13,500**	**13,500**
Snow storm costs	**$ 850,475**	**$ 419,243**	**$ 150,000**
Tons of Salt Used	**3,030**	**2,150**	**1,000**
Bulk Trash Collections	**162**	**128**	**140**
Traffic Islands Maintained	**168**	**168**	**168**
Public Trash Cans Maintained	**118**	**131**	**158**
Signaled Intersections	**134**	**132**	**131**
Sign Work Orders	**104**	**164**	**160**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,386,954	$ 1,529,941	$ 1,446,055	$ 1,409,193	-7.9%
Benefits	598,543	585,076	618,904	602,940	3.1%
Overtime	47,900	52,630	62,630	67,630	28.5%
Personnel Subtotal	**2,033,397**	**2,167,647**	**2,127,589**	**2,079,763**	**-4.1%**
Contractual Services	123,723	185,725	185,070	185,250	-0.3%
Operating Expenditures	1,184,192	1,111,266	1,123,174	1,203,092	8.3%
Capital Outlay	5,946	11,465	10,245	23,064	101.2%
Operating Subtotal	**1,313,861**	**1,308,456**	**1,318,489**	**1,411,406**	**7.9%**
Total Expenditures	**$ 3,347,258**	**$ 3,476,103**	**$ 3,446,078**	**$ 3,491,169**	**0.4%**
REVENUES BY TYPE					
Departmental Revenue	$ 295,790	$ 200,793	$ 233,778	$ 142,600	-29.0%
Total Revenues	**$ 295,790**	**$ 200,793**	**$ 233,778**	**$ 142,600**	**-29.0%**
Expenditures, net of Revenues	**$ 3,051,468**	**$ 3,275,310**	**$ 3,212,300**	**$ 3,348,569**	**2.2%**

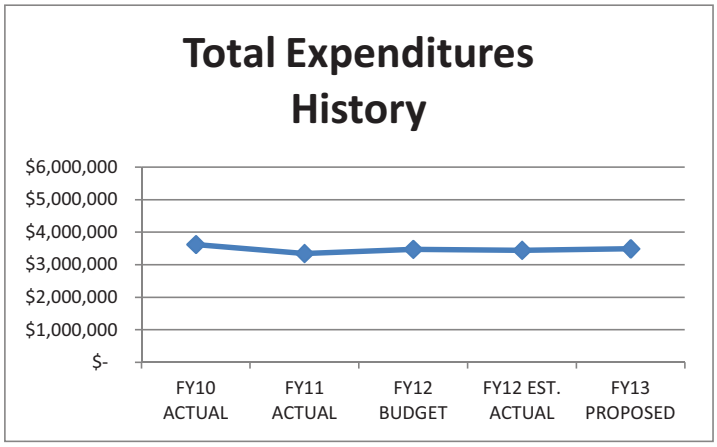
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Total Personnel for FY12 is expected to be under budget by approximately $40,000. The reduction is due a partial vacancy that was filled in February 2012 offset by an increase in health care costs. A savings of over $125,000 may be realized due to the mild winter of 2011/2012. Savings in overtime, equipment repair and road salt to clear the streets of snow will occur if no more snow fall this fiscal year. Revenues include the sale of fuel to Community Rescue Service and exceeded budget due to an increase in fuel prices for gasoline and diesel.

FY12 to Proposed FY13

The proposed FY13 budget remains relatively flat in comparison to the FY12 estimated actuals. Public Works continues to operate with five (5) unfunded vacancies. Capital outlay is proposed to increases by about $12,000. That increase includes include some minor remodeling at City Hall, new tools and computers replacements. Highway User Revenues of $79,493 has been transferred from the General Fund to the Capital Improvement Project Fund and accounts for the 29.0% decrease in total revenues.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	34.00	34.00	34.00	34.00
Less: Unfunded	-4.00	-5.00	-5.00	-5.00
Staffing Total	30.00	29.00	29.00	29.00
Part time seasonal	8.00	8.00	8.00	8.00

In response to the shortfall in State and County shared revenues, the Public Works Department has five (5) vacant full time positions, which were unfunded during FY 12 and will continue to remain unfunded in FY 13.

EXPENDITURES BY PROGRAM

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES					
City Hall	$ 243,306	$ 275,785	$ 282,924	$ 293,765	6.5%
Signal Supervision	511,408	518,979	505,074	513,330	-1.1%
Street Lighting	764,197	775,000	775,000	775,000	0.0%
Snow Removal	419,242	422,700	422,700	472,700	11.8%
Street Cleaning	420,306	510,434	514,053	515,561	1.0%
Gas Station & Maint Garage	264,006	209,902	231,111	243,187	15.9%
Public Works & Streets Maint	622,335	657,856	610,657	571,961	-13.1%
Central Equipment Building	102,458	105,447	104,559	105,665	0.2%
Total Expenditures	**$ 3,347,258**	**$ 3,476,103**	**$ 3,446,078**	**$ 3,491,169**	**0.4%**
REVENUES					
Departmental Revenue	$ 295,790	$ 200,793	$ 233,778	$ 142,600	-29.0%
Total Revenues	**$ 295,790**	**$ 200,793**	**$ 233,778**	**$ 142,600**	**-29.0%**
Expenditures, net of Revenues	**$ 3,051,468**	**$ 3,275,310**	**$ 3,212,300**	**$ 3,348,569**	**2.2%**

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 include the 1996, 1997, 1998, 2004, 2004 (Refunding), 2005, 2006, and 2009 public improvement bond issues, and a 2007 loan for the Hagerstown Sports and Ice Complex. It also includes a new loan issuance in 2012 for financing of recycling totes.

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 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. This change in accounting procedure will increase the cost of retiree benefits over the out-of-pocket method we currently use. 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 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 appropriation represents the General Fund's current funding requirements for capital projects anticipated to begin during each year. In addition, the annual payments required on items that have been or will be funded by lease or bond financing are included as part of the Debt Service expenditures.

OPERATING TRANSFERS TO OTHER FUNDS

Transfers to the Golf Course Fund represents 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 FY13 budget includes a $250,000 transfer to the Economic Redevelopment Fund for the Mayor and City Council to utilize for community based initiatives that support their vision for the City. Additional transfers out include $14,989 to the Special Revenue Grant Fund, $243,925 to the CIP Fund, and $175,000 to the Golf Fund. 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.

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 FY13, a reserve of $200,000 for savings associated with the management of future vacancies in various departments has been provided for.

TERMINATION PAY

City policies allow for the payout at retirement or termination, employees accumulated unused vacation and sick time. In FY11, to create future cost savings the Mayor and City Council approved a revision to the City’s personnel policy regarding sick pay out at retirement. This benefit is being phased down incrementally from August 1, 2011 through June 30, 2016. Beginning July 1, 2016 the maximum payout of unused sick leave for all employees at retirement is capped at $12,000. In the governmental funds these costs are not reflected as expenses until paid in accordance with generally accepted accounting principles. The budget for termination pay is typically recorded in departments. No additional monies were budgeted for in FY13

CONTRIBUTIONS TO OTHER AGENCIES POLICY

Contributions to Other Agencies accounts for the contributions the City makes to several organizations. The contributions to be made are based on the following criteria:

1) The organization provides a service which could be considered to be a significant value to the objectives of a City function, and/or
2) The organization makes a reasonable contribution to the social and cultural environment of Hagerstown.
3) The significance of the City contribution on the organization's budget; and, their ability to enlist financial support from other sources and from revenue for services needed.

UNALLOCATED EXPENSES - PROPOSED EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
DEBT SERVICE-PRINCIPAL AND INTEREST					
1996 General Obligation Bonds	$ 126,938	$ 124,685	$ 124,685	$ -	-100.0%
1997 General Obligation Bonds	205,905	205,351	205,351	102,666	-50.0%
1998 General Obligation Bonds	150,121	154,223	154,008	152,974	-0.8%
2004 General Obligation Bonds	123,613	124,995	124,995	121,913	-2.5%
2004 Refunding G. O. Bonds	264,259	257,756	257,756	-	-100.0%
2005 Public Facilities Bonds	329,951	326,678	326,678	328,039	0.4%
2006 Public Facilities Bonds	647,565	650,474	650,474	649,005	-0.2%
2007 HTC-WCSF Ice Rink Loan	34,838	34,838	34,839	34,807	-0.1%
2009-A Public Facilities Bonds	381,843	382,137	382,137	383,280	0.3%
2009-B Public Facilities Bonds	133,506	278,716	181,166	181,166	-35.0%
2012 Tote Loan	-	-	30,374	72,897	
Total Expenses	$ 2,398,537	$ 2,539,853	$ 2,472,463	$ 2,026,747	-20.2%
RETIREE HEALTH COSTS					
Health Insurance	$ 988,420	$ 987,000	$ 987,000	$ 1,073,365	8.8%
Dental Insurance	37,017	37,000	37,000	38,656	4.5%
Total Expenses	$ 1,025,437	$ 1,024,000	$ 1,024,000	$ 1,112,021	8.6%
INVENTORY ADJUSTMENTS					
Physical Inventory Adjustments	$ (2,201)	$ 5,000	$ 5,000	$ 2,500	-50.0%
E&O Inventory Write-offs	(21,496)	-	-	2,500	
Total Expenses	$ (23,697)	$ 5,000	$ 5,000	$ 5,000	0.0%
CIP APPROPRIATIONS AND OTHER TRANSFERS					
Capital Transfers Out-CIP Fund	$ 666,506	$ 327,700	$ 311,900	$ 882,759	169.4%
Capital Transfers Out-Property Management	600,000	-	-	-	
Total Expenses	$ 1,266,506	$ 327,700	$ 311,900	$ 882,759	169.4%
OPERATING TRANSFERS TO OTHER FUNDS					
Golf Course Fund	$ 296,927	$ 175,000	$ 175,000	$ 175,000	0.0%
Economic Redevelopment Fund					
Community Based Initiatives	250,000	250,000	250,000	200,000	-20.0%
Special Revenue Grant Fund	340,237	82,533	79,005	40,302	-51.2%
Total Expenses	$ 887,164	$ 507,533	$ 504,005	$ 415,302	-18.2%
CONTINGENCY RESERVES					
Vacancy Savings	$ -	$ (150,000)	$ -	$ (200,000)	33.3%
Reserve for Emergencies	-	150,000	-	-	-100.0%
Total Expenses	$ -	$ -	$ -	$ (200,000)	
TERMINATION PAY					
Termination Pay	$ -	$ 230,000	$ -	$ -	-100.0%
Total Expenses	$ -	$ 230,000	$ -	$ -	-100.0%

UNALLOCATED EXPENSES - PROPOSED EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
CONTRIBUTIONS TO OTHER AGENCIES					
Art Museum	$ 45,000	$ 40,500	$ 40,500	$ 40,500	0.0%
BOE Celebration of Excellence	400	200	200	200	0.0%
CASA	30,000	27,000	27,000	27,000	0.0%
Character Counts Program	-	-	-	1,000	100.0%
Children's Village	250	225	225	250	11.1%
Choral Arts Society	900	810	810	810	0.0%
Community Rescue Service	50,000	45,000	45,000	45,000	0.0%
Contemporary School of the Arts	4,500	4,050	4,050	4,050	0.0%
Discovery Station	16,000	14,400	14,400	14,400	0.0%
Educator of the Year Award-Chamber	250	250	250	250	0.0%
Hagerstown Municipal Band	20,000	18,000	18,000	18,000	0.0%
Hagerstown Neighborhood Develop Partnership	50,805	50,000	50,000	50,000	0.0%
Maryland Symphony Orchestra	19,500	17,550	17,550	17,550	0.0%
Maryland Theatre	10,000	9,000	9,000	9,000	0.0%
USM-Hagerstown-Scholarship	4,500	4,050	4,050	4,050	0.0%
Washington County Art Council	-	-	-	3,000	100.0%
Washington County Free Library	35,000	31,500	31,500	31,500	0.0%
Washington County Historical Society	4,200	2,430	2,430	2,430	0.0%
Unspecified Agency Contributions	1,175	4,500	4,500	4,500	0.0%
Total Contributions to Other Agencies	$ 292,480	$ 269,465	$ 269,465	$ 273,490	1.5%

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CITY CLERK			
0103002-5865			180
Computer Equipment	Printer replacement	Replace as needed	
COMMUNITY AFFAIRS			
0103003-5865			1,500
Computer Equipment	Replace Computer (1)	Replace as needed	
0103003-5867			1,000
Communication Equipment	Used by Purchasing Clerk to deliver mail	Replace as needed	
TOTAL COMMUNITY AFFAIRS			**2,500**
FINANCE & ACCOUNTING			
0107001-5861			500
Desks, Chairs, and Tables	Replace old chairs	Replace as needed	
0107001-5865			2,000
Computer Equipment	Replace computer (2)	Replace as needed	
TOTAL FINANCE & ACCOUNTING			**2,500**
INFORMATION TECHNOLOGY			
0107200-5861			1,000
Desks, Chairs, and Tables	Replace chairs (2)	Replace as needed	
0107200-5865			3,000
Computer Equipment-Emergency PC	Replace equipment	Replace as needed	
TOTAL INFORMATION TECHNOLOGY			**4,000**
SUPPORT SERVICES			
0107201-5861			1,000
Desks, Chairs, and Tables	Replace chairs (2)	Replace as needed	
0107201-5865			1,600
Computer Equipment-Emergency PC	Replace equipment	Replace as needed	
0107201-5867			400
Communication Equipment-Phone Parts	Phone parts not under maintenance	Replace as needed	
TOTAL SUPPORT SERVICES			**3,000**
PLANNING			
0109001-5865			1,000
Computer Equipment	Purchase computers	Replace old computers	

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
CITY HALL BUILDING			
0109003-5821 Office Buildings	Replace A/C units	Replace as needed	1,800
0109003-5839 Portable Tools/Equipment	Replace vacuum cleaner	Replace as needed	600
0109003-5863 Decorative and Lighting	Carpeting for HR and council rooms	Replace as needed	5,000
TOTAL CITY HALL BUILDING			**7,400**
CITY ENGINEER			
0109004-5861 Desks, Chairs, and Tables	Replace chairs	Replace as needed	200
0109004-5865 Computer Equipment	Replace computer (1)	Old computers	1,500
0109004-5867 Communication Equipment	Fax machine	As needed	100
TOTAL CITY ENGINEER			**1,800**
HUMAN RESOURCES			
0109005-5832 Photography Equipment-Video Surveillance Camera	Security Officers	Replace as needed	200
0109005-5865 Computer Equipment-Laptop Computer	Replace computers	Replace as needed	1,500
TOTAL HUMAN RESOURCES			**1,700**
POLICE ADMINISTRATION			
0110001-5861 Desks, Chairs, & Tables-Office Chair	Office chair purchase	Replace as needed	200
POLICE INFORMATION TECHNOLOGY			
0110003-5865 Computer Equipment	Replace computers and servers	Replace as needed	25,000
POLICE RECORDS			
0110201-5861 Desks, Chairs, and Tables	New office chairs	Replace as needed	400

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
PROFESSIONAL STANDARDS DIV			
0110203-5839			1,000
Portable Tools/Equipment	Defensive tactics padded training suit	Need for training	
POLICE BUILDING			
0110204-5839			250
Portable Tools/Equipment	Multi-position ladder	Purchase as needed	
WESTERN MARYLAND LAB			
0110205-5832			1,000
Photography Equipment	Maintenance and purchase photographic equipment	Required for forensic documentation	
0110205-5833			1,500
Laboratory Equipment	Purchase lab equipment	Replace aging, outdated equip	
TOTAL WESTERN MARYLAND LAB			**2,500**
POLICE K9 PROGRAM			
0110206-5830			500
Non-Portable Equipment	Required for K-9 training	Upkeep of K-9 training area	
0110206-5839			1,500
Portable Tools/Equipment	Purchase of K-9 equip (sleaves, leashes, etc.)	Replace worn equipment	
TOTAL POLICE K-9 PROGRAM			**2,000**
POLICE PATROL			
0110401-5832			500
Photography Equipment	Replace broken digital cameras	Enhance Investigative Documentation Capabilities	
0110401-5834			25,800
Firearms, Body Armor-Ballistic Vests	Police Officer Use / Safety Equipment	Replacement of expired vests & purchase of new vests	
0110401-5839			17,000
Portable Tools & Other Equip-LIDAR speed measurin	Replace ballistics shields for patrol cars, LIDAR speed detection & moving radar units	Replace old, aging equipment	
0110401-5848			1,200
Bicycles-Repair and Maintenance of Police Bikes	Police Officer Use	Repair and Maintenance	

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
POLICE PATROL (continued)			
0110401-5867 Communication Equipment	Replace and/or repair costs for radios	Warranty period expired	3,500
TOTAL POLICE PATROL			**48,000**
POLICE SPEED CAMERA ENFORCEMENT			
0110407-5865 Computer Equipment	Purchase MDT laptop	Manage system from field	5,000
FIRE DEPARTMENT			
0112001-5861 Desks, Chairs, & Tables	Purchase office furniture	Replace as needed	1,000
0112001-5865 Computer Equipment-1 Personal Computer	Purchase computers	Replace as needed	2,500
0112001-5867 Communication Equipment-Portable Radios	Firefighters	Replace as needed	1,500
TOTAL FIRE DEPARTMENT			**5,000**
CODE ADMINISTRATION			
0114001-5832 Photography Equipment	Replace equipment	Replace as needed	900
0114001-5865 Computer Equipment	Purchase computers	Replace as needed	2,000
TOTAL CODE ADMINSTRATION			**2,900**
SIGNAL SUPERVISION			
0116001-5865 Computer Equipment	Purchase computer	Per replacement schedule	1,500
TRAFFIC CONTROL			
0116003-5839 Portable Tools & Other Equip-Power Tools	Traffic Control	Replace as needed	1,500
0116003-5865 Computer Equipment	Purchase new laptop	Required to program AutoScope traffic detection equipment	1,500
TOTAL TRAFFIC CONTROL			**3,000**

GENERAL FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
TRAFFIC SIGNS/LINES 0116004-5839 Portable Tools & Other Equip-Power Tools	Replacement	Replace as needed	500
STREET CLEANING 0122001-5839 Portable Tools/Equipment	Replacement and/or purchase of trash cans	Replace as needed	2,500
CENTRAL MAINTENANCE GARAGE 0123003-5839 Portable Tools & Other Equipment	Central Maint Garage	Replace as needed	5,000
PAVED STREETS 0124002-5839 Portable Tools & Other Equipment	Street Department Sidewalk & Curb Forms	Replace as needed	850
STREET GROUNDS MAINTENANCE 0124007-5839 Portable Tools & Other Equip	Weed Whips & Blowers	Replace as needed	650
0124007-5856 Mowers	Grounds Maintenance	Replace as needed	665
TOTAL STREET GROUNDS MAINTENANCE			**1,315**
CENTRAL EQUIPMENT BUILDING 0124008-5821 Office Buildings	Replacement A/C units	Replace as needed	500
0124008-5839 Portable Tools/Equipment	Replace vacuum cleaner	Replace as needed	500
TOTAL CENTRAL EQUIPMENT BUILDING			**1,000**
SWIMMING POOL 0140202-5839 Portable Tools & Other Equip	Power washer, leaf blower lawnmower, power tools, etc.	Replace as needed	1,500
TOTAL CAPITAL OUTLAY			**133,495**

SCHEDULE OF PUBLIC FUNCTIONS
FISCAL YEAR 2012/2013

FUNCTION DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Augustoberfest (City Services)	$ 16,935	$ 22,000	$ 17,300	$ 20,000	-9.1%
Blues Festival (City Services)	47,116	45,000	49,000	52,000	15.6%
Blues Festival	217,920	219,500	222,000	222,000	1.1%
Christmas Decorating	22,333	18,000	18,000	18,000	0.0%
Christmas In The Park	8,882	9,000	11,000	11,000	22.2%
Elks Parades	-	2,500	-	2,500	0.0%
Fairgrounds Fall Festival	5,603	6,000	5,500	6,000	0.0%
Fairgrounds Fireworks	32,696	33,000	33,000	37,000	12.1%
Fishing Tournament-Pangborn	1,914	-	-	2,000	100.0%
Hagerfest	-	-	-	1,500	100.0%
Hagerstown 150th Commemoration	-	2,000	2,000	2,000	0.0%
Hagerstown 250th Anniversary	-	3,000	3,000	3,000	0.0%
Hollyfest/Tree Lighting	4,781	-	-	2,000	100.0%
Maryland Theatre 95th Anniversary	614	-	-	-	100.0%
Miscellaneous Downtown Events	1,201	3,000	4,000	8,000	166.7%
Miss Maryland Pageant	8,151	14,000	14,500	14,500	3.6%
Mummers Parade	22,423	24,000	12,000	25,000	4.2%
Music by the Lake	5,422	8,000	8,000	8,000	0.0%
University of MD Systems Gala	-	-	-	1,500	100.0%
University Plaza Events	11,343	7,000	7,000	10,000	42.9%
Velo Club Bike Race	2,079	1,300	2,500	3,000	130.8%
Wesel Official's Visit to Hagerstown	-	2,000	2,000	2,000	0.0%
West Hagerfest	-	-	-	4,500	100.0%
YMCA Run	-	500	500	300	-40.0%
Total Public Function Expenses	**$ 409,413**	**$ 419,800**	**$ 411,300**	**$ 455,800**	**8.6%**

Recreation and Parks

ENTERPRISE FUNDS
SECTION 4

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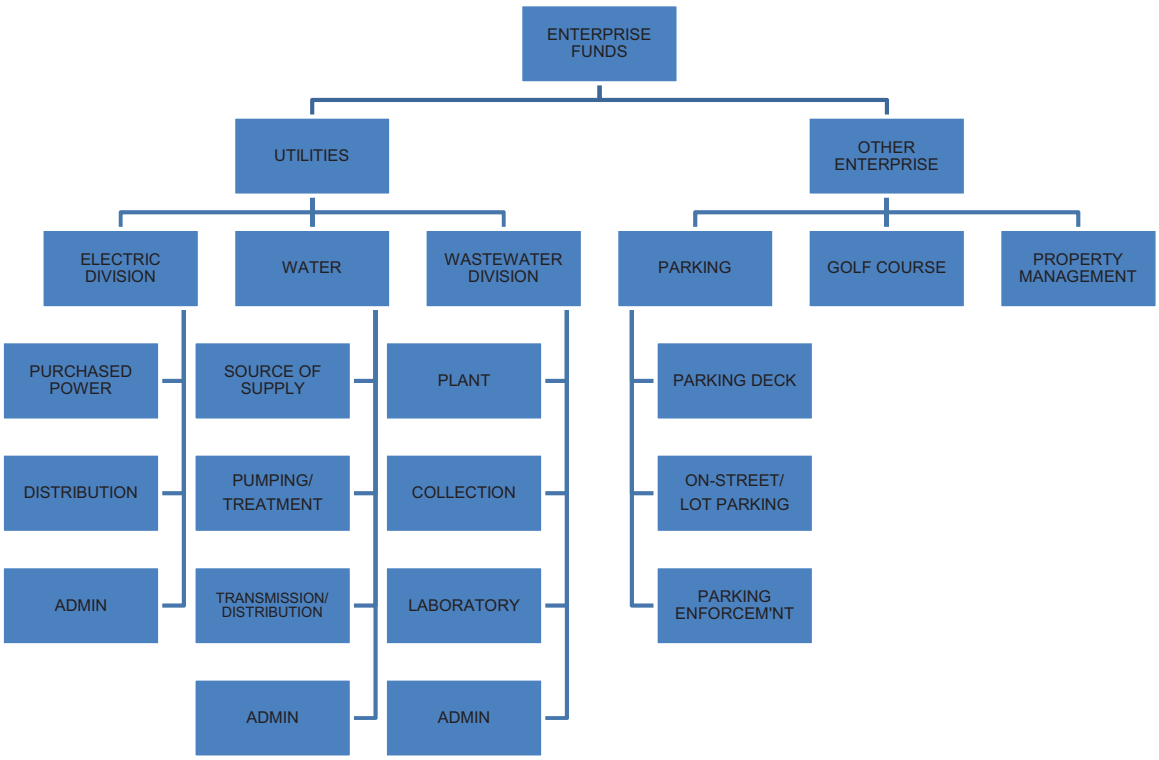
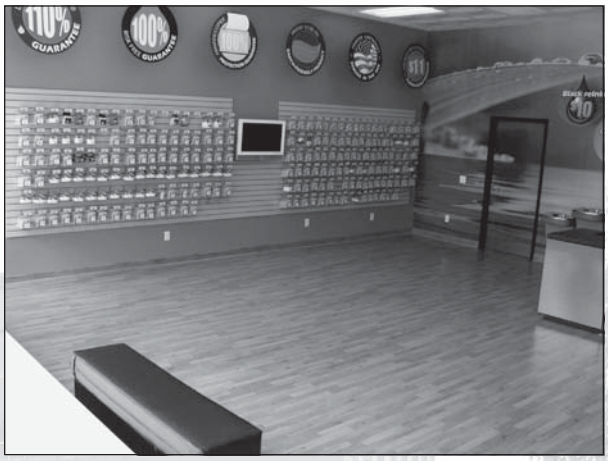
ENTERPRISE FUNDS - ORGANIZATIONAL CHART
FISCAL YEAR 2012/2013



ENTERPRISE FUNDS - COMBINING STATEMENT
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	ELECTRIC	WATER	WASTEWATER	PARKING	GOLF COURSE	PROPERTY MANAGEMENT	TOTAL
OPERATING REVENUES							
Service Charges	$27,189,500	$9,876,713	$ 10,445,000	$ 838,080	$169,075	$ 365,009	$ 48,883,377
Other Revenues	375,784	664,084	78,025	2,000	14,863	3,316	$ 1,138,072
Total Operating Revenues	**27,565,284**	**10,540,797**	**10,523,025**	**840,080**	**183,938**	**368,325**	**50,021,449**
OPERATING EXPENSES							
Production and Treatment	21,361,191	3,649,846	4,897,149	-	-	-	29,908,186
Transmission, Distribution & Collection	2,051,207	1,602,058	1,513,144	-	-	-	5,166,409
Selling, General & Administrative	3,181,066	2,660,855	3,009,675	395,328	355,015	317,130	9,919,069
Depreciation	950,200	1,831,700	2,400,000	208,000	21,692	85,000	5,496,592
Total Operating Expenses	**27,543,664**	**9,744,459**	**11,819,968**	**603,328**	**376,707**	**402,130**	**50,490,256**
Operating Income (Loss)	**21,620**	**796,338**	**(1,296,943)**	**236,752**	**(192,769)**	**(33,805)**	**(468,807)**
NON-OPERATING REVENUES (EXPENSES)							
Interest Earned	152,329	10,000	3,000	-	146	500	165,975
Interest (Expense)	(8,829)	(423,666)	(397,457)	(69,923)	-	-	(899,875)
Gain (Loss) on Sale of Capital Assets	20,000	2,500	500	-	-	-	23,000
Total Other Income (Expense)	**163,500**	**(411,166)**	**(393,957)**	**(69,923)**	**146**	**500**	**(710,900)**
Net Income before Contributions & Transfers	**185,120**	**385,172**	**(1,690,900)**	**166,829**	**(192,623)**	**(33,305)**	**(1,179,707)**
Capital Contributions	170,000	1,252,128	700,000	-	-	205,000	2,327,128
Developer/Grant Funded	-	-	100,000	-	-	-	100,000
Operating & Capital Transfers In	-	-	-	-	175,000	320,000	495,000
Operating & Capital Transfers (Out)	(40,000)	(40,000)	(40,000)	-	-	-	(120,000)
Increase (Decrease) in Retained Earnings	**315,120**	**1,597,300**	**(930,900)**	**166,829**	**(17,623)**	**491,695**	**1,622,421**
ADJUST RETAINED EARNINGS TO A UNRESTRICTED CASH FLOW BASIS							
Add Back Depreciation	950,200	1,831,700	2,400,000	208,000	21,692	85,000	5,496,592
Capital Outlay	(890,000)	(7,362,000)	(2,220,000)	(125,000)	(25,000)	(555,000)	(11,177,000)
Deduct Non-Cash Contributions	(170,000)	(600,000)	-	-	-	-	(770,000)
Bond Proceeds	-	6,295,000	1,695,000	100,000	-	-	8,090,000
Change in Working Capital	-	-	-	-	-	-	-
Change in Restricted Cash	-	219,529	-	-	-	-	219,529
Repayment of Principal	(21,638)	(1,337,658)	(1,623,343)	(171,754)	-	-	(3,154,393)
Net Sources (Uses) of Cash	**$ 183,682**	**$ 643,871**	**$ (679,243)**	**$ 178,075**	**$ (20,931)**	**$ 21,695**	**$ 327,149**

Growth and Expansion in Hagerstown



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 Electric Division supports the Mayor and Council's Strategic Plan through the division's assistance in the realization of all applicable objectives. As part of the City's approved Strategic Plan, Focus Area "An Innovative and Sustainable Government", Electric will continue to assist with the implementation of the new Utility Billing software to fulfill objective "F" Completion of the MUNIS Municipal Operations Project by Summer, 2012.

- The Electric Division strives to provide dependable uninterrupted electrical service to all customers, approximately 38,000 users, served by the City of Hagerstown. The Division also works to ensure we are providing the most cost effective energy source in the immediate region. Division crews provide new service connections, routine maintenance, street light service throughout the entire City, monitor all substations and related equipment, and ensure the functionality of the metering program to ensure a high quality service.

- To further enhance our connection to the customer, the Division secured three grants that totaled $58,132 which supplied Compact Fluorescent, Light Emitting Diode bulbs, and programmable thermostats to our low to moderate customers who own and occupy their residence. The thermostat program saved 199,800 kWh per year in purchased power. Additionally, the expenditure of $136,127 for the in house tree removal of 691 trees at an average cost of $197 per tree, has allowed us to attain a Customer Average Interruption Duration Index of 1.30 hours per customer, as compared to the 1.36 hours median for North American Utilities. Staff will continue to gather baseline information, utilizing consultants, legal counsel, and trade data, regarding the ownership of generation assets, offsets in our renewable energy standards, or rate structures vastly different for our typical wholesale power supply contracts. Savings of this nature may be used to offset the expected increase in future energy costs. Additionally, we will continue with our current conservative approach regarding Wholesale Power Supply Agreement extensions as long as the market allows for a decrease in the out year costs. We are currently under contract through May 30, 2014.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of Residential Customers	**14,927**	**14,726**	**14,659**
Number of Commercial Customers	**2,433**	**2,642**	**2,511**
Million Kilowatt-hours Purchased	**349**	**347**	**334**
Million Kilowatt-hours Sold	**338**	**336**	**327**
Customer Average Interruption Duration Index (Hours/customer)	**1.69**	**1.15**	**1.30**
Number of Employees	**33**	**31**	**30**
Number of Customers Served per Employee	**526**	**560**	**572**

ELECTRIC FUND - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2012/2013

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 1,872,926	$ 1,850,572	$ 1,901,451	$ 1,769,698	-4.4%
Benefits	740,653	872,947	844,334	927,638	6.3%
Overtime	75,622	85,500	132,880	112,500	31.6%
Personnel Subtotal	**2,689,201**	**2,809,019**	**2,878,665**	**2,809,836**	**0.0%**
Contractual Services	210,223	276,750	214,350	237,810	-14.1%
Operating Expenditures	28,222,461	22,435,386	24,703,548	23,489,818	4.7%
Other General Expenses	1,020,282	1,103,558	1,013,924	1,055,029	-4.4%
Operating Subtotal	**29,452,966**	**23,815,694**	**25,931,822**	**24,782,657**	**4.1%**
Total Expenditures	**$ 32,142,167**	**$ 26,624,713**	**$ 28,810,487**	**$ 27,592,493**	**3.6%**
REVENUES BY TYPE					
Departmental Revenue	33,437,778	26,695,490	28,968,307	27,907,613	4.5%
Total Revenues	**$ 33,437,778**	**$ 26,695,490**	**$ 28,968,307**	**$ 27,907,613**	**4.5%**
Expenditures, net of Revenues	**$ (1,295,611)**	**$ (70,777)**	**$ (157,820)**	**$ (315,120)**	**345.2%**

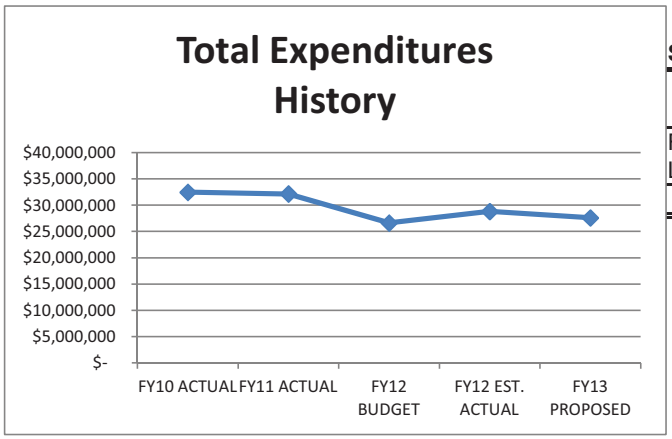
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The Hagerstown Light Department has reduced staff and currently has 9 positions unfilled, all vehicle replacement purchases have been curtailed, the vehicle fleet has been reduced, all external seminars and non-certification training continue to be unfunded. Capital Outlay has been reduced from $1.3M in FY08 to $848K in FY12 (a 35% reduction) and from FY08 to FY12 our total expenditures have decreased from $33M to $28M ($5M). As with all businesses who are weathering these tough economic times, the HLD utilizes common sense approaches related to energy consumption, material repair/reuse, employee sharing, etc.

Estimated Actual FY12 to Proposed FY13

Personnel expenditures decreased an additional $74,00 in FY13. The decrease has continued as a result of the loss of the Washington County Hospital and the projected loss of Unilever/Good Humor-Bryers. Operating expenditures decreased by $700,000 as a result of the elimination of capital outlay, vehicle purchases, educational benefits and training for staff professional development. The HLD realized an approximate 9% savings in our wholesale power purchase rate when the new two year contract extension became effective on June 11, 2011.



STAFFING SUMMARY

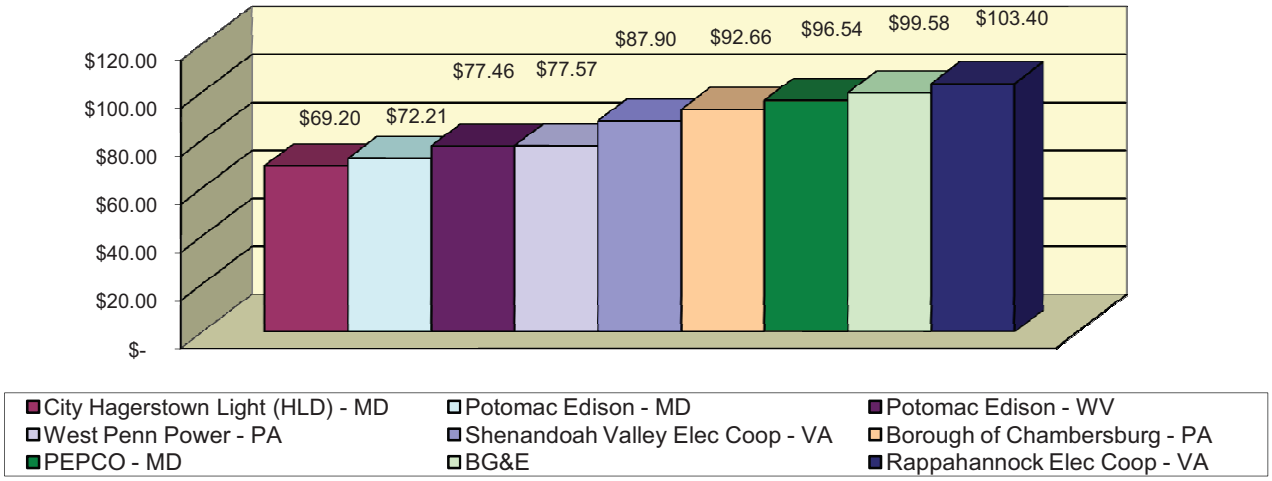
	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	40.00	40.00	40.00	40.18
Less: Unfunded	-7.00	-7.00	-9.00	-10.00
Staffing Total	33.00	33.00	31.00	30.18

In order to respond to the projected loss of revenue associated with loss of our number one customer, the Division will continue to reduce operational costs through any and all means available through fiscal year 13 and beyond.

ELECTRIC FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
OPERATING REVENUES					
Service Charges	$ 32,719,319	$ 26,074,203	$28,303,500	$ 27,189,500	4.3%
Other Revenues	406,191	343,806	357,705	375,784	9.3%
Total Operating Revenues	**33,125,510**	**26,418,009**	**28,661,205**	**27,565,284**	**4.3%**
OPERATING EXPENSES					
Purchased Power	26,057,980	20,459,562	22,642,400	21,361,191	4.4%
Distribution Expenses	1,894,623	2,014,621	2,170,307	2,051,207	1.8%
Customer Accounts Expenses	999,536	920,462	859,416	976,374	6.1%
Selling, General & Administrative	2,171,938	2,132,510	2,157,440	2,204,692	3.4%
Depreciation	951,143	1,032,200	915,790	950,200	-7.9%
Total Operating Expenses	**32,075,220**	**26,559,355**	**28,745,353**	**27,543,664**	**3.7%**
Operating Income (Loss)	**1,050,290**	**(141,346)**	**(84,148)**	**21,620**	**-115.3%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	169,222	162,429	161,050	152,329	-6.2%
Interest (Expense)	(11,633)	(10,306)	(10,082)	(8,829)	-14.3%
Gain (Loss) on Sale of Capital Assets	18,964	15,000	20,000	20,000	33.3%
Total Other Income (Expense)	**176,553**	**167,123**	**170,968**	**163,500**	**-2.2%**
Net Income before Operating Transfers	**1,226,844**	**25,777**	**86,820**	**185,120**	**618.2%**
Transfers to Other Funds	(55,000)	(55,000)	(55,000)	(40,000)	-27.3%
Capital Contributions	123,767	100,000	126,000	170,000	70.0%
Increase (Decrease) in Retained Earnings	**1,295,611**	**70,777**	**157,820**	**315,120**	**345.2%**
Add Back Depreciation	951,143	1,032,200	915,790	950,200	-7.9%
Deduct Non-Cash Capital Contributions	(66,037)	(100,000)	(126,000)	(170,000)	70.0%
Changes in Working Capital	(590,449)	-	-	-	0.0%
Capital Outlay	(366,243)	(848,000)	(427,903)	(890,000)	5.0%
Repayment of Principal	(44,742)	(45,875)	(45,875)	(21,638)	-52.8%
Net Sources (Uses) of Cash	**$ 1,179,284**	**$ 109,102**	**$ 473,832**	**$ 183,682**	**68.4%**

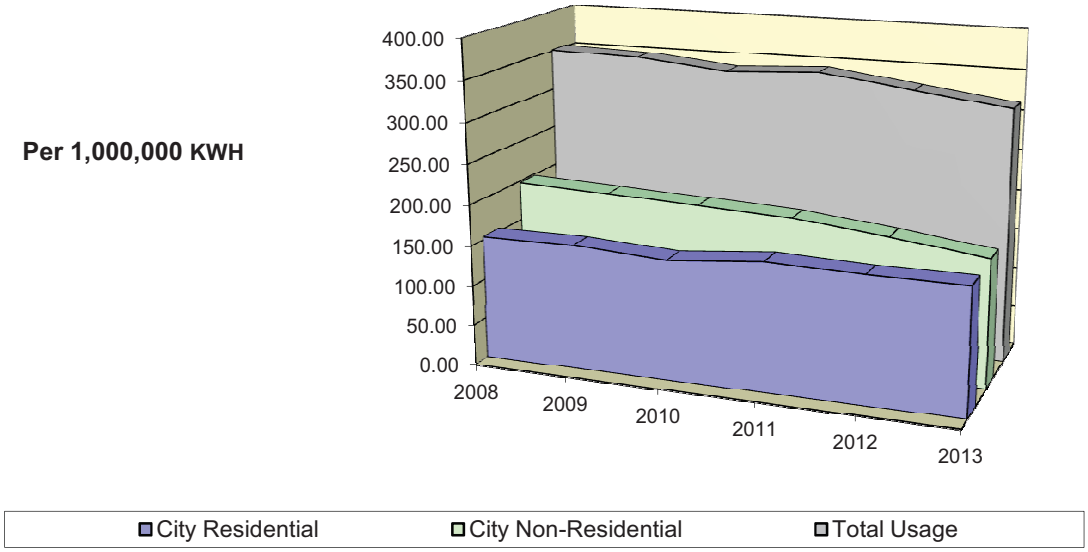
SERVICE CHARGE COMPARISON AS OF MARCH 2012



Comparative rates are shown from left to right. City of Hagerstown Light Department (HLD) rates will remain stable for the length of the wholesale contract, which expires May 31, 2013. A typical residential customer uses an average of 800 KWH per month.

ELECTRIC CONSUMPTION FROM 2008 - 2013

Per 1,000,000 KWH



The decrease in consumption has continued as a result of the loss of Washington County Hospital (now Meritus Medical Center) in December 2010 and the projected loss of Unilver Good Humor-Breyers during calendar year 2012.

ELECTRIC FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
ELECTRIC REVENUES					
Sales of Electric-Unbilled Readings	$ 100,500	$ -	$ -	$ -	0.0%
Residential Lighting	15,374,418	12,716,319	13,655,000	13,655,000	7.4%
Residential Metering	704	200	500	500	150.0%
Commercial Lighting	6,363,562	5,530,611	5,626,000	5,575,000	0.8%
Commercial Metering	6,250	6,000	5,000	5,000	-16.7%
Power Pl(09)	3,193,437	2,925,048	2,866,000	2,866,000	-2.0%
Power Ph(10)	6,679,023	3,917,498	5,331,000	4,268,000	8.9%
High Voltage-Newstech	171,608	170,000	73,000	73,000	-57.1%
Dusk to Dawn	27,536	25,527	25,000	25,000	-2.1%
Street Lighting	772,805	755,000	696,000	696,000	-7.8%
Traffic Lighting	29,476	28,000	26,000	26,000	-7.1%
Total Electric Revenues	**32,719,319**	**26,074,203**	**28,303,500**	**27,189,500**	**4.3%**
OTHER REVENUES					
Pole Rental/Attachment Fees	16,203	16,500	19,557	19,557	18.5%
Rents from Electric Properties	5,200	4,800	4,800	-	-100.0%
Building Rental-CMG	36,000	37,000	37,000	37,000	0.0%
Rent Income - Sub-Station	3,796	3,200	3,796	3,796	18.6%
Miscellaneous Electric Revenue	113,882	50,000	50,000	50,000	0.0%
Reconnection Charges	68,295	65,000	50,130	50,000	-23.1%
Customer Reimbursed Overtime	35,286	30,000	35,000	25,000	-16.7%
Gain on Recovery of Assets	-	-	20,000	50,000	100.0%
Interconnection Application Fee	80	390	-	-	-100.0%
Insurance Reimbursements	5,412	6,000	6,506	1,500	-75.0%
Recovery of Notes Receivable-F.U.F.	122,037	130,916	130,916	138,931	6.1%
Total Other Revenues	**406,191**	**343,806**	**357,705**	**375,784**	**9.3%**
Total Operating Revenues	**$ 33,125,510**	**$ 26,418,009**	**$ 28,661,205**	**$ 27,565,284**	**4.3%**

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

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	40,000
Telemetry Equipment-C0111 Construction of Communication Networks to Facilitate Transmission of Data from Installed Devices in the Electric System	Electrical System	Improve service, increase system reliability	75,000
Wesel Boulevard Development-C0220 Provide for Electric Power in Electric Dept. Service Area along Wesel Blvd at CSX	Underground Conduit, Underground Conductors and Devices, Line Transformers, Services, Meters	Benefits Population, Basic Service, Promotes Jobs	5,000
System Reconductoring-C0259 Upgrade Power in Distribution Lines	Poles, Towers & Fixtures, Overhead Devices	Improve Basic Service	20,000
Pedestrian Lighting-C0388 Install Ornamental Street Lighting in Areas Designated by the Mayor & Council	Lighting - 400 Block of Potomac Avenue, 100 Block of East Antietam	Improve Aesthetics in the City	10,000
Building & Site Improvements-C0542 Improvements to Electric Department's Facility on East Baltimore Street and Eastern Blvd Storage	Replace HLD Windows, etc. and improve Eastern Bld Storage Building	Cost Avoidance, Planned Improvement, Improve Service	50,000
Test Equipment-C0609 Procure Test Equipment to Improve Maintenance Programs and Power Quality for Customers	Station Equipment	Improve Reliability of Service	17,000
Old Trail Estates/Peachtree Suites-C0673 Provide Underground Electrical Services to New Development	Services and Meters	Provide Electric Service	3,000
Potomac Heights-C0674 Provide Underground Electrical Service to New Development in Potomac Heights	Underground Service	Provide Electric Service to New Customers	3,000
Linwood Hollow-C0706 Provide for Materials and Construction of Underground Electrical Services to New Development	Overhead Devices, Underground Conduit, Und. Conduit & Devices, Line Transformers, Services, Meters	Basic Service	6,000
Deerfield Knolls-C0707 Provide Underground Electric Service for Development across from TBH Concrete connecting Burhans Blvd. and Mitchell Ave	Underground Electric Service (wire, set transformers, and meters)	Provide Electric Service to New Customers	4,000

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
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	10,000
GIS Facility Software-C0777 Install Geographic Information Software for HLD Engineering	System Mapping will inter-face with all other City departments	Maintain software to interface with City	10,000
Mitchell Substation Bay Installation-C0778 Install infrastructure for third station class transformer	Station Equipment	Increase Reliability of Service	10,000
Spare Regulators-C0797 Purchase spare regulators for substations	Station Equipment	Improve service and reliability	15,000
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	15,000
Library Expansion-C0805 Relocation of existing library and to provide new underground electrical services	Poles, Towers & Fixtures, O/H Conductors & Devices, Underground Conduit, U/G Conductors & Devices, Line, Transformers, Services, Meters	Provide electrical service	106,000
Noland Drive Boys and Girls Club-C0818 Reconstruct overhead facilities offsite and install necessary underground equipment onsite to provide electric service. The developer will install all conduits. Location in employee lot in Noland Village	Poles, Towers & Fixtures, Overhead Conductors and Devices, Underground Conductors and Devices, Distribution Line Transformers, Services, Meters	Provide electric service to new customers within the service territory of the HLD	52,000
Feeder Coordination-C0833 Remove, relocate, replace, and/or adjust Circuit Breakers, Reclosers, Fuses, Switches, and Capacitors	Circuit Breakers, Reclosers, Fuses, Switches, and Capacitors	Improve system reliability and power quality	25,000
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	25,000

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
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	60,000
5085001-583005 Dist-Overhead Conductors and Devices	Costs of installation of overhead conductors & devices for distribution purposes, including the installation of overhead primary cable, insulators, arrestors, switches and other line hardware	To upgrade existing facilities and to continue periodic replacement of aged equipment	30,000
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	5,000
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	10,000
5085001-583008 Dist-Line Transformers	Costs of installation of overhead & underground distribution line transformers and pole type and underground voltage regulators owners by the utility, 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 • Also to replace aging units already in service	100,000
5085001-583009 Dist-Services	Costs of installation of overhead & underground conductors leading from a point where wires leave the last pole of an overhead system, or if an underground system, the distribution box of manholes	To meet the needs of electrical customers who are upgrading their services and building new homes	50,000
5085001-583010 Dist-Meters	Costs of installation of meters or devices for use in measuring the electricity delivered to users	• To meet the needs of electrical customers who are upgrading their services and building new homes. • Also to replace obsolete meters currently in the system, as required by the Maryland Public Service Commission	50,000

ELECTRIC FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5085001-583013 Dist-Street & Signal Lighting	Costs of installation of equipment used wholly for public streets	To provide adequate street lighting for City residents	70,000
5085001-583014 Tools Shop & Garage Equip	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	2,000
5085001-5867 Communication Equip	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	2,000
5085001-581001 General Plant - Structure	Administrative Building	Replace worn office furniture and computer equipment	5,000
5085001-5860 General Plant - Office Furniture, Fixtures, & Equip	Administrative Building	Replace worn office furniture and computer equipment	5,000
TOTAL CAPITAL OUTLAY			**$ 890,000**

What's Happening in Hagerstown

DEPARTMENT / PROGRAM OVERVIEW

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

DEPARTMENT / PROGRAM OBJECTIVES

- The Water Division supports the Mayor and Council's 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", the Water Division completed the construction of the Hellane Park Water Tank to fulfill objective "B" Completion of the West End Water Tank. Staff will continue to work with Hazen & Sawyer and the MDE regarding Phase IV Improvements for Stage 2 DPBR Compliance. Upgrades at our water treatment plant will ensure compliance with the Maryland Department of the Environment's Disinfected Byproduct II regulations and Safe Drinking Water Act Regulations.

- The Water Division is responsible for the treatment and distribution of 11.6 MGD (2011 average daily demand) of potable water to all City residents and surrounding communities in Washington County. The water system is comprised of over 400 miles of water mains, the R.C. Willson and W.M. Breichner treatment plants, four pumping stations and eight water storage tanks. The Division had undergone many improvements over the past 5 years which include the construction of two 6.4 MG tanks, electrical upgrades at R.C. Willson and new valving and transmission mains leaving the R.C. Willson Plant. 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 the customer, the Division secured a $300,000 grant from the EPA and $7.8M of 0% interest loans from the MD. State Revolving Loan Fund and the American Recovery Reinvestment Act for the Willson Transmission Main and Hellane Water Tank Projects. The Water Division has set a goal for the replacement of all residential meters by 2016. This will allow for system billing accuracy, the reduction in unallocated water, and reduce customer billing complaints associated with human error. The Department has replaced over 50% of the 28,000 residential meters and we continue to test the 300 commercial meters annually. The Water Division will continue with our $350,000 budgeted system rehabilitation and main replacement projects through the leak detection program, hydrant and valve program, and through our coordinated efforts with the City/County/State roadway rehabilitation projects.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of Inside City Customers	**13,748**	**13,782**	**13,860**
Number of Outside City Customers	**15,683**	**15,734**	**15,792**
Million Gallons Produced	**4,153**	**4,360**	**4,240**
Million Gallons Accounted For	**3,272**	**3,436**	**3,546**
Percentage of Unaccounted for Water	**21.2%**	**21.2%**	**16.4%**
Number of Employees	**53.5**	**49.5**	**46.5**
Number of Customers Served per Employee	**550**	**596**	**637**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 2,348,266	$ 2,582,841	$ 2,595,861	$ 2,630,914	1.9%
Benefits	999,766	1,135,005	1,077,405	1,173,253	3.4%
Overtime	125,275	113,000	112,000	112,000	-0.9%
Personnel Subtotal	**3,473,307**	**3,830,846**	**3,785,266**	**3,916,167**	**2.2%**
Contractual Services	514,070	495,600	527,900	523,960	5.7%
Operating Expenditures	3,180,840	3,173,234	3,245,110	3,415,032	7.6%
Capital Outlay	56,280	64,600	50,200	57,100	-11.6%
Other General Expenses	2,060,856	2,320,804	2,309,845	2,306,467	-0.6%
Operating Subtotal	**5,812,046**	**6,054,238**	**6,133,055**	**6,302,559**	**4.1%**
Total Expenditures	**$ 9,285,353**	**$ 9,885,084**	**$ 9,918,321**	**$ 10,218,726**	**3.4%**
REVENUES BY TYPE					
Departmental Revenue	11,586,666	10,999,947	11,344,721	11,816,026	7.4%
Total Revenues	**$ 11,586,666**	**$ 10,999,947**	**$ 11,344,721**	**$ 11,816,026**	**7.4%**
Expenditures, net of Revenues	**$ (2,301,313)**	**$ (1,114,863)**	**$ (1,426,400)**	**$ (1,597,300)**	**43.3%**

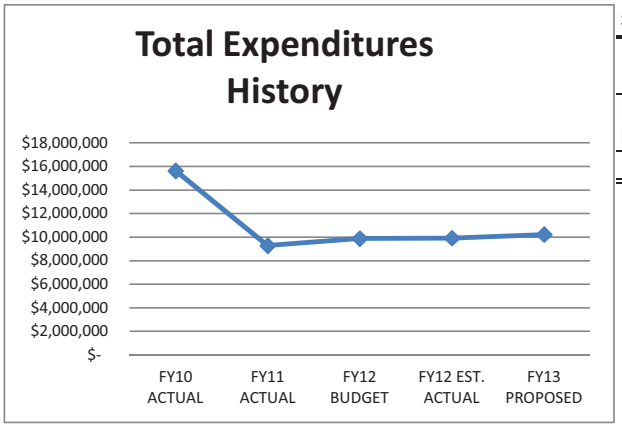
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The Water Division has reduced staff and currently has 5 positions unfunded for FY12. Vehicle replacement purchases have been reduced and moved into future years, all external seminars and non-certification training has been eliminated. Capital Outlay has been increased from $4.1M in FY11 to $7.36M projected in FY12 due to the Phase IV Improvements for Stage 2 DPBR Compliance at the Willson Plant. From FY10 to FY12 our total operating revenues have increased from $8.8M to a projected $9.9M ($1.1M increase). As with all businesses who are weathering these tough economic times, the Water Division utilizes common sense approaches related to energy consumption, chemical usage, employee sharing etc..

FY12 to Proposed FY13

Personnel expenditures reflect an decrease in excess of $200,000 primarily due to the five unfunded positions within the Division. Operating expenditures are projected to increase only $200,000 ($7.5M to $7.7M) as a result of the delay of vehicle purchases, reduction of educational benefits and training for staff professional development. We continue to work with Hazen & Sawyer regarding Phase IV Improvements for Stage 2 DPBR Compliance and will bid the projects in the fall of 2012. This project will determine the bulk of our near future capital requirements.



STAFFING SUMMARY

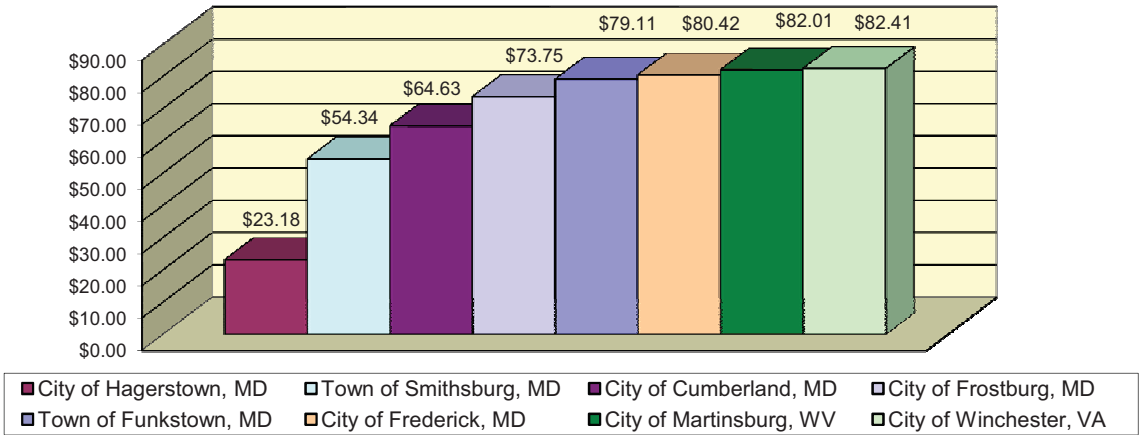
	FY11	FY12 Budget	FY12 Est Act	FY13
Full time	54.50	53.50	54.25	55.49
Less: Unfunded	-1.00	-4.00	-5.00	-3.00
Staffing Total	53.50	49.50	49.25	52.49

In order to respond to the projected loss of revenue associated with foreclosures and the reduced customer base, the Division will continue to reduce operational costs through any and all means available through Fiscal Year 13 and beyond.

WATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2012/2013

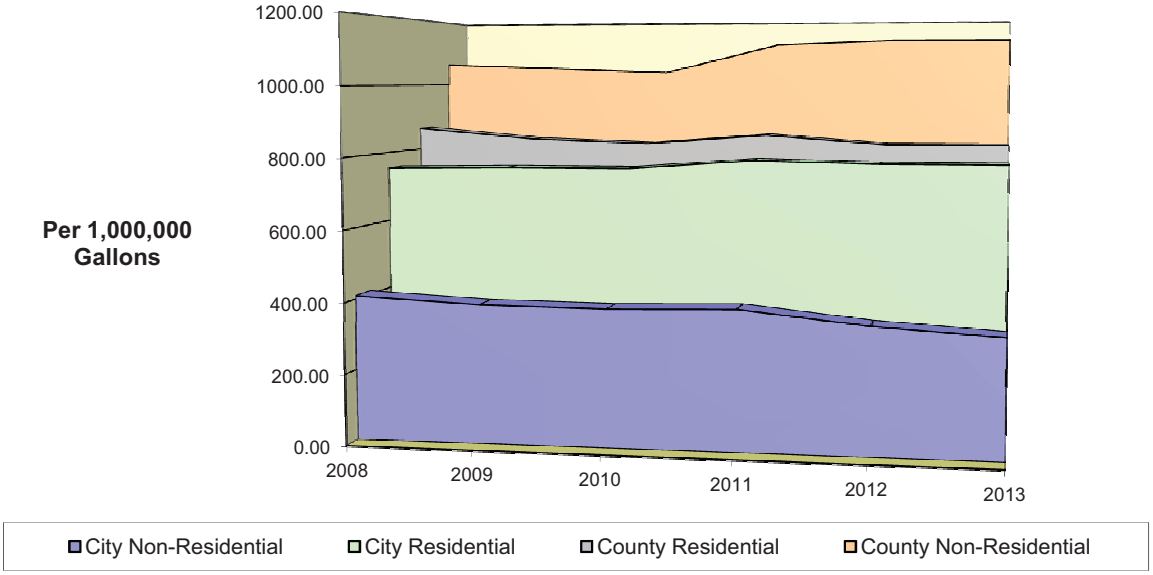
ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 PROPOSED
OPERATING REVENUES					
Service Charges	$ 9,002,350	$ 8,931,000	$ 9,336,982	$ 9,876,713	10.6%
Other Revenues	657,786	802,360	731,284	664,084	-17.2%
Total Operating Revenues	**9,660,136**	**9,733,360**	**10,068,266**	**10,540,797**	**8.3%**
OPERATING EXPENSES					
Source of Supply	83,425	70,000	69,591	113,550	62.2%
Pumping & Water Treatment	3,329,145	3,500,356	3,383,610	3,536,296	1.0%
Transmission & Distribution	1,417,236	1,570,278	1,724,802	1,602,058	2.0%
Selling,General & Administrative	2,394,878	2,425,646	2,430,673	2,660,855	9.7%
Depreciation	1,665,328	1,804,600	1,804,600	1,831,700	1.5%
Total Operating Expenses	**8,890,012**	**9,370,880**	**9,413,276**	**9,744,459**	**4.0%**
Operating Income (Loss)	**770,124**	**362,480**	**654,990**	**796,338**	**119.7%**
NON-OPERATING REVENUES (EXPENSES)					
Interest Earned	10,621	10,000	12,000	10,000	0.0%
Interest (Expense)	(333,366)	(452,617)	(440,218)	(423,666)	-6.4%
Gain on Fixed Asset Disposals	4,069	-	2,500	2,500	100.0%
Total Other Income (Expense)	**(318,676)**	**(442,617)**	**(425,718)**	**(411,166)**	**-7.1%**
Net Income Before Transfers	**451,448**	**(80,137)**	**229,272**	**385,172**	**-580.6%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to CIP Fund	(55,000)	(55,000)	(55,000)	(40,000)	-27.3%
Total Transfers From (To) Funds	**(55,000)**	**(55,000)**	**(55,000)**	**(40,000)**	**-27.3%**
CAPITAL CONTRIBUTIONS					
Water Benefit Charges	1,078,330	600,000	652,128	652,128	8.7%
Developer/Grant Funded	-	150,000	-	-	-100.0%
Capital Contributrions	826,535	500,000	600,000	600,000	20.0%
Total Capital Contributions	**1,904,865**	**1,250,000**	**1,252,128**	**1,252,128**	**0.2%**
Increase (Decrease) in Retained Earnings	**2,301,313**	**1,114,863**	**1,426,400**	**1,597,300**	**43.3%**
Add Back Depreciation	1,665,328	1,804,600	1,804,600	1,831,700	1.5%
Capital Outlay	(8,136,055)	(4,131,606)	(3,710,000)	(7,362,000)	78.2%
Repayment of Principal	(1,121,697)	(1,546,187)	(1,494,761)	(1,337,658)	-13.5%
Deduct Non-Cash Contributions	(826,535)	(500,000)	(600,000)	(600,000)	20.0%
Changes in Working Capital	1,203,747	-	-	-	0.0%
Bond Proceeds	5,293,696	3,115,800	4,833,950	6,295,000	102.0%
Change in Restricted Cash	219,036	426,116	426,117	219,529	-48.5%
Net Sources (Uses) of Cash	**$ 598,833**	**$ 283,586**	**$ 2,686,306**	**$ 643,871**	**127.0%**

SERVICE CHARGE COMPARISON AS OF MARCH 2012
(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 2008 - 2013



The water consumption comparison reflects a decrease in City Non-Residential due to the loss of Washington County Hospital (now Meritus Medical Center) in December 2010 and the projected loss of Unilever Good Humor-Breyers during calendar year 2012.

WATER FUND - PROPOSED REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
WATER SERVICES					
Metered Sales-Unbilled	$ 75,645	$ -	$ -	$ -	0.0%
Water Fixed Charge - City	368,781	430,000	429,453	450,926	4.9%
Water Fixed Charge - County	1,260,187	1,544,000	1,552,835	1,652,216	7.0%
Metered City Water	1,526,931	1,408,000	1,497,494	1,550,198	10.1%
Metered County Water	4,728,512	4,575,000	4,832,875	5,135,766	12.3%
Metered County Booster Water	1,042,294	974,000	1,024,325	1,087,607	11.7%
Total Service Charges	**9,002,350**	**8,931,000**	**9,336,982**	**9,876,713**	**10.6%**
OTHER REVENUES					
Contracted Services	7,909	7,500	7,500	7,500	0.0%
Reconnection Charges	44,975	60,000	60,000	75,000	25.0%
Water Service Application Fee	18,575	15,000	15,000	15,000	0.0%
W.C.S.D. Consumption Data Service	52,191	65,000	53,000	60,000	-7.7%
Review/Inspection Fee	(22,129)	15,000	18,000	15,000	0.0%
Insurance Reimbursements	15,859	1,500	-	-	-100.0%
Rent-City Employees	24,960	24,960	24,960	24,960	0.0%
Miscellaneous Other Revenues	34,237	2,000	112,000	5,000	150.0%
County Debt Service Fees	27,250	-	-	-	0.0%
County Debt Service Surcharge	64,224	200,000	64,224	64,224	-67.9%
Cell Tower Rent	9,600	10,400	9,600	10,400	0.0%
Fire Protection	141,973	141,000	142,000	142,000	0.7%
Plumbing	189,470	200,000	180,000	180,000	-10.0%
Interest Penalty	-	20,000	-	20,000	0.0%
Net Gain/Loss-Scrap Sales	48,692	40,000	45,000	45,000	12.5%
Total Other Revenues	**657,786**	**802,360**	**731,284**	**664,084**	**-17.2%**
Total Operating Revenues	**$ 9,660,136**	**$ 9,733,360**	**$ 10,068,266**	**$ 10,540,797**	**8.3%**

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Water Fund Vehicles-C0117 Replace fleet vehicles	Unit 239, Unit 235, Unit 214, Unit 207, Unit 241, & Unit 224	Replace Water Division vehicles	262,000
RC Willson WTP Improvements-C0166 Replacement and upgrade of equipment at R.C. Willson Water Treatment Plant in Williamsport, MD to address aging equipment and facility needs	Equipment	Improve reliability and reduce operating costs	200,000
Edgemont Reservoir Improvements-C0168 General repairs to leaks beneath spillway and removal of trees at Edgemont Reservoir and Smithsburg Ponds	Maintenance	MDE Dam Safety directives public safety, source water quality	150,000
Breichner WTP Improvements-C0405 Improve quality of BWTP finished water by modifying process	Equipment	Improve drinking water quality	50,000
Administrative & Eng. Equipment-C0648 Upgrade Computer Equipment and Info-Water Program	Computer Equipment & Software	Replace/Upgrade computer hardware and software	10,000
Pump Station Improvements-C0651 Multiphase program of rehabilitating and automating water pumping stations	Construction Engineering	Replace and Upgrade Infrastructure Reliability	215,000
Distribution Services-C0653 Material (including meters) and labor needed for new installations.	Equipment/Meters Distributed Labor	Install 4500 new meters in FY13 residential and 10 large non-residential	1,170,000
Distribution System Rehabilitation-C0709 Combined C.I.P. representing all distribution system main replacements, both outsourced and in-house, as well as all intersection work.	Construction Equipment Distributed Labor	Replace Aging Infrastructure	350,000
R.C Willson Plant - Phase IV-C0740 Multi-phased rehabilitation and process upgrade of the R.C. Willson Water Treatment Plant. Phase IV consists of residual management and lagoon modifications	Planning/Engineering Construction	Comply with SDWA Program requirements for DBPR standards	4,500,000

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Water SCADA System-C0820 Water System SCADA Improvements, Remove Remote I/O Cabinets for filter operation and chemical feed processes	Construction	Replace/repair aging equipment to increase operational efficiencies	455,000
5270501-5825 Residential Buildings-Willson	To maintain residential / rental properties	Rental property maintenance	5,000
5270501-5833 Laboratory Equipment-Willson	Laboratory Equipment	Maintain laboratory equipment	2,000
5270501-5839 Portable Tools/Equipment-Willson	Portable tools and equipment	Replace portable tools and equipment as needed	2,500
5270501-5861 Desks-Chairs-and Tables-Willson	Desks, chairs, table	To replace office furniture as needed	500
5270501-5865 Computer Equipment-Willson	Computer equipment	Replace worn equipment as needed	3,000
5270501-5867 Communication Equipment-Willson	Communication equipment	To replace communication equipment as needed	2,500
5270502-5825 Residential Buildings-Pump Stations	Park Ave. Office - facility maintenance	Routine facility maintenance required	5,000
5270502-5833 Laboratory Equipment-Pump Stations	Laboratory Equipment	Replace laboratory equipment	500
5270502-5865 Computer Equipment-Pump Stations	Computer Equipment	Replace worn equipment as needed	3,000
5270502-5867 Communication Equipment-Pump Stations	Communication equipment	To replace communication equipment as needed	3,000

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5270503-5861 Desks-chairs-and Tables-Laboratory	Desks, chairs, table	To replace office furniture as needed	100
5270503-5865 Computer Equipment-Laboratory	Computer equipment	Replace worn equipment as needed	1,500
5271001-5825 Residential Buildings-Source of Supply	To maintain residential/rental properties	Rental property maintenance (3 properties)	7,500
5271001-5830 Non-Portable Equipment-Source of Supply	Non-portable equipment	Replace non-portable equipment	500
5271001-5833 Laboratory Equipment-Source of Supply	Laboratory equipment	To maintain laboratory equipment	500
5271001-5839 Portable Tools/Equipment-Source of Supply	Portable tools and equipment	Replace portable tools and equipment as needed	1,000
5271001-5865 Computer Equipment-Source of Supply	Computer equipment	Replace worn equipment as needed	4,000
5272501-5836 Traffic Lights-Signs-Etc.-Distribution	Traffic control equipment	Replace traffic control equip (signs, light bar, etc.)	1,000
5272501-5839 Portable Tools/Equipment-Distribution	Portable tool and equipment	Replace portable tools and equipment as needed	2,500
5272501-5855 Portable Equipment-Distribution	Portable tools and equipment	Replace portable tools and equipment as needed	500
5272501-5861 Desks-Chairs-and Tables-Distribution	Desks, chairs, tables	To replace office furniture as needed	500

WATER FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5272501-5865 Computer Equipment-Distribution	Computer equipment	Replade worn equipment as needed	2,500
5272501-5867 Communication Equipment-Distribution	Communication equipment	To replace communication equipment as needed	500
5274001-5861 Desks-Chairs and Tables-Admin & Engineering	Desks, chairs, table	To replace office furniture as needed	500
5274001-5865 Computer Equipment-Admin & Engineering	Computer equipment	Replade worn equipment as needed	3,500
5274502-5861 Desks-Chairs and Tables-Billing	Desks, chairs, table	To replace office furniture as needed	500
5274502-5865 Computer Equipment-Billing	Computer equipment	Replade worn equipment as needed	1,500
5274502-5867 Communication Equipment-Billing	Communication equipment	To replace communication equipment as needed	1,500
TOTAL CAPITAL OUTLAY			**$ 7,419,100**

Hagerstown Gives Back

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 o our organization depends on teamwork, professionalism and overall excellence achieved through our commitment tc 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 o 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 capita 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 has worked toward the timely completion of the Enhanced Nutrien Removal Project at the wastewater treatment plant in order to fulfill objective "C" .

- The Wastewater Division is responsible to the conveyance and treatment of 8.34 MGD of wastewater for calenda year 2011. The collection system is comprised of over 153 miles and 27 pumping stations which ensures that al customers served by the City of Hagerstown receive consistently reliable service. The Division has undergone many improvements over the past five years to include the upgrade of the WWTP to Enhanced Nutrient Remova technology, WWTP Treatment Expansion to 10.5 MGD, Collection System I&I evaluation and upgrades, etc Collectively these improvements help ensure that the City continues to provide a high quality service that is cos effective. WwTP staff will continue to refine our processes as they relate to the Enhanced Nutrient Removal (ENR initiatives at our Wastewater Treatment Facility (WwTP). This included the additional flow channel and upgrade to the headworks process, the Parkson Dynasand Filter process which allows us to reach the ENR mandates, and the Ultraviolet Disinfection process which replaced our Ozone Disinfection. Staff is currently working with MDE to secure funding for the algae issue remediation project. Algae in our final clarifiers now moves through the ENR filters anc has become an issue and is an operational challenge that can be rectified by installed launder covers in the clarifiers.

- To further assist in our commitment to the customer, the City is investing approximately $3.8 million in FY 11, 12 anc 13 in Inflow and Infiltration (I&I) reduction efforts through the completed Salem Avenue Project and the ongoing Citywide I&I Project. The City was awarded $800,000 by the MDE through the Bay Restoration Grant Fund $1,422,560 in grant funding through ARRA, and the remainder in 0% interest loan money from the MDE. We are currently using Miller Pipeline as the general contractor for our collection system rehabilitation I & I project. Staff wil be requesting grant funding from the MDE for continuation of the multi year project at the end of 2012.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of Inside City Customers	**13,427**	**13,449**	**13,527**
Number of Outside City Customers	**6,714**	**6,726**	**6,720**
Annual Million Gallons/Day Treated	**6.51**	**6.95**	**8.34**
Inflow/Infiltration Million Gallons/Day Treated	**2.19**	**2.39**	**4.04**
Available Allocation in Thousand Gallons (carryover)	**214**	**320**	**407**
Number of Employees	**47.50**	**45.50**	**44.50**
Number of Customers Served per Employee	**424**	**440**	**455**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 2,358,309	$ 2,504,251	$ 2,600,237	$ 2,467,334	-1.5%
Benefits	1,029,875	1,144,105	1,104,306	1,104,260	-3.5%
Overtime	76,887	87,040	80,140	87,540	0.6%
Personnel Subtotal	**3,465,071**	**3,735,396**	**3,784,683**	**3,659,134**	**-2.0%**
Contractual Services	1,449,372	1,536,100	1,556,750	1,664,992	8.4%
Operating Expenditures	3,994,589	3,975,495	3,974,983	4,079,842	2.6%
Capital Outlay	96,343	16,150	9,284	16,500	2.2%
Other General Expenses	2,713,097	2,868,399	2,818,415	2,844,910	-0.8%
Operating Subtotal	**8,253,401**	**8,396,144**	**8,359,432**	**8,606,244**	**2.5%**
Total Expenditures	**$ 11,718,472**	**$ 12,131,540**	**$ 12,144,115**	**$ 12,265,378**	**1.1%**
REVENUES BY TYPE					
Departmental Revenue	15,211,180	10,418,459	12,486,257	11,334,478	8.8%
Total Revenues	**$ 15,211,180**	**$ 10,418,459**	**$ 12,486,257**	**$ 11,334,478**	**8.8%**
Expenditures, net of Revenues	**$ (3,492,708)**	**$ 1,713,081**	**$ (342,142)**	**$ 930,900**	**-45.7%**

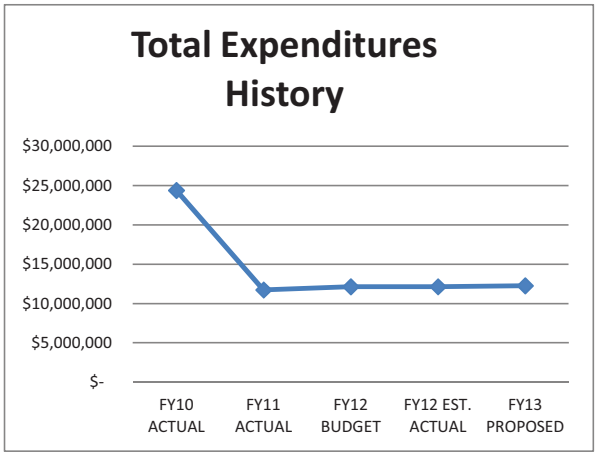
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The Wastewater Division has reduced staff and currently has 1 position unfunded in the Collection System for FY12 and one position eliminated. Vehicle replacement purchases have been reduced, all external seminars and non-certification training are currently unfunded. Capital Outlay has been decreased from $14.1M in FY10 to $2.2M projected in FY13 (an 84% reduction) due to the completion of the ENR-UV, Headworks and Salem Avenue Projects. From FY10 to FY12 our total operating revenues have increased from $9.06M to a projected $1013M ($1.7M increase). As with all businesses who are weathering these tough economic times, the Wastewater Division utilizes common sense approaches related to energy consumption, chemical usage, employee sharing etc.

Estimated Actual FY12 to Proposed FY13

Personnel expenditures reflect a decrease of approximately $100,000 as they relate to the elimination of one position and unfunding of one position, both in the Collection System Operation. Operating Expenses are projected to increase from the Estimated Actual $9.258M projection to the Proposed FY13 $9.550M projection . Staff submitted our annual funding request to the MDE for the continuation of our multi year Citywide Inflow & Infiltration Project. A request for Grant was not allocated by the MDE and we have declined to assume any more debt, therefore we have not accepted the offer of another low interest loan.



STAFFING SUMMARY

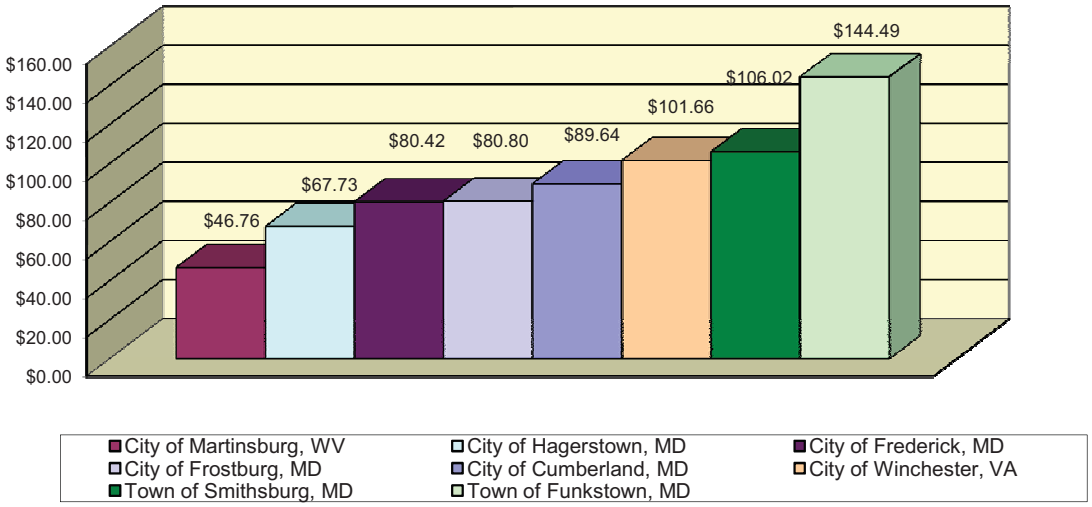
	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	48.00	47.50	48.00	47.40
Less: Unfunded	0.00	-2.00	-1.00	-2.00
Staffing Total	48.00	45.50	47.00	45.40

In order to respond to the projected loss of revenue associated with foreclosures and the reduced customer base, the Division will continue to reduce operational costs through any and all means available through Fiscal Year 13 and beyond.

WASTEWATER FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2012/2013

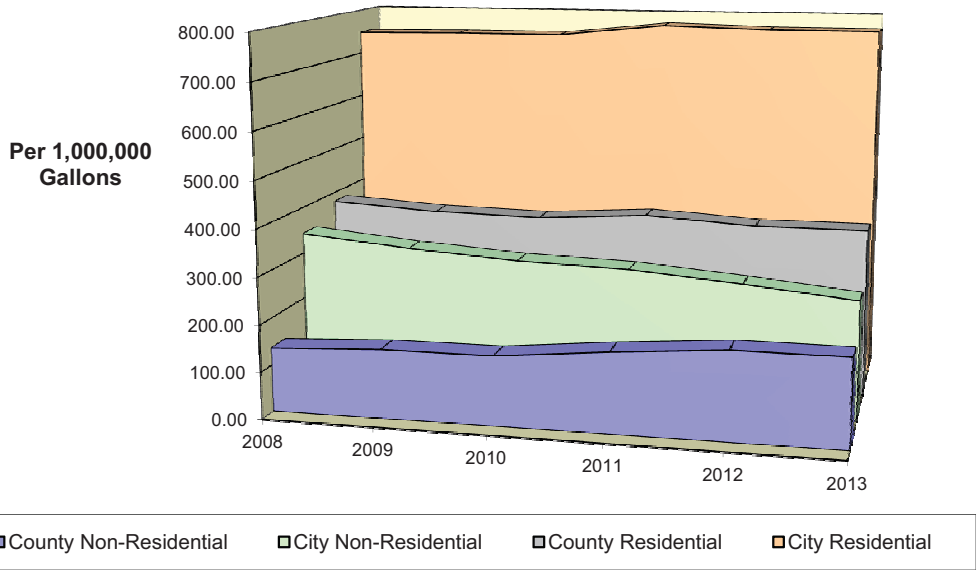
ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
OPERATING REVENUES					
Service Charges	$ 9,715,688	$ 9,724,000	$10,043,000	$ 10,445,000	7.4%
Other Revenues	200,941	84,165	84,925	78,025	-7.3%
Operating Revenues	**9,916,629**	**9,808,165**	**10,127,925**	**10,523,025**	**7.3%**
OPERATING EXPENSES					
Plant Expenses	4,674,370	4,747,386	4,869,068	4,897,149	3.2%
Laboratory Expenses	261,215	282,136	273,084	287,249	1.8%
Collections	1,095,765	1,126,138	1,124,839	1,225,895	8.9%
Selling, General & Administrative	2,974,025	3,106,481	3,058,709	3,009,675	-3.1%
Depreciation	2,299,961	2,355,000	2,355,000	2,400,000	1.9%
Total Operating Expenses	**11,305,336**	**11,617,141**	**11,680,700**	**11,819,968**	**1.7%**
Operating Income (Loss)	**(1,388,707)**	**(1,808,976)**	**(1,552,775)**	**(1,296,943)**	**-28.3%**
NON-OPERATING REVENUES (EXPENSES)					
Investment Earnings	4,976	5,000	2,000	3,000	-40.0%
Interest (Expense)	(352,546)	(454,405)	(400,984)	(397,457)	-12.5%
Gain (Loss) on Sale of Capital Assets	2,178	300	1,635	500	66.7%
Total Other Income (Expense)	**(345,392)**	**(449,105)**	**(397,349)**	**(393,957)**	**-12.3%**
Net Income before Transfers	**(1,734,099)**	**(2,258,081)**	**(1,950,124)**	**(1,690,900)**	**-25.1%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers to CIP Fund	(55,000)	(55,000)	(55,000)	(40,000)	-27.3%
Total Transfers From (To) Funds	**(55,000)**	**(55,000)**	**(55,000)**	**(40,000)**	**-27.3%**
CAPITAL CONTRIBUTIONS					
Wastewater Benefit Charges	870,868	600,000	600,000	700,000	16.7%
Grants in Aid of Construction	1,332,699	-	1,747,266	100,000	100.0%
Developers Contributions	3,078,240	-	-	-	0.0%
Total Capital Contributions	**5,281,807**	**600,000**	**2,347,266**	**800,000**	**33.3%**
Increase (Decrease) in Retained Earnings	**3,492,708**	**(1,713,081)**	**342,142**	**(930,900)**	**-45.7%**
Add Back Depreciation	2,299,961	2,355,000	2,355,000	2,400,000	1.9%
Capital Outlay	(3,622,091)	(1,123,000)	(3,143,471)	(2,220,000)	97.7%
Repayment of Principal	(1,596,722)	(1,713,146)	(1,662,366)	(1,623,343)	-5.2%
Non-Cash Capital Contributions	(3,078,240)	-	-	-	0.0%
Changes in Working Capital	97,544	-	-	-	0.0%
Bond Proceeds	1,076,334	962,000	3,227,473	1,695,000	76.2%
Use of Restricted Benefits Charge Funds	782,179	280,000	-	-	-100.0%
Net Sources (Uses) of Cash	**$ (548,327)**	**$ (952,227)**	**$ 1,118,778**	**$ (679,243)**	**-28.7%**

SERVICE CHARGE COMPARISON AS OF MARCH 2012
(Rates presented are strictly City)



The service charge comparison shows the quarterly charges for an average wastewater customer is competitive in Hagerstown compared with other utilities 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 2008 - 2013



The wastewater usage analysis shows the decline in total gallons sold in City-Non-Residential is offset by the slight increase in other City customers.

WASTEWATER FUND - PROPOSED REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
WASTEWATER SERVICES					
Fixed Service Charge - City	$ 902,797	$ 1,146,000	$ 1,151,000	$ 1,209,000	5.5%
Fixed Service Charge - County	420,871	520,000	542,000	558,000	7.3%
Fixed Service Charge - Joint Service	384,704	506,000	490,000	505,000	-0.2%
Service Charges-Unbilled	28,295	-	-	-	0.0%
Metered City Wastewater	4,242,353	3,988,000	4,154,000	4,358,000	9.3%
Metered County Wastewater	2,175,721	2,092,000	2,222,000	2,290,000	9.5%
Metered Joint Service Wastewater	1,455,058	1,366,000	1,378,000	1,419,000	3.9%
Low-Pressure System Charge	105,889	106,000	106,000	106,000	0.0%
Total Service Charges	**9,715,688**	**9,724,000**	**10,043,000**	**10,445,000**	**7.4%**
OTHER REVENUES					
Wastwater Application Fees	4,450	1,100	1,100	1,100	0.0%
Wastewater Connection Charges	7,350	1,200	-	1,200	0.0%
Review/Inspection Fee	7,016	2,500	-	2,500	0.0%
Industrial Permit Maintenance Fee	7,500	7,000	7,000	7,000	0.0%
Reimbursements	6,610	3,000	3,600	3,000	0.0%
Lab Testing	1,360	2,500	1,360	1,360	-45.6%
Industrial Surcharges	120,919	65,000	70,000	60,000	-7.7%
Rental Income	3,650	365	365	365	0.0%
Miscellaneous Revenue	42,086	1,500	1,500	1,500	0.0%
Total Other Revenues	**200,941**	**84,165**	**84,925**	**78,025**	**-7.3%**
Total Operating Revenues	**$ 9,916,629**	**$ 9,808,165**	**$ 10,127,925**	**$ 10,523,025**	**7.3%**

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Vehicle Replacement Program-C0004 Replace Lab Van and Dump Truck	Unit 506 (Lab Van), Unit 595 (Dump Truck)	Replace Deteriorating Mobile Equipment	580,000
Manhole Raising-C0267 Manhole Raising and Manhole Cover Replacement	Raise Elevation of Manhole Frame and Cover to Meet New Street Grade; Replace 3" Thick Lids with Lighter, More Accessible Lids	As part of the City's Annual Pavement Preservation Program	25,000
Pumping Station Improvements-C0299 Pump Station Rehabilitation Project	Construction	Reduce maintenance and safety and security of stations	45,000
Collection System Rehabilitation-C0327 Correct Infiltration and Inflow into Collection System by Replacing or Relining Sewer Mains, Laterals, and Manholes	Construction	Infiltration and Inflow; Reduce Potential Property for Damage	400,000
WWTP ENR Improvements-C0571 Upgrade to limits of technology for controlling nutrients entering the Chesapeake Bay as required by MDE	Constructing de-nitri-fication filters to comply with standards	Required as part of the Chesa-peake Bay Restoration Act, reduces nutrients from entering the Chesapeake Bay	100,000
WWTP Equipment-C0584 Replace Various Aging Equipment	Equipment	Improve Reliability and MDE Compliance; Rehabilitate Deteriorating Equipment	125,000
Buildings and Structures-C0585 Administration Building Repairs and Upgrades	Construction	Aging structure in need of repairs and improvements	50,000
Oxygen System Improvements-C0657 Upgrade various aging equipment associated with oxygen production	Equipment	Improve Reliability and MDE Compliance; Rehabilitate Deteriorating Equipment	100,000

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Solids Processing Pelletizer & WWTP Improvements-C0711 Upgrade aging equipment within the pelletizer and wastewater treatment plant	Equipment	Improve Reliability and MDE Compliance; Rehabilitate Deteriorating Equipment	50,000
Collection System Equipment-C0713 Replace Various Aging Equipment	Equipment	Improve Reliability and MDE Compliance; Rehabilitate Deteriorating Equipment	80,000
Laboratory Equipment-C0745 Replace Various Aging Equipment	Equipment	Improve Reliability of Existing Equipment	85,000
WWTP Disinfection-Phase 3B-C0748 Replace an aging ozone disinfection system with modern technology	Equipment	Disinfection improves water qualtity in the receiving stream	50,000
Grinder Pump Replacement Program-C0767 Replace 260 Grinder Pumps in various locations	Equipment	Replace deteriorating equipment	80,000
SSES City-Wide-CS Rehab-C0800 Correct infiltration & inflow into the wastewater collection system by replacement or re-lining defective piping	Piping	Reducing inflow & infiltration will provide future recapturing of allocation for the WWTP	300,000
Pump Station #12 Elimination-C0832 Eliminate Pump Station #12	Installation of 12" gravity main	Eliminate annual operating cost & eliminate the need to replace the pumps and pump controls	120,000
Truck Lines and Laterals-C0834 Purchase or Transfer of Infrastructure	Infrastructure	Provide efficient use of wastewater infrastructure throughout system	15,000
Narrow Band Radios-C0835 FCC requires two-way radios to operate with a narrow band frequency by Jan 1, 2013	Replace Wastewater existing radios	Required due to new FCC regulations	15,000
5471501-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn materials	500

WASTEWATER FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
5471501-5865 Computer Equipment	Computer Equipment	Replace worn equipment	1,500
5471501-5867 Communication Equipment	Two-way Radio's	Operators safety for 24-7 operations	1,000
5472601-5836 Traffic Control Devices	Signage and other items used for traffic control	Normal replacement of worn materials	300
5472601-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn materials	400
5472601-5865 Computer Equipment	Computer Equipment	Replace worn equipment	1,500
5472601-5867 Communication Equipment	Radio's and SCADA System Upgrades	Normal replacement of worn materials	1,000
5472701-5833 Lab Equipment	WW Lab Equipment	Replace worn equipment	4,000
5472701-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn materials	200
5472701-5865 Computer Equipment	Computer Equipment	Replace worn equipment	1,500
5474001-5861 Office Furniture and Equipment	Office Furniture and Equipment	Normal replacement of worn materials	600
5474001-5865 Computer Equipment	Computer Equipment	Replace worn equipment	4,000
TOTAL CAPITAL OUTLAY			**$ 2,186,500**

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 in the city center. This is accomplished with 625 spaces in 2 parking decks, over 500 spaces on the streets and more than 750 spaces in 11 parking lots around the city. A systems supervisor oversees full time and part time employees to collect money from the meters, invoice permit customers and keep the facilities clean. Parking enforcement was transferred from the police department to parking in July 2011.

DEPARTMENT / PROGRAM OBJECTIVES

- Public Works has strived to maintain and support the Mayor and Council's Strategic Plan. As part of the City's approved Strategic Plan, Focus Area "A Prosperous Community", Public Works will participate in a community partnership to develop a parking master plan for the downtown by Fall 2011 with the goal of identifying site and capacities for future parking facilities to fulfill objective A.

- Revenues are down due to the loss of several key organizations relocating out of the city center. Our objective is to find new and innovative ways to enhance revenues while maintaining sensitivity to the needs of the city center businesses.

- A parking study is underway and will be completed by May 2012. The study will help the city and staff better understand our current parking resources and plan for future parking resources. The plan could also help decide on incorporating new technology such as parking meters that accept credit cards.

- Complete the re-caulking of the concrete deck panels at the North Potomac Street Parking Deck.

- Parking enforcement has been updated using a third party provider of handheld electronic devices that allow real-time collection and review of data. Staff will look at how this new technology may help the city in its enforcement efforts.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/2013
Parking Decks			
No. of Parking Spaces	**625**	**625**	**625**
No.of Permit Holders	**561**	**835**	**835**
Revenue			
Meters: Fees & Permits	**$331,019**	**$344,840**	**$353,840**
Decks: Fees & Permits	**$354,839**	**$311,240**	**$311,240**
Number of Parking Lots	**11**	**11**	**11**
Total Pkg. Spaces (Lots & Street)	**1,120**	**1,120**	**1,120**

EXPENDITURE AND REVENUE SUMMARY

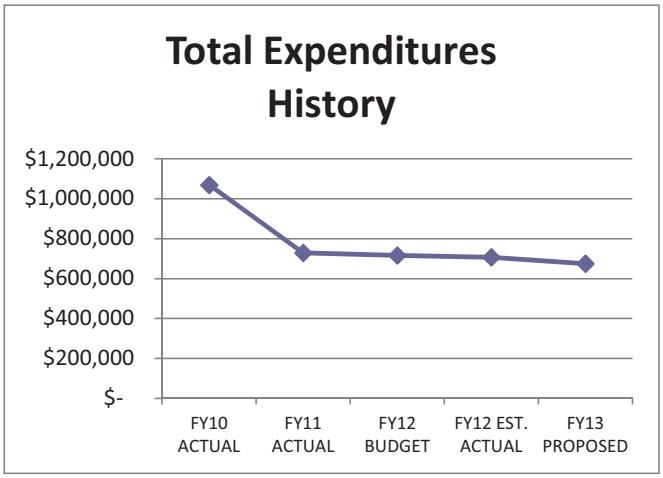
	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 196,100	$ 200,424	$ 204,368	$ 197,990	-1.2%
Benefits	66,774	63,185	66,493	65,838	4.2%
Overtime	347	-	817	750	100.0%
Personnel Subtotal	**263,221**	**263,609**	**271,678**	**264,578**	**0.4%**
Contractual Services	11,147	39,240	45,835	8,960	-77.2%
Operating Expenditures	143,840	125,921	133,417	120,290	-4.5%
Capital Outlay	74	-	-	1,500	100.0%
Other General Expenses	310,309	287,702	256,239	279,680	-2.8%
Operating Subtotal	**465,370**	**452,863**	**435,491**	**410,430**	**-9.4%**
Total Expenditures	**$ 728,591**	**$ 716,472**	**$ 707,169**	**$ 675,008**	**-5.8%**
REVENUES BY TYPE					
Departmental Revenue	814,727	912,430	852,559	841,837	-7.7%
Total Revenues	**$ 814,727**	**$ 912,430**	**$ 852,559**	**$ 841,837**	**-7.7%**
Expenditures, net of Revenues	**$ (86,136)**	**$ (195,958)**	**$ (145,390)**	**$ (166,829)**	**-14.9%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Parking enforcement was moved from the police department to the parking system in July 2011. The expenses for enforcement were paid from parking revenues including $22,500 in management fees to the police department. Hand written tickets were abandoned in favor of electronic handheld units that eliminated the additional labor to re-enter the data into the financial system saving $7,000 to $10,000 in labor costs.

Award Beauty School generates an average revenue at the A & E Parking Deck of $7,000 per month (approximately $84,000 per year).

Barbara Ingram School for the Arts will generate a revenue of $19,120 at the A & E Parking Deck for fiscal year 2011/12.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	2.00	2.00	2.40	2.20
Less: Unfunded	0.00	0.00	0.00	0.00
Staffing Total	11.00	11.00	11.40	11.20
Part time	9.00	9.00	9.00	9.00

PARKING FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
OPERATING REVENUES					
North Potomac St. Parking Deck	$ 170,746	$ 109,280	$ 165,980	$ 165,980	51.9%
South Potomac St. Parking Deck	184,093	175,400	145,260	145,260	-17.2%
Parking Meter Fees	331,019	449,150	344,840	353,840	-21.2%
Net Parking Fines	125,161	139,600	156,500	173,000	23.9%
Other Revenue	849	1,000	3,020	2,000	100.0%
Total Operating Revenues	**811,868**	**874,430**	**815,600**	**840,080**	**-3.9%**
OPERATING EXPENSES					
North Potomac St. Parking Deck	175,197	176,909	185,170	168,406	-4.8%
South Potomac St. Parking Deck	92,165	80,670	88,917	81,620	1.2%
Other Parking Facilities	107,822	132,541	108,205	110,525	-16.6%
Parking Enforcement Expenses	43,099	28,750	34,903	34,777	21.0%
Gross Depreciation	205,973	203,000	206,047	208,000	2.5%
Total Operating Expenses	**624,256**	**621,870**	**623,242**	**603,328**	**-3.0%**
Operating Income (Loss)	**187,612**	**252,560**	**192,358**	**236,752**	**-6.3%**
Other Income (Expense)					
Investment Earnings	-	1,000	-	-	-100.0%
Interest (Expense)	(90,444)	(88,378)	(77,744)	(67,061)	-24.1%
Bond Issuance Cost	(11,032)	(4,224)	(4,224)	(2,862)	-32.2%
Total Other Income (Expense)	**(101,476)**	**(91,602)**	**(81,968)**	**(69,923)**	**-23.7%**
Income Before Contribs. & Transfers	**86,136**	**160,958**	**110,390**	**166,829**	**3.6%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from General Fund	-	35,000	35,000	-	-100.0%
Total Transfers From (To) Funds	**-**	**35,000**	**35,000**	**-**	**-100.0%**
Increase (Decrease) in Retained Earnings	**86,136**	**195,958**	**145,390**	**166,829**	**-14.9%**
Add Back Depreciation	205,973	203,000	206,047	208,000	2.5%
Capital Outlay	-	(35,000)	(33,735)	(125,000)	257.1%
Principal Payment on Debt	(350,196)	(362,448)	(362,448)	(171,754)	-52.6%
Changes in Working Capital	117,163	-	-	-	0.0%
New Bond Proceeds	-	-	-	100,000	100.0%
Net Sources/(Uses)of Cash	**$ 59,076**	**$ 1,510**	**$ (44,746)**	**$ 178,075**	**11693.0%**

PARKING FUND - PROPOSED REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
NORTH POTOMAC STREET DECK					
Parking Deck Permits	$ 123,806	$ 75,000	$ 130,000	$ 130,000	73.3%
Parking Deck Fees	28,980	31,000	24,000	24,000	-22.6%
Downtown Promotions	9,102	8,500	8,500	8,500	0.0%
Parking Deck Coupons	6,101	6,500	1,500	1,500	-76.9%
Validation Fees	7,825	9,300	9,000	9,000	-3.2%
Free Parking - Pioneer Vol. Fire Co.	(240)	(720)	(720)	(720)	0.0%
Park N Shop	(185)	(300)	(300)	(300)	0.0%
Volume Parking Discount	(4,643)	(20,000)	(6,000)	(6,000)	-70.0%
Total N. Potomac Street Deck Revenues	**170,746**	**109,280**	**165,980**	**165,980**	**51.9%**
SOUTH POTOMAC STREET DECK					
Parking Deck Permits	145,040	140,000	100,000	100,000	-28.6%
Parking Deck Fees	40,853	39,000	48,500	48,500	24.4%
Pep Discounts	(1,800)	(3,600)	(3,240)	(3,240)	-10.0%
Total S. Potomac Street Deck Revenues	**184,093**	**175,400**	**145,260**	**145,260**	**-17.2%**
PARKING LOT REVENUES					
Free Parking - 41 E Franklin Street	-	-	(1,104)	(1,104)	100.0%
Free Parking - 39 E Franklin Street	-	-	(1,656)	(1,656)	100.0%
Street Meters	77,056	165,733	104,000	110,000	-33.6%
Antietam Street Lot Meters	26,329	28,500	28,500	28,500	0.0%
Bryan Center Lot Meters	1,898	843	600	600	-28.8%
Central Lot Meters	44,684	93,634	57,000	60,000	-35.9%
Hospital Street Meters	34,930	-	-	-	0.0%
Market House Lot Meters	1,521	7,491	3,000	3,000	-60.0%
Rochester Lot Meters	363	749	500	500	-33.2%
Central Lot Permits	37,783	40,000	40,000	40,000	0.0%
Church Street Lot Permits	40,913	43,500	44,500	44,500	2.3%
Market House Lot Permits	32,037	30,700	32,000	32,000	4.2%
Rochester Lot Permits	3,106	2,000	7,500	7,500	275.0%
Departmental Charges-Parking Permits	30,399	36,000	30,000	30,000	-16.7%
Total Parking Lot Revenues	**331,019**	**449,150**	**344,840**	**353,840**	**-21.2%**
PARKING TICKET REVENUES					
Fines-Traffic Violations	1,411	1,600	9,500	14,000	775.0%
Original Issuance	109,765	123,000	123,000	123,000	0.0%
Adjustments to Original Issuance	(6,852)	(7,000)	(5,000)	(5,000)	-28.6%
Late fees	93,025	107,000	88,000	90,000	-15.9%
Grace Period Adjustments	(12,445)	(15,000)	(10,000)	(10,000)	-33.3%
Uncollectable Parking Tickets	(59,743)	(70,000)	(49,000)	(39,000)	-44.3%
Total Parking Ticket Revenues	**125,161**	**139,600**	**156,500**	**173,000**	**23.9%**
Insurance Reimbursements	849	1,000	3,020	2,000	100.0%
Total Other Revenues	**849**	**1,000**	**3,020**	**2,000**	**100.0%**
Total Operating Revenues	**$ 811,868**	**$ 874,430**	**$ 815,600**	**$ 840,080**	**-3.9%**

PARKING FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTISIFCATION	COST
5674012-5865 Computer Equipment	Purchase computers (1)	Replace as needed	1,500
N. Potomac St. Parking Deck-C0749 Structural rehabilitation and caulking of the deck to extend its life	Parking deck repairs	Structural repairs and caulking of decks	100,000
Parking Fund Vehicles-C0829 Replacement of Chevy truck No.033 has been deferred for 2 years	Vehicle replacement	Vehicle repair costs and maintenance increase with the age of a vehicle	25,000
TOTAL CAPITAL OUTLAY			**$ 126,500**

Development and Business

DEPARTMENT / PROGRAM OVERVIEW

Constructed in 1932 by private individuals, the Hagerstown 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 34 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 a quick round of golf.

DEPARTMENT / PROGRAM OBJECTIVES

- Although the course itself is in excellent condition; the clubhouse, patio outside the clubhouse, and staging area is very antiquated and unacceptable. Thanks to Mayor and Council recognizing this need, staff are endeavoring to completly renovate clubhouse, improve the patio lounge area to improve the golfers experience.

- We propose to increase revenue by adding tournaments, leagues, promotions, and advertising (including on scorecards and tee markers).

- We strive to decrease costs during fiscal year 2012/13 by using less full-time staff to maintain the golf course.

- All new carts will be provided for play in 2012 based on new lease and piggyback on Washington County contract.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Total number of golfers	**10,804**	**11,416**	**12,000**
Average daily rounds of golf	**39**	**36**	**45**
Number of cart rentals	**6,524**	**6,530**	**6,500**
Number of golf leagues/tournaments	**-**	**2**	**6**

GOLF - PROGRAM FINANCIAL SUMMARY
FISCAL YEAR 2012/2013

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 164,601	$ 134,072	$ 159,014	$ 156,609	16.8%
Benefits	79,111	68,585	69,590	74,679	8.9%
Overtime	9,191	10,804	10,804	10,804	0.0%
Personnel Subtotal	**252,903**	**213,461**	**239,408**	**242,092**	**13.4%**
Contractual Services	2,815	3,550	9,280	5,772	62.6%
Operating Expenditures	145,690	154,538	109,622	107,151	-30.7%
Other General Expenses	21,055	21,060	21,060	21,692	3.0%
Operating Subtotal	**169,560**	**179,148**	**139,962**	**134,615**	**-24.9%**
Total Expenditures	**$ 422,463**	**$ 392,609**	**$ 379,370**	**$ 376,707**	**-4.1%**
REVENUES BY TYPE					
Departmental Revenue	434,814	390,902	328,386	359,084	-8.1%
Total Revenues	**$ 434,814**	**$ 390,902**	**$ 328,386**	**$ 359,084**	**-8.1%**
Expenditures, net of Revenues	**$ (12,351)**	**$ 1,707**	**$ 50,984**	**$ 17,623**	**932.4%**

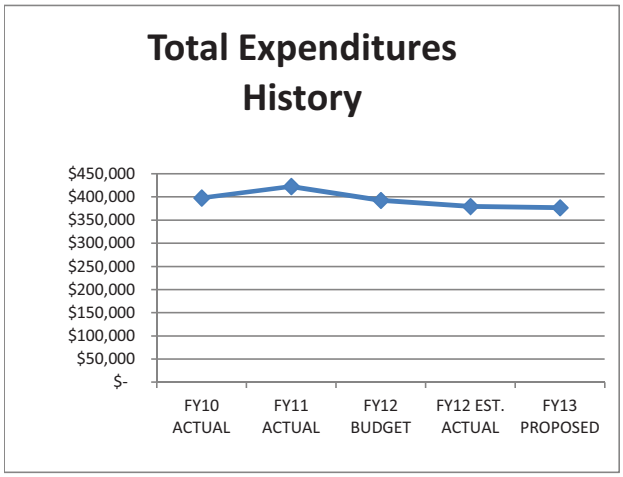
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Total Expenditures reflect a 10% decrease from the budget due to reduction in full time staff, and cross-training staff to other Park's positions. Overtime is also anticipated to decrease. Revenue was lower than anticipated.

Adopted FY12 to Proposed FY13

Personnel expenditures continue to decrease due to less staff and Capital Outlay increased due to costs associated with the Club House Area Improvements. Revenues are expected to climb as we put effort in getting more golfers on the course through new leagues, tournaments, discount programs and using the new website, Facebook, and ecasts. New rates go into effect July 1, 2012.



STAFFING SUMMARY

	FY11	FY12 Budg	FY12 Est Act	FY13
Full time	3.00	2.00	3.00	2.52
Less: Unfunded	0.00	1.00	0.00	0.00
Staffing Total	3.00	1.00	3.00	2.52
Part time & Seasonal	4.00	4.00	4.00	4.00

GOLF COURSE FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
OPERATING REVENUES					
Green Fees	$ 76,655	$ 97,404	$ 69,718	$ 89,600	-8.0%
Cart Rentals	35,068	62,955	35,230	44,000	-30.1%
Tournaments and Specials	14,410	35,475	35,475	35,475	0.0%
Other Revenues	11,753	19,068	12,863	14,863	-22.1%
Total Operating Revenues	**137,886**	**214,902**	**153,286**	**183,938**	**-14.4%**
OPERATING EXPENSES					
Operating Expenses	401,408	371,549	358,310	355,015	-4.5%
Depreciation	21,055	21,060	21,060	21,692	3.0%
Total Operating Expenses	**422,463**	**392,609**	**379,370**	**376,707**	**-4.1%**
Operating Income (Loss)	**(284,577)**	**(177,707)**	**(226,084)**	**(192,769)**	**8.5%**
NONOPERATING REVENUES (EXPENSES)					
Interest Earned	1	1,000	100	146	-85.4%
Total Other Income (Expense)	**1**	**1,000**	**100**	**146**	**-85.4%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from General Fund	296,927	175,000	175,000	175,000	0.0%
Total Transfers From (To) Funds	**296,927**	**175,000**	**175,000**	**175,000**	**0.0%**
Increase (Decrease) in Retained Earnings	**12,351**	**(1,707)**	**(50,984)**	**(17,623)**	**932.4%**
Add Back Depreciation	21,055	21,060	21,060	21,692	3.0%
Capital Outlay	-	(50,000)	(50,000)	(25,000)	-50.0%
Prior Year Bond Proceeds	-	40,000	40,000	-	-100.0%
Changes in Working Capital	26,303	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ 59,709**	**$ 9,353**	**$ (39,924)**	**$ (20,931)**	**-323.8%**

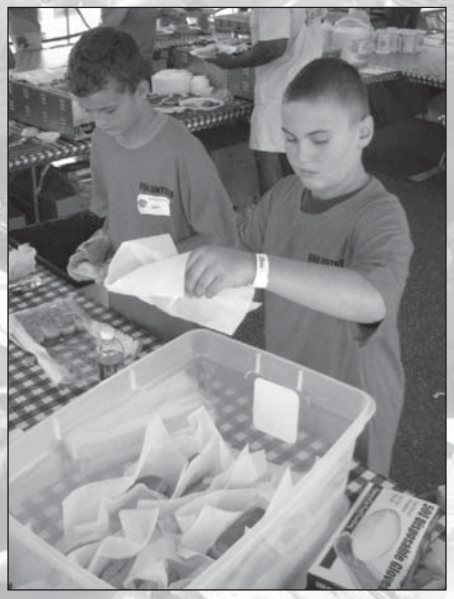
GOLF COURSE FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
GREENS REVENUES					
Greens Fees-Weekday,Senior,9-Hole	$ 4,552	$ 10,766	$ 6,560	$ 8,500	-21.0%
Greens Fees-Weekday,Senior,18-Hole	1,283	2,051	1,756	2,200	7.3%
Greens Fees-Weekday,Regular,9-Hole	16,209	18,455	19,296	25,000	35.5%
Greens Fees-Weekday,Regular,18-H	5,506	9,740	6,168	8,000	-17.9%
Greens Fees-Twilight	8,870	9,228	4,560	5,900	-36.1%
Greens Fees-Weekend/Holiday	31,290	47,164	31,378	40,000	-15.2%
Season Pass-Senior Individual	1,610	-	-	-	0.0%
Season Pass- Regular Individual	2,220	-	-	-	0.0%
Non-City Residents-Senior Individual	3,930	-	-	-	0.0%
Non-City Residents-Regular Family	1,185	-	-	-	0.0%
Total Greens Revenues	**76,655**	**97,404**	**69,718**	**89,600**	**-8.0%**
GOLF CART REVENUES					
Cart Rentals-Senior, 9-Hole	1,330	10,253	-	-	-100.0%
Cart Rentals-1/2 Price Senior, 9-Hole	5,311	4,614	7,220	9,000	95.1%
Cart Rentals-Senior, 18-Hole	358	2,256	-	-	-100.0%
Cart Rentals-1/2 Price Senior, 18-Hole	1,025	923	2,130	2,500	170.9%
Cart Rentals-Regular, 9-Holes	5,994	20,506	-	-	-100.0%
Cart Rentals-1/2 Price, 9-Holes	12,234	7,177	17,528	22,000	206.5%
Cart Rentals-Regular, 18-Holes	2,684	12,304	-	-	-100.0%
Cart Rentals-1/2 Price, 18-Holes	5,616	3,589	7,936	10,000	178.6%
Pull Cart Rentals	516	1,333	416	500	-62.5%
Total Golf Cart Revenues	**35,068**	**62,955**	**35,230**	**44,000**	**-30.1%**
TOURNAMENTS & SPECIALS	**14,410**	**35,475**	**35,475**	**35,475**	**0.0%**
OTHER REVENUES					
Rental of Golf Clubs	200	31	200	200	545.2%
Tee Marker Sponsorship	500	2,250	3,500	-	-100.0%
Scorecard Sponsorship	2,750	2,750	-	5,500	100.0%
Golf Course Concession Revenues	2,021	2,461	2,461	2,461	0.0%
Golf Course Vending Revenues	1,815	2,563	2,563	2,563	0.0%
Golf Card Revenues	413	1,025	1,025	1,025	0.0%
Gift Certificate Revenues	230	614	614	614	0.0%
Locker Rental	24	74	-	-	-100.0%
Property Rent-Golf Course	3,800	4,800	-	-	-100.0%
Miscellaneous Golf Revenues	-	2,500	2,500	2,500	0.0%
Total Other Revenues	**11,753**	**19,068**	**12,863**	**14,863**	**-22.1%**
Total Operating Revenues	**$ 137,886**	**$ 214,902**	**$ 153,286**	**$ 183,938**	**-14.4%**

GOLF COURSE FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTISIFCATION	COST
Golf Course Vehicles-C0395 Vehicles/Equipment Replace Ford 150 truck #330 as this vehicle was deferred in the FY12 budget cycle	Vehicle replacement	Replace deteriorated equipment	25,000
TOTAL CAPITAL OUTLAY			**$ 25,000**

Volunteers



DEPARTMENT / PROGRAM OVERVIEW

The Property Management Fund provides professional stewardship over downtown property owned by the City and leased to area businesses. This fund includes the Elizabeth-Hager Center, Roslyn Building, 60 West Washington Street (future site of a small business incubator), 36 - 40 North Potomac Street (future home of Artist Housing and a Cooperative Gallery and the Fire Police Headquarters near the Fairgrounds. The fund is a self-supporting Enterprise Fund.

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

DEPARTMENT / PROGRAM OBJECTIVES

- The City acquired 60 West Washington Street in FY11 and initiated renovation of the building. One space is complete and leased. The intention is to use this building as a small business incubator for the City Center area. A second anchor tenant space will be offered for lease in the fall of 2012. CDBG, Community Legacy, un-programmed bond funds and other grant monies are being used for the project.

- The City acquired 36 – 40 North Potomac in the current fiscal year utilizing CDBG funds. This building is currently being renovated as Artist Housing and a Cooperative Gallery. CDBG funds and other grant / foundation funds are being used to complete this project.

- Planned repairs to the Elizabeth-Hager Center include leasehold improvements and continued replacement of HVAC units.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of leases -			
Elizabeth-Hager Center	**9**	**9**	**7**
Roslyn Building	**3**	**3**	**2**
Fire Police Headquarters	**1**	**1**	**1**
Small Business Incubatoer (60 W. Washington St)	**0**	**1**	**2**
Alms House	**0**	**0**	**0**

EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Salary and Wages	$ 26,923	$ 27,677	$ 27,461	$ 27,677	0.0%
Benefits	5,983	9,089	9,541	9,601	5.6%
Overtime	-	-	-	-	0.0%
Personnel Subtotal	**32,906**	**36,766**	**37,002**	**37,278**	**1.4%**
Contractual Services	16,024	25,980	41,780	12,912	-50.3%
Operating Expenditures	279,146	205,218	274,200	266,940	30.1%
Other General Expenses	83,340	82,767	82,617	85,000	2.7%
Operating Subtotal	**378,510**	**313,965**	**398,597**	**364,852**	**16.2%**
Total Expenditures	**$ 411,416**	**$ 350,731**	**$ 435,599**	**$ 402,130**	**14.7%**
REVENUES BY TYPE					
Departmental Revenue	1,189,524	1,257,723	1,450,748	893,825	-28.9%
Total Revenues	**$ 1,189,524**	**$ 1,257,723**	**$ 1,450,748**	**$ 893,825**	**-28.9%**
Expenditures, net of Revenues	**$ (778,108)**	**$ (906,992)**	**$ (1,015,149)**	**$ (491,695)**	**-45.8%**

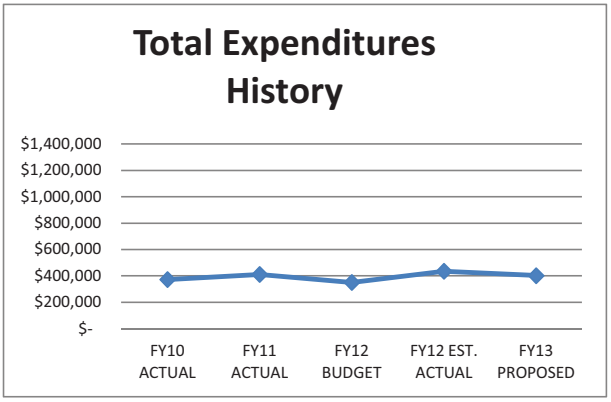
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The number of leases at the Elizabeth Hager Center has decreased from the previous reported number following the Federal Government's decision to not continue the Teleworks Program. Additionally, staff are in the process of clarifying a remaining lease with GSA and anticipate offering additional space for rent. CHIEF also decided not renew their lease in the Roslyn Building. This space is currently being used by the Police Department to increase visibility in the City Center.

Actual FY12 to Proposed FY13

Phase II of construction at the Small Business Incubator will be completed in FY13. Anchor tenant space will be marketed for lease in the fall of 2012. The Artist Housing Project is also anticipated to be completed in FY13. Funding for these renovation projects will be through federal and other grant programs.



STAFFING SUMMARY

	FY11	FY12 Budget	FY12 Est Act	FY13
Full time	0.0	0.0	0.0	0.4
Less: Unfunded	0.0	0.0	0.0	0.0
Staffing Total	0.0	0.0	0.0	0.4

PROPERTY MANAGEMENT FUND - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
OPERATING REVENUES					
Rent from Tenants	$ 329,415	$ 332,162	$ 345,247	$ 365,009	9.9%
Other Revenues	1,162	-	7,216	3,316	100.0%
Total Operating Revenues	**330,577**	**332,162**	**352,463**	**368,325**	**10.9%**
OPERATING EXPENSES					
Selling, General and Administrative Expenses	328,076	267,965	352,982	317,130	18.3%
Depreciation	81,278	82,000	82,000	85,000	3.7%
Total Operating Expenses	**409,354**	**349,965**	**434,982**	**402,130**	**14.9%**
Operating Income (Loss)	**(78,777)**	**(17,803)**	**(82,519)**	**(33,805)**	**89.9%**
NON-OPERATING REVENUES (EXPENSES)					
Capital Contributions - Grants	50,000	50,000	50,000	205,000	310.0%
Interest Earned	768	3,000	550	500	-83.3%
Interest (Expense)	(1,598)	(766)	(540)	-	-100.0%
Total Other Income (Expense)	**49,170**	**52,234**	**50,010**	**205,500**	**293.4%**
Net Income (Loss) Before Transfers	**(29,607)**	**34,431**	**(32,509)**	**171,695**	**398.7%**
TRANSFERS FROM (TO) OTHER FUNDS					
Transfers from General Fund	600,000	-	-	-	0.0%
Transfers from CDBG Fund	37,715	397,561	572,658	320,000	-19.5%
Transfers from Capital Improvement Fund	170,000	475,000	475,000	-	-100.0%
Total Transfers From (To) Funds	**807,715**	**872,561**	**1,047,658**	**320,000**	**-63.3%**
Increase (Decrease) in Retained Earnings	**778,108**	**906,992**	**1,015,149**	**491,695**	**-45.8%**
Add Back Depreciation	81,278	82,000	82,000	85,000	3.7%
Capital Outlay	(865,355)	(952,561)	(912,658)	(555,000)	-41.7%
Repayment of Principal	(36,500)	(36,885)	(36,865)	-	-100.0%
Changes in Working Capital	(34,844)	-	-	-	0.0%
Net Sources (Uses) of Cash	**$ (77,313)**	**$ (454)**	**$ 147,626**	**$ 21,695**	**-4878.6%**

PROPERTY MANAGEMENT FUND - PROPOSED OPERATING REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Rent - 2-6 N Potomac Street, 1st Floor	$ 156,260	155,960	155,960	161,530	3.6%
Rent - 14 N Potomac Street, Suite 200A/B	45,900	37,500	-	33,400	-10.9%
Rent - 14 N Potomac Street, Suite B-2	26,188	26,250	26,250	26,250	0.0%
Rent - 16 Public Square	13,800	13,800	13,800	13,800	0.0%
Rent - 12 Public Square	11,798	12,870	7,200	7,440	-42.2%
Rent - 6 N Potomac Street	9,300	18,600	18,600	18,600	0.0%
Rent - 11 Public Square, Suite 200	1,181	1,181	197	-	-100.0%
Rent - 14 N Potomac Street, Suite B-3	25,500	25,500	26,829	27,272	6.9%
Rent - 10 Public Square (Common Area)	2,663	2,663	2,663	2,663	0.0%
Rent - 17 E Franklin Street	7,875	8,138	8,138	8,269	1.6%
Rent - 25 E Franklin Street	9,200	9,300	4,600	-	-100.0%
Rent - 11 Public Square, Suite 300	20,400	20,400	20,400	-	-100.0%
Rent - 14 N Potomac Street, Suite LI	(650)	-	-	-	0.0%
Rent - 14 N Potomac Street, Suite 200B	-	-	6,000	6,000	100.0%
Rent - 60 W Wash Ste 102	-	-	5,860	6,685	100.0%
Rent - 790-800 Potomac Avenue	-	-	30,360	30,360	100.0%
Rent - 40 N Potomac Street	-	-	18,390	22,740	100.0%
Gain/(Loss) on Sale of Fixed Assets	-			-	0.0%
Purchase Discounts	-	-	-	-	0.0%
Other Revenues	1,162	-	7,216	3,316	100.0%
Total Operating Revenues	**$ 330,577**	**$ 332,162**	**$ 352,463**	**$ 368,325**	**10.9%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

The estimated actual for FY12 is expected to be 6.1% (or $20,301) higher than FY12 budget. We have a new tenant at 14 North Potomac Street. In addition, we have purchased two new buildings and each building is currently occupied with one tenant.

Adopted FY12 to Proposed FY13

The FY13 proposed budget is anticipated to be 10.9% higher than FY12 budget. As mentioned earlier, we have a new tenant at 14 North Potomac Street plus the addition of two new buildings that have occupied tenants.

PROPERTY MANAGEMENT FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
Elizabeth Hager Center-C0803 Painting, various leasehold improvements and continued replacement of HVAC units	Office and operation use for City's tenants	• HVAC units have reached the end of their life cycle (15-20 years) and will be systematically replaced • Building was renovated over 15 years ago and continued maintenance is required	30,000
Hagerstown Small Bus Center-C0828 Renovate building for tenant leasing and to serve as a downtown business incubator	Office and operation use for City's tenants tenants	New efforts to better meet the City's economic development needs	150,000
36-40 N Potomac St-C0836 Renovate and improve the building to accommodate residential and commercial occupnay in the A&E District	Office and operation use for City's tenants	To create live/work spaces for artists with access to a cooperative gallery	375,000
TOTAL CAPITAL OUTLAY			**$ 555,000**

SPECIAL REVENUE FUNDS
SECTION 5

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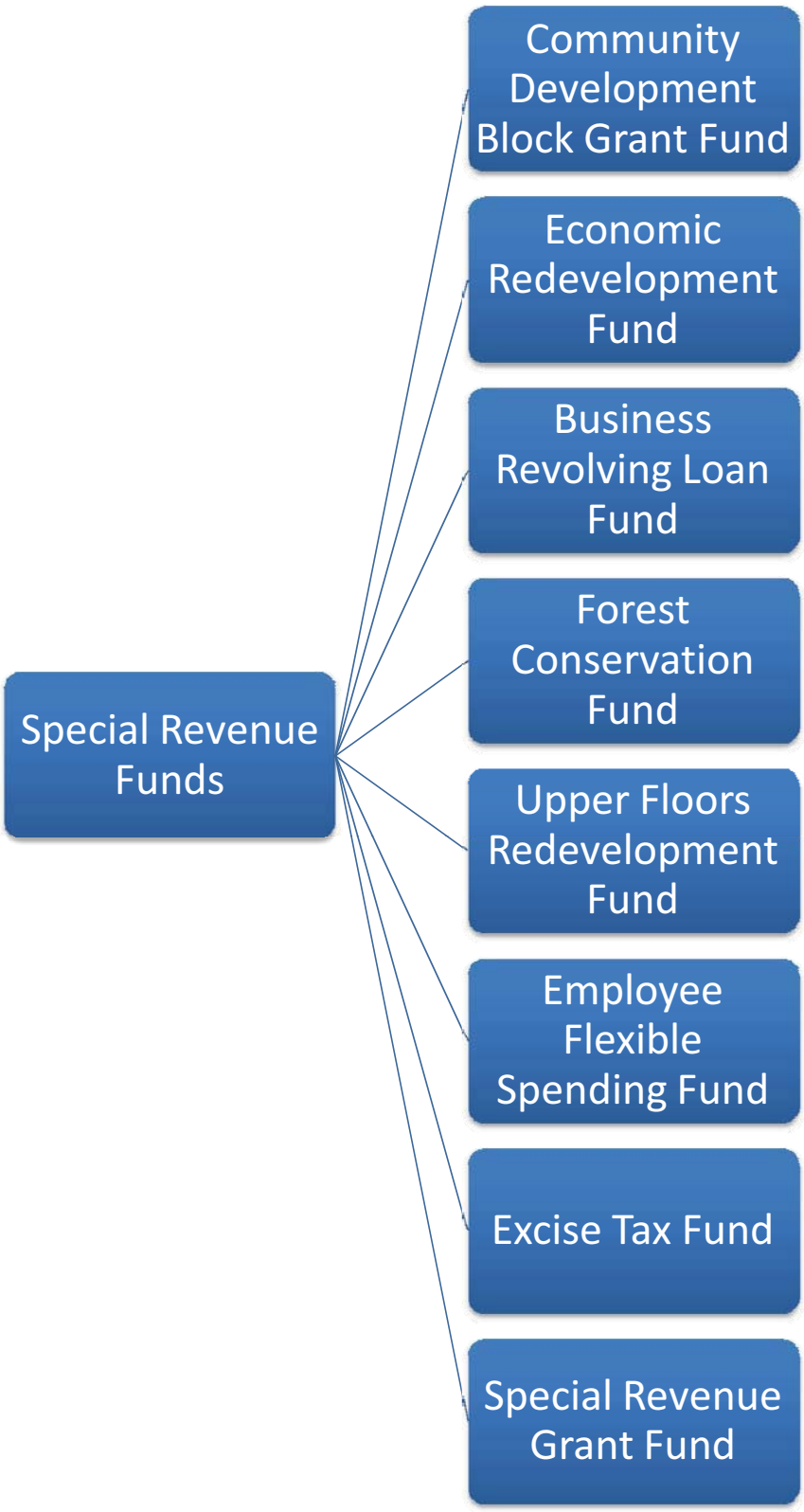

Special Revenue Funds
Community Development Block Grant Fund
Economic Redevelopment Fund
Business Revolving Loan Fund
Forest Conservation Fund
Upper Floors Redevelopment Fund
Employee Flexible Spending Fund
Excise Tax Fund
Special Revenue Grant Fund

SPECIAL REVENUE FUNDS -COMBINED STATEMENT OF REVENUES AND EXPENDITURES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	CDBG	ECONOMIC REDEV.	BUS. REVOLV. LOAN FUND	UPPER FLOORS REDEV.	FOREST CONSERV. FUND	FLEXIBLE SPENDING	EXCISE TAX	SPECIAL REVENUE GRANT	TOTAL
REVENUES									
Grant Revenues	$ 1,526,231	$ -	$ -	$ -	$ -	$ -	$ -	$ 325,763	$ 1,851,994
Excise Tax	-	-	-	-	-	-	137,000	-	137,000
Program Income	174,753	-	182,243	-	-	-	-	-	356,996
Investment Earnings	-	500	1,500	-	500	75	2,500	-	5,075
Reforest Fees	-	-	-	-	15,000	-	-	-	15,000
Other Revenues	-	-	-	-	-	5,500	-	-	5,500
Total Revenues	**1,700,984**	**500**	**183,743**	**-**	**15,500**	**5,575**	**139,500**	**325,763**	**2,371,565**
EXPENDITURES									
Property Acquisition/Renovation	220,000	-	-	-	-	-	-	-	220,000
New Loan Expenditures	-	-	200,000	-	-	-	-	-	200,000
Commercial/Industrial Imprv.	100,000	-	-	-	-	-	-	-	100,000
Clearance/Demolition	45,000	-	-	-	-	-	-	-	45,000
Public Facilities and Imprv.	236,000	-	-	-	-	-	-	-	236,000
Public Services	135,213	-	-	-	-	-	-	-	135,213
Housing	710,000	-	-	-	-	-	-	-	710,000
Administration	170,123	25,219	2,833	-	-	6,783	-	-	204,958
Public Safety	-	-	-	-	-	-	-	366,065	366,065
Downtown Residency Initiative	-	5,000	-	-	-	-	-	-	5,000
PEP Subsidized Rent Payments	-	70,000	-	-	-	-	-	-	70,000
Total Expenditures	**1,616,336**	**100,219**	**202,833**	**-**	**-**	**6,783**	**-**	**366,065**	**2,292,236**
Excess of Revenues Over (under) Expenditures	**84,648**	**(99,719)**	**(19,090)**	**-**	**15,500**	**(1,208)**	**139,500**	**(40,302)**	**79,329**
OTHER FINANCING USES									
Operating Transfers In	-	200,000	300,000	-	-	-	-	40,302	540,302
Operating Transfers (Out)	-	-	-	(300,000)	(26,000)	(6,000)	(480,000)	-	(812,000)
Total Other Financing Uses	**-**	**200,000**	**300,000**	**(300,000)**	**(26,000)**	**(6,000)**	**(480,000)**	**40,302**	**(271,698)**
Net Change in Fund Balance	**84,648**	**100,281**	**280,910**	**(300,000)**	**(10,500)**	**(7,208)**	**(340,500)**	**-**	**(192,369)**
Beginning Fund Balance	**3,287,074**	**643,576**	**619,164**	**300,161**	**46,484**	**15,500**	**929,468**	**137,163**	**5,978,589**
Ending Fund Balance	**$ 3,371,722**	**$ 743,857**	**$ 900,074**	**$ 161**	**$ 35,984**	**$ 8,292**	**$ 588,968**	**$ 137,163**	**$ 5,786,220**
DETAIL OF ENDING FUND BALANCE									
Nonspendable	$ 2,036,003	$ -	$ 402,328	$ -	$ -	$ -	$ -	$ -	$ 2,438,331
Restricted	1,330,719	-	497,746	-	-	-	588,968	-	2,417,432
Committed	-	743,857	-	161	35,984	8,292	-	-	788,294
Assigned	5,000	-	-	-	-	-	-	137,163	142,163
Ending Fund Balance	**$ 3,371,722**	**$ 743,857**	**$ 900,074**	**$ 161**	**$ 35,984**	**$ 8,292**	**$ 588,968**	**$ 137,163**	**$ 5,786,220**

DEPARTMENT / PROGRAM OVERVIEW

The primary objective of the City's Community Development Block Grant Program (CDBG) 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 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.

Due to Federal Budget cuts, the City will endure a reduced entitlement for a second consecutive year. The anticipated FY13 entitlement is 21% lower than what was received in FY12. The FY12 entitlement was 17% lower than what was received in FY11. In response to this decrease in funding, FY13 will be the third consecutive year in which the City has reduced program administration costs.

DEPARTMENT / PROGRAM OBJECTIVES

- Consistent with the National Objectives, the FY13 CDBG budget focuses funds on visible and impactful community development projects. Current and future Community Development projects are being implemented to stimulate Economic Development, revitalize the City's urban core, and improve the quality of housing for City residents. Housing and Commercial Rehabilitation programs include funding for both private/public partnership projects and City sponsored projects. The proposed projects focus on improving the quality of the existing housing stock and cultivating Economic Development opportunities in the City Center.

- The Department of Community and Economic Development works in cooperation with other City Departments to carry out neighborhood based projects. Proposed Public Facility projects to be carried out in cooperation with the Department of Parks & Engineering for FY13 include:
    - Potterfield Pool facility upgrades
    - Development of a neighborhood park in the Locust Point area
    - Development of a neighborhood park in the Jonathan Street area
    - Sidewalk accessibility improvements and neighborhood development activities at locations throughout the City

- The FY13 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. Public Service providers must also have clear goals and specific, measurable, and realistic evaluation criteria.

PERFORMANCE INDICATORS

	2010/11	2011/12	2012/13
Number of active loans outstanding	39	29	32
Net new loans	2	3	4
Value of active loand portfolio ($000)	$ 1,991	$ 1,515	$ 1,616
Net value of new loans ($000)	$ 200	$ 200	$ 175
Average life of open portfolio (yrs)	12.0	9.8	10.0
Active loans by type:			
Homeownership	15	11	11
Single Family	10	6	7
Multi-Family	10	6	7
Commercial	4	2	3
Public Facilities	4	4	4
Overall low/moderate benefit ratio (%)	90.0%	75.0%	75.0%
Total administrative costs as percent of total expenditures	20.0%	20.0%	20.0%

EXPENDITURE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
Acquisition	$ -	$ 235,003	$ 235,000	$ 220,000	-6.4%
Commercial/Industrial Improvements	16,965	135,000	130,000	100,000	-25.9%
Clearance and Demolition	-	100	-	45,000	44900.0%
Public Facilities and Improvements	383,462	340,507	324,658	236,000	-30.7%
Public Services	208,927	164,250	164,287	135,213	-17.7%
Cost of Properties for Resale	222,888	-	-	-	0.0%
Housing	138,609	568,500	327,500	710,000	24.9%
Administration	247,236	163,667	195,161	170,123	3.9%
Transfers Out	5,000	-	-	-	0.0%
Miscellaneous	(161,583)	-	-	-	0.0%
Total Expenditures	**$ 1,061,504**	**$ 1,607,027**	**$ 1,376,606**	**$ 1,616,336**	**0.6%**

BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Administrative and personnel costs associated with various activities will remain under the regulatory cap due to the restructuring of the Community Development Department.

A shift in focus led to a cooperative effort with the Parks & Engineering Department to begin the following neighborhood based projects in FY12:

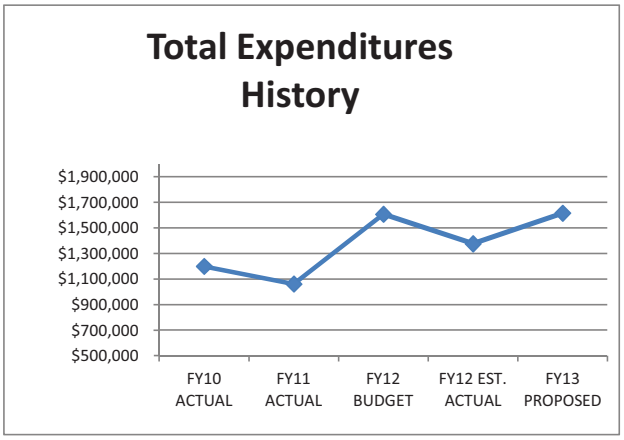
- o Hellane Park Walkway Improvements
- o Park Circle Crosswalk Improvements
- o West Howard St./Virgina Ave. Crosswalk Improvements
- o Potterfield Pool Accessibility Improvements
- o North East Quad Parking and East Avenue Park

Estimated Actual FY12 to Proposed FY13

As mentioned above, the City is anticipating a 21% reduction in FY13 CDBG entitlement funds due to expected Federal funding cuts. This follows a 17% reduction that occurred in FY12.

The FY13 budget includes funds for moving forward with several initiatives in the Strategic Plan including creation of Neighborhood Parks, various Neighborhood Improvements, and improving the livability and economic prosperity of the City.

In cooperation with multiple City departments, efforts will be made to carry out neighborhood based projects throughout the City. This includes projects being carried out with or without CDBG funding.



STAFFING SUMMARY

	FY11	FY12 Budget	FY12 Est Act	FY13
Full time	3.5	3.5	3.5	2.5
Less: Unfunded	0.0	0.0	0.0	0.0
Staffing Total	3.5	3.5	3.5	2.5

As part of a restructure of operations in response to the anticipated 21% decrease in funding for FY13, one (1) FTE position is no longer funded in the CDBG Fund.

COMMUNITY DEVELOPMENT BLOCK GRANT - COMPARATIVE INCOME STATEMENT
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES					
CDBG Grant Entitlements	$ 686,806	$ 1,168,884	$ 1,155,799	$ 1,526,231	30.6%
Program Income	330,656	235,000	285,000	174,753	-25.6%
Other Revenues	4,050	2,500	-	-	-100.0%
Total Operating Revenues	**1,021,512**	**1,406,384**	**1,440,799**	**1,700,984**	**20.9%**
EXPENDITURES					
Acquisition	-	235,003	235,000	220,000	-6.4%
Commercial/Industrial Improvements	16,965	135,000	130,000	100,000	-25.9%
Clearance and Demolition	-	100	-	45,000	44900.0%
Public Facilities and Improvements	383,462	340,507	324,658	236,000	-30.7%
Public Services	208,927	164,250	164,287	135,213	-17.7%
Cost of Properties for Resale	222,888	-	-	-	0.0%
Housing	138,609	568,500	327,500	710,000	24.9%
Administration	247,236	163,667	195,161	170,123	3.9%
Transfers Out	5,000	-	-	-	0.0%
Miscellaneous	(161,583)	-	-	-	0.0%
Total Operating Expenditures	**1,061,504**	**1,607,027**	**1,376,606**	**1,616,336**	**0.6%**
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	**$ (39,992)**	**$ (200,643)**	**$ 64,193**	**$ 84,648**	**-142.2%**
Beginning Fund Balance	**3,262,873**	**3,222,881**	**3,222,881**	**3,287,074**	**2.0%**
Ending Fund Balance	**$ 3,222,881**	**$ 3,022,238**	**$ 3,287,074**	**$ 3,371,722**	**11.6%**
DETAIL OF ENDING FUND BALANCE					
Nonspendable	$ 2,287,053	$ 1,856,416	$ 2,216,355	$ 2,036,003	9.7%
Restricted	930,719	1,165,822	1,065,719	1,330,719	14.1%
Assigned	5,109	-	5,000	5,000	100.0%
Ending Fund Balance	**$ 3,222,881**	**$ 3,022,238**	**$ 3,287,074**	**$ 3,371,722**	**11.6%**

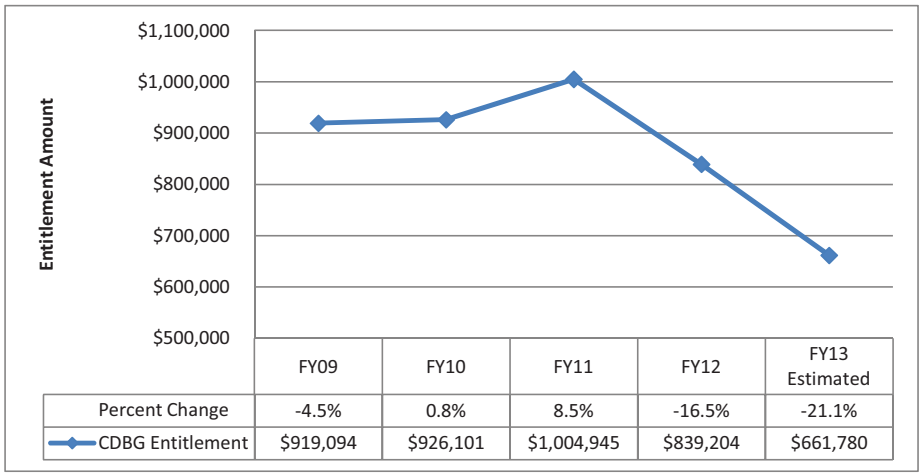
COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED OPERATING REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
CDBG GRANT ENTITLEMENTS					
B08 Entitlement	$ 42,235	$ -	$ -	$ -	0.0%
B09 Entitlement	644,571	-	176,101	-	0.0%
B10 Entitlement	-	329,698	979,698	25,247	-92.3%
B11 Entitlement	-	839,186	-	839,204	0.0%
B12 Entitlement	-	-	-	661,780	100.0%
Total CDBG Grant Entitlements	686,806	1,168,884	1,155,799	1,526,231	30.6%
PROGRAM INCOME					
Sale of Properties	40,992	-	100,000	-	0.0%
Principal Repayments on Loans	222,888	185,000	135,000	119,761	-35.3%
Interest Income on Loans	66,776	50,000	50,000	54,992	10.0%
Total Program Income	330,656	235,000	285,000	174,753	-25.6%
OTHER REVENUES					
Administrative Fee Revenues	4,050	2,500	-	-	-100.0%
Total Other Revenues	4,050	2,500	-	-	-100.0%
Total Operating Revenues	**$ 1,021,512**	**$ 1,406,384**	**$ 1,440,799**	**$ 1,700,984**	**20.9%**

The CDBG Entitlement Funding History graph and chart below illustrate the CDBG Entitlement current year amounts awarded to the City for FY09 – FY12, and the CDBG Entitlement amount estimated to be awarded to the City for FY13. Each year, funding that has not been expended is carried forward as an operating revenue into the next fiscal year. Subsequently, the amounts reported as "Total CDBG Grant Entitlements" 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, it is evident that there has been a sharp decline in the amount of Federal funding awarded to the City for CDBG Entitlement funds. The City's awarded funding peaked in FY11 at $1.0 million. The funding amount awarded declined by 16.5% in FY12 to $839 thousand and is expected to decline by an additional 21.1% in FY13 to $662 thousand. Since FY11, the City has experienced a 34.1% decrease in awarded CDBG Entitlement funding from the Federal Government.

CDBG Entitlement Funding History



COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
ACQUISITION					
City - Downtown Buildings	$ -	$ 235,003	$ 235,000	$ 220,000	-6.4%
Total Acquisition	-	235,003	235,000	220,000	-6.4%
COMMERCIAL/INDUSTRIAL IMPROVEMENTS					
Commercial Property Rehab Loan	900	50,000	35,000	100,000	100.0%
Commercial Administration	16,065	10,000	20,000	-	-100.0%
Commercial Rehab-City Owned	-	75,000	75,000	-	-100.0%
Total Commercial/Industrial Imprv.	16,965	135,000	130,000	100,000	-25.9%
CLEARANCE AND DEMOLITION					
City - Downtown Buildings	-	100	-	45,000	44900.0%
Total Clearance and Demolition	-	100	-	45,000	44900.0%
COST OF RESALE PROPERTIES	222,888	-	-	-	0.0%
PUBLIC FACILITIES & IMPROVEMENTS					
Hagerstown Small Business Center	37,715	-	112,658	50,000	100.0%
Handicap Ramps	53,583	40,000	40,000	40,000	0.0%
Project Park Inside	1,800	-	-	-	0.0%
Memorial Recreation Center	4,965	-	-	-	0.0%
Downtown Surveillance Cameras	12,833	-	6,000	-	0.0%
Hope VI Streetscape	47,678	-	-	-	0.0%
Neighborhood Development	-	78,507	50,000	50,000	-36.3%
Storm Drain Improvements	13,000	-	-	-	0.0%
Traffic Signal Replacement	9,441	-	-	-	0.0%
Park Circle Improvements	-	36,000	36,000	-	-100.0%
Neighborhood Parks	31,200	121,000	-	86,000	-28.9%
Hellane Park HC Acc		40,000	40,000	-	-100.0%
000 Block North Potomac Sidewalk	26,287	-	-	-	0.0%
Community Garden	1,785	-	-	-	0.0%
School Crossing Signal	-	-	15,000	-	0.0%
E. Antietam St. Storm Drain	122,187	-	-	-	0.0%
Potterfield Pool Ramps	20,988	-	-	10,000	100.0%
Audible Traffic Beacon-Howard	-	15,000	15,000	-	-100.0%
Handicap Lift Potterfield	-	10,000	10,000	-	-100.0%
Total Public Facilities & improve.	383,462	340,507	324,658	236,000	-30.7%
PUBLIC SERVICES					
Neighborhoods 1st	30,594	-	-	-	0.0%
Community Free Clinic	55,053	60,000	60,000	51,000	-15.0%
Food & Friends	5,000	5,000	5,037	-	-100.0%
Girl's Inc. Supper Program	12,797	12,750	12,750	10,838	-15.0%
Summer Day Camp	-	5,000	5,000	4,250	-15.0%
Children in Need	7,519	7,500	7,500	6,375	-15.0%
Senior Living Alternative	65,260	65,000	65,000	55,250	-15.0%
Summer Playground Meals	9,000	9,000	9,000	7,500	-16.7%
Community Free Clinic - Prescription	23,704	-	-	-	0.0%
Total Public Services	208,927	164,250	164,287	135,213	-17.7%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
HOUSING					
Res Single Fam Emergency Repair	$ 16,838	$ 15,000	$ 15,000	$ 30,000	100.0%
Homeownership Program	59,074	49,000	10,000	20,000	-59.2%
Commission on Aging	12,973	18,000	18,000	18,000	0.0%
House Keys 4 Employees	-	7,500	3,000	4,500	-40.0%
Curb & Sidewalk Loan Program	-	7,500	-	-	-100.0%
Home Safety Makeover	2,345	10,000	-	-	-100.0%
HNDP Downpayment & Settlement	7,000	35,000	14,000	24,500	-30.0%
Single Family Loan Program	29,461	134,000	25,000	100,000	-25.4%
Residential Rental Rehabilitation	-	162,500	125,000	203,000	24.9%
CDBG Admin. (Residential Rental)	6,418	15,000	5,000	15,000	0.0%
CDBG Admin. (Home Ownership)	12,627	45,000	5,000	5,000	-88.9%
CDBG Administration (Single Family)	42,492	70,000	7,500	20,000	-71.4%
Contra Expense-Single Family Rehab	(50,619)	-	-	-	0.0%
Housing Rehab-City Owned	-	-	100,000	270,000	100.0%
Total Housing	138,609	568,500	327,500	710,000	24.9%
ADMINISTRATION					
Regular Wages - Salaried	219,680	200,338	171,834	124,022	-38.1%
Regular Wages - Hourly	4,408	-	-	-	0.0%
Vacation Pay	13,119	-	5,941	-	0.0%
Holiday Pay	11,940	-	3,853	-	0.0%
Sick Leave Pay	3,357	-	4,429	-	0.0%
Personal Leave	2,995	-	133	-	0.0%
Furlough Day Savings	(8,936)	-	(25)	-	0.0%
Sick Pay on Termination	-	-	26,517	-	0.0%
Vacation Pay on Termination	3,004	-	10,888	-	0.0%
Allocated Labor - Salaried	(290,528)	(219,585)	(111,000)	(95,000)	-56.7%
Office Supplies	1,613	1,800	800	800	-55.6%
Computer Software & Supplies	753	1,000	500	500	-50.0%
Dues, Subscriptions & Periodicals	1,415	3,000	750	1,500	-50.0%
Gasoline, Oil & Grease	806	400	400	-	-100.0%
Personal Auto Expense Reimb.	43	300	100	200	-33.3%
Central Maintenance Garage	94	250	250	-	-100.0%
Advertising & Printing	1,748	2,250	1,750	3,000	33.3%
Legal Fees	955	2,000	1,500	2,000	0.0%
Auditing Fees	15,700	15,700	1,760	1,813	-88.5%
Medical Services	90	-	-	-	0.0%
Public transportation Expenses	14	100	300	100	0.0%
Lodging & Meals	178	100	1,000	1,200	1100.0%
Conference & Seminar Fees	229	100	300	2,500	2400.0%
Educational Benefits	150	100	100	750	650.0%
Postage Expenses	407	600	175	600	0.0%
Admin. Overhead Allocation	-	76,000	-	76,000	0.0%
Photocopy Expenses	1,828	1,350	750	650	-51.9%
Retirement Deficit Payment	8,089	8,493	8,493	8,918	5.0%
Retirement Contribution - State	40,184	21,919	16,168	11,151	-49.1%
FICA Taxes	19,656	14,979	16,512	9,257	-38.2%
Life Insurance	346	296	317	214	-27.7%
Workers Compensation	3,085	5,169	5,158	2,884	-44.2%
Buildings & Contents Insurance	-	-	-	1,730	100.0%
Public Officials	1,261	1,362	1,147	807	-40.7%

COMMUNITY DEVELOPMENT BLOCK GRANT - PROPOSED EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
ADMINISTRATION (continued)					
Fleet Insurance	$ 418	$ 451	$ 384	$ -	-100.0%
Health Insurance	15,961	15,157	14,881	10,852	-28.4%
Dental Insurance	1,059	858	847	758	-11.7%
General Liability Insurance	180	4,555	153	156	-96.6%
Employee Discounted Parking	1,232	-	176	-	0.0%
Vehicle Parking - Market House	720	360	360	-	-100.0%
Interest Exp. - Escrowed Taxes	431	250	100	-	-100.0%
Communication Expense	3,412	3,265	2,300	2,511	-23.1%
Capital Outlay - Office Furniture	-	750	-	250	-66.7%
Office Allocation	160,889	-	-	-	0.0%
CDBG Administrative Alloc.	91	-	-	-	0.0%
Unemployment Taxes	5,160	-	5,160	-	0.0%
Total Administration	247,236	163,667	195,161	170,123	3.9%
TRANSFERS OUT-Summer Day Camp	5,000	-	-	-	0.0%
MISCELLANEOUS EXPENDITURES	(161,583)	-	-	-	0.0%
Total Expenditures	**$ 1,061,504**	**$ 1,607,027**	**$ 1,376,606**	**$ 1,616,336**	**0.6%**

COMMUNITY DEVELOPMENT BLOCK GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
1050001-5861 Desks, Chairs, & Tables	Office furniture, cabinets, shelves	Replace worn equipment	250
TOTAL CAPITAL OUTLAY			**$ 250**

ECONOMIC REDEVELOPMENT FUND

This fund was established to promote the revitalization of the City's downtown and older neighborhood areas. Currently the fund is being used to promote business and home ownership in the City Center. Revenues in this fund consists of periodic transfers from other funds and a proposal to transfer funds from the General Fund to assist in carrying out the strategic reviralization efforts such as building rehabiliation and/or acquistion activities.

BUSINESS REVOLVING LOAN FUND

This fund is designed to assist in the recruitment, retention and expansion of businesses within the City. The Business Revolving Loan Fund was initially funded through a grant from the Maryland Department of Business and Economic Development and City Community Betterment Funds. This program provides financing for new and expanding businesses for working capital, equipment and rehabilitation. For fiscal year 2012/13 it is anticipated that program income will allow $200,000 in new loans to be made.

UPPER FLOORS REDEVELOPMENT FUND

This fund provides assistance to install elevators and other equipment necessary to make the upper floors of existing downtown buildings attractive for residential or business use. In fiscal year 2012/13, the fund balance of $300,000 is propsed to be transfered to and consoilidated with the Business Revolving Loan Fund.

TELEWORK CENTER FUND

The Telework Center Fund was established to account for activities related to the City's participation in the federal government's telecommunication work center pilot program. The activities were primarily funded by a federal operating grant and user fees and were self supporting. After March 31, 2012, the federal General Services Administration (GSA) has advised it would stop paying the cost of operating and leasing of the center. Therefore, the City closed the center and transfered fund balance to the General Fund prior to the beginning of fiscal year 2012/13.

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 for offsite forestation activities. During 2012/13 the proposed budget anticipates $26,000 being available for transfer to the CIP Fund for street trees and other forestation activities.

EMPLOYEE FLEXIBLE SPENDING FUND

This fund accounts for the City Employee 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. The City savings in social security and medicare cost form this pre-tax funding are used to pay for the program's administrative cost. For 2012/13, $6,000 is proposed for transfer to the General Fund for employee activities.

EXCISE TAX FUND

This fund accounts for the City's share of the County Excise Taxes collected by the City. Excise Taxes may be used only for specific purposes and are tracked in order to comply with the purposes permitted. Permitted purposes include roads, new construction or development of parks and recreational facilities, new construction or development of water and wastewater infrastructure and new construction or development of public safety facilities. Funds of $480,000 are proposed to be transferred to the CIP Fund in 2012/13 for assisting with various projects.

SPECIAL REVENUE GRANT FUND

In Fiscal Year 2006/07 the City, as a result of an audit recommendation, 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.

ECONOMIC REDEVELOPMENT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES					
Interest Income from Investments	$ 1,361	$ 3,000	$ 600	$ 500	-83.3%
Total Revenues	**1,361**	**3,000**	**600**	**500**	**-83.3%**
EXPENDITURES					
Administrative Expenditures	4,163	3,000	5,250	5,219	74.0%
Downtown Residency Initiative	5,900	-	1,500	5,000	100.0%
PEP Subsidized Rent Payments	34,116	70,000	50,000	70,000	0.0%
Current Property Expenditures	(1,025)	20,000	5,000	20,000	0.0%
Total Expenditures	**43,154**	**93,000**	**61,750**	**100,219**	**7.8%**
OTHER FINANCING SOURCES (USES)					
Transfers from General Fund:					
Community Based Initiatives	250,000	250,000	250,000	200,000	-20.0%
Transfers (to) General Fund	-	(25,000)	(25,000)	-	-100.0%
Transfers (to) Upper Floors Fund	(75,000)	(200,000)	(200,000)	-	-100.0%
Total Other Financing Sources	175,000	25,000	25,000	200,000	700.0%
Net Change in Fund Balance	**133,207**	**(65,000)**	**(36,150)**	**100,281**	**-254.3%**
Beginning Fund Balance	**546,519**	**679,726**	**679,726**	**643,576**	**-5.3%**
Ending Fund Balance	**$ 679,726**	**$ 614,726**	**$ 643,576**	**$ 743,857**	**21.0%**
DETAIL OF ENDING FUND BALANCE					
Committed	$ 679,726	$ 614,726	$ 643,576	$ 743,857	21.0%
Ending Fund Balance	**$ 679,726**	**$ 614,726**	**$ 643,576**	**$ 743,857**	**21.0%**

BUSINESS REVOLVING LOAN FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES & LOAN REPAYMENTS					
Program Income:					
Principal Repayments	$ -	$ 140,000	$ 101,600	$ 167,928	19.9%
Interest from Loans	15,683	20,000	14,483	14,315	-28.4%
Interest on Investments	923	1,500	900	1,500	0.0%
Total Revenues	**16,606**	**161,500**	**116,983**	**183,743**	**13.8%**
EXPENDITURES, NEW LOANS & OTHER WORKING CAPITAL					
Contractual Services	1,791	2,000	2,786	2,833	41.7%
New Loan Expenditures	12,168	100,000	100,000	200,000	100.0%
Total Expenditures	**13,959**	**102,000**	**102,786**	**202,833**	**98.9%**
OTHER FINANCING SOURCES (USES)					
Transfer from Upper Floors Redev. Fund	-	-	-	300,000	100.0%
Transfer (to) Upper Floor Loan Fund	(125,000)	-	-	-	0.0%
Total Other Financing Sources	(125,000)	-	-	300,000	100.0%
Net Change in Fund Balance	**(122,353)**	**59,500**	**14,197**	**280,910**	**372.1%**
Beginning Fund Balance	**727,320**	**604,967**	**604,967**	**619,164**	**2.3%**
Ending Fund Balance	**$ 604,967**	**$ 664,467**	**$ 619,164**	**$ 900,074**	**35.5%**
DETAIL OF ENDING FUND BALANCE					
Nonspendable	$ 371,856	$ 331,856	$ 370,256	$ 402,328	21.2%
Restricted	233,111	332,611	248,908	497,746	49.6%
Ending Fund Balance	**$ 604,967**	**$ 664,467**	**$ 619,164**	**$ 900,074**	**35.5%**

UPPER FLOORS REDEVELOPMENT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES					
Interest on Investments	$ 27	$ -	$ 1,600	$ -	0.0%
State Community Legacy Grant	81,391	-	18,609	-	0.0%
Total Revenues	**81,418**	**-**	**20,209**	**-**	**0.0%**
EXPENDITURES					
New Loan (Grant) Expenditures	81,391	200,000	120,000	-	-100.0%
Legal Fees	75	-	-	-	0.0%
Total Expenditures	**81,466**	**200,000**	**120,000**	**-**	**-100.0%**
OTHER FINANCING SOURCES (USES)					
Transfers from Economic Redev Fund	75,000	200,000	200,000	-	-100.0%
Transfers from Bus Revolving Loan Fund	125,000	-	-	-	0.0%
Transfers (to) Bus Revolving Loan Fund	-	-	-	(300,000)	100.0%
Total Other Financing Sources	**200,000**	**200,000**	**200,000**	**(300,000)**	**-250.0%**
Net Change in Fund Balance	**199,952**	**-**	**100,209**	**(300,000)**	**100.0%**
Beginning Fund Balance	**-**	**199,952**	**199,952**	**300,161**	**50.1%**
Ending Fund Balance	**$ 199,952**	**$ 199,952**	**$ 300,161**	**$ 161**	**-99.9%**
DETAIL OF ENDING FUND BALANCE					
Committed	$ 199,952	$ 199,952	$ 300,161	$ 161	-99.9%
Ending Fund Balance	**$ 199,952**	**$ 199,952**	**$ 300,161**	**$ 161**	**-99.9%**

TELEWORK CENTER - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES					
Grant Revenues GSA Downtown	$ 119,050	$ -	$ -	$ -	0.0%
Rent Revenues-Downtown	45,900	-	-	-	0.0%
Reimbursements	18,839	-	-	-	0.0%
Interest Revenue	149	-	-	-	0.0%
Total Revenues	**183,938**	**-**	**-**	**-**	**0.0%**
EXPENDITURES					
Salary and Wages	88,846	-	-	-	0.0%
Benefits	41,015	-	-	-	0.0%
Personnel Subtotal	**129,861**	**-**	**-**	**-**	**0.0%**
Contractual Services	17,165	-	-	-	0.0%
Operating Expenditures	82,231	-	-	-	0.0%
Capital Outlay	1,863	-	-	-	0.0%
Operating Subtotal	**101,259**	**-**	**-**	**-**	**0.0%**
Total Expenditures	**231,120**	**-**	**-**	**-**	**0.0%**
OTHER FINANCING SOURCES (USES)					
Transfer (to) General Fund	-	-	(94,844)	-	0.0%
Total Other Financing Sources	**-**	**-**	**(94,844)**	**-**	**0.0%**
Net Change in Fund Balance	**(47,182)**	**-**	**(94,844)**	**-**	**0.0%**
Beginning Fund Balance	**142,026**	**94,844**	**94,844**	**-**	**-100.0%**
Ending Fund Balance	**$ 94,844**	**$ 94,844**	**$ -**	**$ -**	**-100.0%**
DETAIL OF ENDING FUND BALANCE					
Committed	$ 94,844	$ 94,844	$ -	$ -	-100.0%
Ending Fund Balance	**$ 94,844**	**$ 94,844**	**$ -**	**$ -**	**-100.0%**

FOREST CONSERVATION FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES					
Reforest Fees - Tires Plus	$ 4,966	$ -	$ -	$ -	0.0%
Reforest Fees - TFG Properties	523	-	-	-	0.0%
Reforest Fees - Library	7,066	-	-	-	0.0%
Reforest Fees - Unspecified	-	15,000	15,000	15,000	0.0%
Interest Revenue	224	500	250	500	0.0%
Total Revenues	**12,778**	**15,500**	**15,250**	**15,500**	**0.0%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) CIP Fund	(33,693)	(25,000)	(25,000)	(26,000)	4.0%
Total Other Financing Sources	**(33,693)**	**(25,000)**	**(25,000)**	**(26,000)**	**4.0%**
Net Change in Fund Balance	**(20,915)**	**(9,500)**	**(9,750)**	**(10,500)**	**10.5%**
Beginning Fund Balance	**77,149**	**56,234**	**56,234**	**46,484**	**-17.3%**
Ending Fund Balance	**$ 56,234**	**$ 46,734**	**$ 46,484**	**$ 35,984**	**-23.0%**
DETAIL OF ENDING FUND BALANCE					
Committed	**$ 56,234**	**$ 46,734**	**$ 46,484**	**$ 35,984**	**-23.0%**
Ending Fund Balance	**$ 56,234**	**$ 46,734**	**$ 46,484**	**$ 35,984**	**-23.0%**

EMPLOYEE FLEXIBLE SPENDING FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES					
Interest Earned	$ 61	$ 1,000	$ 75	$ 75	-92.5%
Employer FICA Savings	7,328	6,300	5,000	5,000	-20.6%
Unreimbursed Employee Deductions	-	-	500	500	100.0%
Total Revenues	**7,389**	**7,300**	**5,575**	**5,575**	**-23.6%**
EXPENDITURES					
Contractual Services	7,668	6,880	6,000	6,000	-12.8%
Other General Expense	4,227	-	760	783	100.0%
Total Expenditures	**11,895**	**6,880**	**6,760**	**6,783**	**-1.4%**
OTHER FINANCING USES					
Transfers (to) General Fund	(6,000)	(6,000)	(6,000)	(6,000)	0.0%
Total Other Financing Uses	**(6,000)**	**(6,000)**	**(6,000)**	**(6,000)**	**0.0%**
Net Change in Fund Balance	**(10,506)**	**(5,580)**	**(7,185)**	**(7,208)**	**29.2%**
Beginning Fund Balance	**33,191**	**22,685**	**22,685**	**15,500**	**-31.7%**
Ending Fund Balance	**$ 22,685**	**$ 17,105**	**$ 15,500**	**$ 8,292**	**-51.5%**
DETAIL OF ENDING FUND BALANCE					
Committed	$ 22,685	$ 17,105	$ 15,500	$ 8,292	-51.5%
Ending Fund Balance	**$ 22,685**	**$ 17,105**	**$ 15,500**	**$ 8,292**	**-51.5%**

EXCISE TAX FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES					
Revenue for Roads	$ 55,450	$ 85,000	$ 81,200	$ 85,000	0.0%
Revenue for Other Capital Purposes	12,054	18,000	17,500	18,000	0.0%
Revenue from Nonresidential Projects	28,837	15,000	34,100	34,000	126.7%
Interest Revenue	2,604	6,000	2,800	2,500	-58.3%
Total Revenues	**98,946**	**124,000**	**135,600**	**139,500**	**12.5%**
OTHER FINANCING SOURCES (USES)					
Transfers (to) C.I.P.	(309,535)	(100,000)	(100,000)	(480,000)	380.0%
Total Other Financing Sources	**(309,535)**	**(100,000)**	**(100,000)**	**(480,000)**	**380.0%**
Net Change in Fund Balance	**(210,589)**	**24,000**	**35,600**	**(340,500)**	**-1518.8%**
Beginning Fund Balance	**1,104,457**	**893,868**	**893,868**	**929,468**	**4.0%**
Ending Fund Balance	**$ 893,868**	**$ 917,868**	**$ 929,468**	**$ 588,968**	**-35.8%**
DETAIL OF ENDING FUND BALANCE					
Restricted	$ 893,868	$ 917,868	$ 929,468	$ 588,968	-35.8%
Ending Fund Balance	**$ 893,868**	**$ 917,868**	**$ 929,468**	**$ 588,968**	**-35.8%**

SPECIAL REVENUE GRANT FUND - PROPOSED EXPENSES AND REVENUES
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
REVENUES:					
Interest Earned	$ 51	$ -	$ -	$ -	0.0%
Federal Grants	808,163	1,201,149	1,065,876	104,789	-91.3%
State Grants	306,308	254,224	252,795	220,974	-13.1%
County Grants	44,100	44,100	-	-	-100.0%
Other Contributions	6,880	-	1,000	-	0.0%
Total Revenues	**1,165,502**	**1,499,473**	**1,319,671**	**325,763**	**-78.3%**
EXPENDITURES:					
Salary and Wages	582,643	355,270	252,029	149,927	-57.8%
Benefits	140,346	52,584	48,157	27,826	-47.1%
Overtime	116,476	120,098	84,055	49,301	-58.9%
Personnel Subtotal	**839,465**	**527,952**	**384,241**	**227,054**	**-57.0%**
Contractual Services	140,877	185,251	174,888	84,144	-54.6%
Operating Expenditures	302,759	176,805	149,220	39,867	-77.5%
Capital Outlay	109,154	661,998	649,623	15,000	-97.7%
Other General Expenses	-	30,000	30,000	-	-100.0%
Operating Subtotal	**552,790**	**1,054,054**	**1,003,731**	**139,011**	**-86.8%**
TOTAL EXPENDITURES	**1,392,255**	**1,582,006**	**1,387,972**	**366,065**	**-76.9%**
OTHER FINANCING SOURCES (USES)					
Transfer from General Fund	340,237	82,533	79,005	40,302	-51.2%
Total Other Financing Sources	**340,237**	**82,533**	**79,005**	**40,302**	**-51.2%**
Net Change in Fund Balance	**113,484**	**-**	**10,704**	**-**	**0.0%**
Beginning Fund Balance	**12,975**	**126,459**	**126,459**	**137,163**	**8.5%**
Ending Fund Balance	**$ 126,459**	**$ 126,459**	**$ 137,163**	**$ 137,163**	**8.5%**
DETAIL OF ENDING FUND BALANCE					
Nonspendable	$ 23,760	$ 53,760	$ 53,760	$ -	-100.0%
Assigned	102,709	72,699	83,403	137,163	88.7%
Ending Fund Balance	**$ 126,469**	**$ 126,459**	**$ 137,163**	**$ 137,163**	**8.5%**

Activity in this fund is dependent on grants that we receive. The following grants are anticipated for next year:

			2012/13 PROPOSED
Police Department	JAG Program	10,321	
	COPS Technology Program	81,524	
	JAG Program	5,179	
	Coordination of Domestic Violence	3,065	
	Targeting Underage Drinking	4,700	
	Cease Fire	35,000	
	Safe Streets	226,276	**$ 366,065**
	Total Grant Revenues		**$ 366,065**

GRANT FUND CAPITAL EXPENSES
FISCAL YEAR 2012/2013

ACCOUNT NO./DESCRIPTION	OUTLINE OF USE	JUSTIFICATION	COST
COPS Technology-G0093 1610000-5839-G0093 Portable Tools/Equipment	Police Use	Speed reduction and public safety messaging.	15,000
Total COPS Technology			**15,000**
TOTAL CAPITAL OUTLAY			**$ 15,000**

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SERVICE AND TRUST FUNDS
SECTION 6

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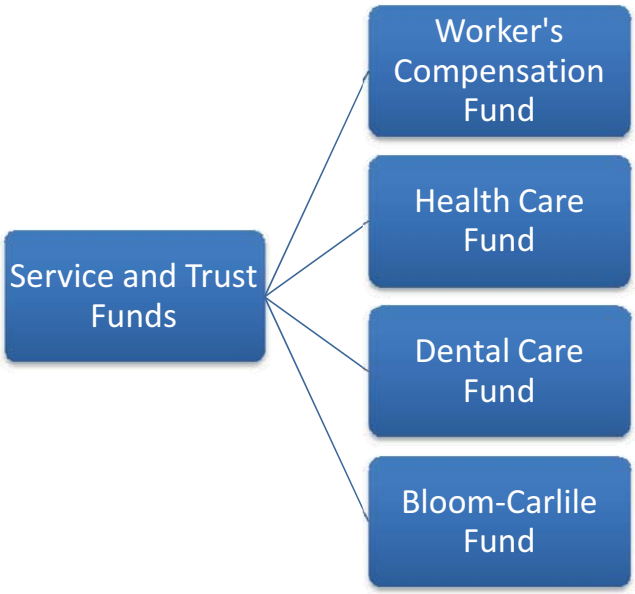
SERVICE & TRUST FUND - COMBINING STATEMENT
FISCAL YEAR 2012/2013

ACCOUNT DESCRIPTION	WORKERS COMPENSATION	HEALTH CARE	DENTAL CARE	BLOOM-CARLILE	TOTAL
OPERATING REVENUES					
Premium Revenues	$ 889,881	$ 5,991,758	$ 383,391	$ -	$ 7,265,030
Prescription Rebates	-	79,500	-	-	79,500
Stop Loss Reimbursements	-	20,000	-	-	20,000
Miscellaneous Revenues	13,000	2,500	-	-	15,500
Total Operating Revenues	**902,881**	**6,093,758**	**383,391**	**-**	**7,380,030**
OPERATING EXPENSES					
Premium Expense, Medical Loss Reimbursements & Administration Expense	902,486	5,368,258	383,791	-	6,654,535
Other Post Employment Benefits	-	650,000	-	-	650,000
Legal Fees, Claims Administration & Injury and Damage Awards	-	74,000	-	-	74,000
Health Savings Acct Contributions	-	16,500	-	-	16,500
Audit Fees	-	-	-	2,575	2,575
Community Assistance Expenditures	-	-	-	4,800	4,800
Total Operating Expenses	**902,486**	**6,108,758**	**383,791**	**7,375**	**7,402,410**
Operating Income (Loss)	**395**	**(15,000)**	**(400)**	**(7,375)**	**(22,380)**
NON OPERATING REVENUES (EXPENSES)					
Investment Earnings	3,090	15,000	400	100	18,590
Total Other Income (Expense)	**3,090**	**15,000**	**400**	**100**	**18,590**
Net Income before Operating Transfers	**3,485**	**-**	**-**	**(7,275)**	**(3,790)**
Transfers out - General Fund	(250,000)	-	-	-	(250,000)
Increase (Decrease) in Retained Earnings	**$ (246,515)**	**$ -**	**$ -**	**$ (7,275)**	**$ (253,790)**
Beginning Fund Balance	**1,142,823**	**3,502,103**	**77,735**	**127,928**	**4,850,589**
Ending Fund Balance	**$ 649,793**	**$ 3,502,103**	**$ 77,735**	**$ 113,378**	**$ 4,343,009**



WORKERS COMPENSATION FUND OVERVIEW
The Worker's Compensation fund was created in 1995 to help smooth potential large flucutations in the City's worker's compensation cost that might occur under a large deductive insurance program the City used from September 1, 1995 through 1998. Since September 1, 1998 the City has been using a traditional 100% coverage insurance program. The fund serves as a conduit to collect premium charges based on each department's payroll. These "revenues" then are used to pay actual medical claims costs, processing fees and premium of the insurance carrier.

HEALTH CARE FUND OVERVIEW
The Health Care fund was created in 2000 to manage the City's new self-insurance program for health care. Under this self-funded plan the City pays a standard monthly administrative fee for each covered member and accepts claims risk up to a specific stop loss for each individual covered. 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. These billings represent funding sources for the Health Care Fund from which all health care related administrative and medical reimbursement costs are paid.

DENTAL CARE FUND OVERVIEW
The Dental Care fund was created in 2006 to manage the City's new self-insurance program for dental care. Under this self-funded plan the City pays a standard monthly administrative fee for each covered member and processes claims up to a $2,000 limit for each individual covered. Administratively, all City departments are billed pre-established internal "insurance" rates for their department's employees, reitrees and dependents. 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 permamnent endowment fund. The income earned on investment of the fund is being used to provide assitance 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

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Premium Expense	$ 706,619	$ 970,600	$ 842,716	$ 902,286	-7.0%
Medical Loss Reimbursements	6,328	2,500	32,000	-	-100.0%
Collaterization Fees	225	75	225	200	166.7%
Auditing Fees	-	-	333	343	100.0%
Transfer to General Fund	-	200,000	200,000	250,000	25.0%
Total Expenditures & Transfers	**$ 713,172**	**$ 1,173,175**	**$ 1,075,274**	**$ 1,152,829**	**-1.7%**
REVENUES BY TYPE					
Premium Revenues	680,674	833,256	850,884	889,881	6.8%
Interest Income from Investments	3,393	7,200	3,090	3,090	-57.1%
Miscellaneous Revenues	30,929	-	21,300	13,000	100.0%
Total Revenues	**$ 714,996**	**$ 840,456**	**$ 875,274**	**$ 905,971**	**7.8%**
Expenditures, net of Revenues	**$ (1,824)**	**$ 332,719**	**$ 200,000**	**$ 246,858**	**-25.8%**
Beginning Fund Balance	1,340,999	1,342,823	1,342,823	1,142,823	-14.9%
Ending Fund Balance	**$ 1,342,823**	**$ 1,010,104**	**$ 1,142,823**	**$ 895,965**	**-11.3%**

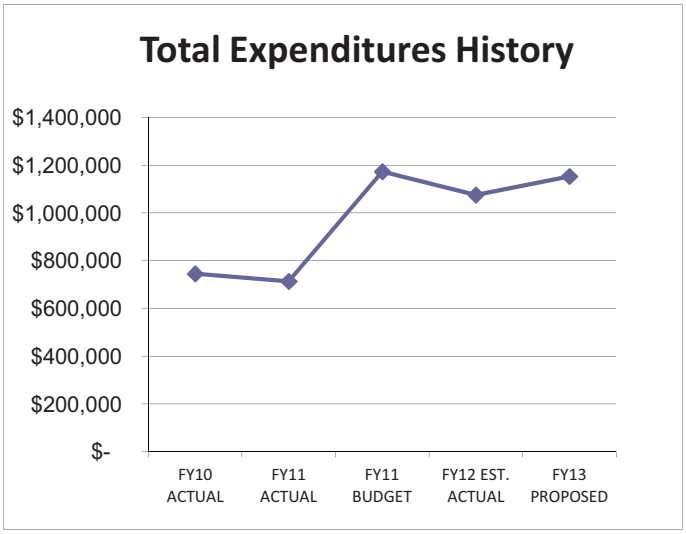
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Reductions in payroll costs from position eliminations and planned extension of leaving budgeted positions vacant has continued to help reduce expenditures. Overall expenses for FY12 projections are lower than FY12 budget by $97,901 or 8% as a result of lower premiums.

FY12 to Proposed FY13

To help offset increased costs in the City's General Fund, it is proposed to transfer $250,000 of prior year's fund balance accumulation in FY12 to the General Fund.



EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Medical Expense Reimbursement	$ 4,286,761	$ 4,158,000	$ 4,158,000	$ 4,649,115	11.8%
Administrative Expenses	343,770	428,500	460,333	461,343	7.7%
Premium Expense	220,500	257,000	257,000	257,800	0.3%
Health Savings Acct Contributions	16,500	14,000	16,500	16,500	17.9%
Claims Reserve Expense	40,556	73,980	73,980	74,000	0.0%
Other Post Employment Benefits	625,000	650,000	650,000	650,000	0.0%
Total Expenditures	**$ 5,533,087**	**$ 5,581,480**	**$ 5,615,813**	**$ 6,108,758**	**9.4%**
REVENUES BY TYPE					
Premium Revenues-City	4,293,102	4,084,100	4,087,100	4,568,842	11.9%
Premium Revenues-Employees	1,119,476	1,011,000	1,011,000	1,085,216	7.3%
Premium Revenues-Retirees	242,627	335,400	335,400	337,700	0.7%
Stop Loss Reimbursement	-	20,000	16,400	20,000	0.0%
Medicare Part D Reimbursements	2,016	-	-	-	0.0%
Prescription Rebates	110,848	80,000	99,600	79,500	-0.6%
Interest from Investments	15,386	30,000	15,000	15,000	-50.0%
Miscellaneous Revenue	2,401	2,500	2,500	2,500	0.0%
Total Revenues	**$ 5,785,856**	**$ 5,563,000**	**$ 5,567,000**	**$ 6,108,758**	**9.8%**
Expenditures, net of Revenues	**$ (252,769)**	**$ 18,480**	**$ 48,813**	**$ -**	**-100.0%**
Beginning Fund Balance	3,298,147	3,550,916	3,550,916	3,502,103	-1.4%
Ending Fund Balance	**$ 3,550,916**	**$ 3,532,436**	**$ 3,502,103**	**$ 3,502,103**	**-0.9%**

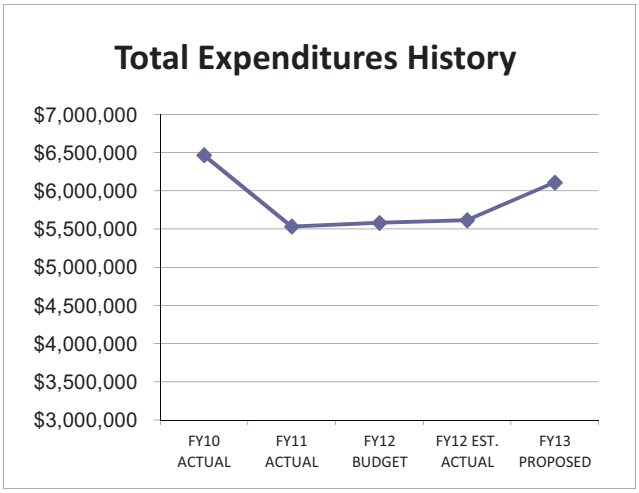
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

Administrative expenses are projected to be approximately 7.4% higher than originally included in the budget. By providing a stipend for medicare eligible retirees to purchase health insurance rather than providing coverage in the City plans, Medicare Part D Reimbursements was completely phased out in FY11.

FY12 to Proposed FY13

FY13 projections assume that medical reimbursements will rise by 11.8% or $492,000 over FY12 estimated actual numbers. FY13 also assumes that the trend of rising administrative expenses will level and remain fairly flat.



EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Administrative Expenses	$ -	$ 34,300	$ 34,634	$ 35,344	3.0%
Medical Expense Reimbursement	366,066	342,700	351,178	348,447	1.7%
Claims Reserve Expense	(15,672)	-	-	-	0.0%
Total Expenditures	**$ 350,394**	**$ 377,000**	**$ 385,812**	**$ 383,791**	**1.8%**
REVENUES BY TYPE					
Premium Revenues-City	149,100	138,100	189,312	168,675	22.1%
Premium Revenues-Employees	143,034	139,900	139,900	140,316	0.3%
Premium Revenues-Retirees	55,711	72,000	56,200	74,400	3.3%
Interest from Investments	2,551	750	400	400	-46.7%
Total Revenues	**$ 350,395**	**$ 350,750**	**$ 385,812**	**$ 383,791**	**9.4%**
Expenditures, net of Revenues	**$ (1)**	**$ 26,250**	**$ -**	**$ -**	**-100.0%**
Beginning Fund Balance	77,734	77,735	77,735	77,735	0.0%
Ending Fund Balance	**$ 77,735**	**$ 51,485**	**$ 77,735**	**$ 77,735**	**51.0%**

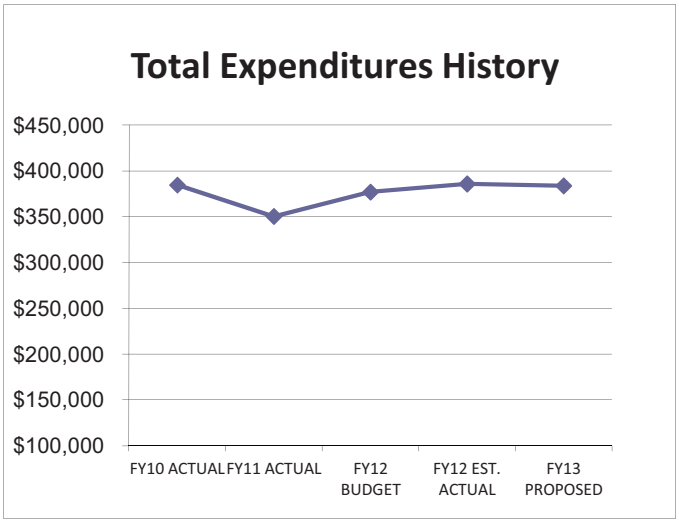
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

FY12 projections for dental expense reimbursements include an increase of 2.4% or $8,478 over budget as result of the actual trend occurring this year.

FY12 to Proposed FY13

Continued vacancy management planned for FY13 will help keep dental expense reimbursements level with FY12 amounts.



EXPENDITURE AND REVENUE SUMMARY

	2010/11 ACTUAL	2011/12 BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED	2012/13 % CHANGE
EXPENDITURES BY TYPE					
Medical	$ 149	$ -	$ -	$ -	0.0%
Utilities	1,441	-	-	-	0.0%
Audit Fees	-	-	2,500	2,575	100.0%
Community Action Council Award	-	4,800	4,800	4,800	0.0%
Total Expenditures	**$ 1,590**	**$ 4,800**	**$ 7,300**	**$ 7,375**	**53.6%**
REVENUES BY TYPE					
Interest Earned	222	500	100	100	-80.0%
Total Revenues	**$ 222**	**$ 500**	**$ 100**	**$ 100**	**-80.0%**
Expenditures, net of Revenues	**$ 1,368**	**$ 4,300**	**$ 7,200**	**$ 7,275**	**69.2%**
Less: Budgeted Use of Fund Balance	-	4,300			-100.0%
Beginning Fund Balance	136,496	135,128	135,128	127,928	-5.3%
Ending Fund Balance	**$ 135,128**	**$ 135,128**	**$ 127,928**	**$ 120,653**	**-10.7%**

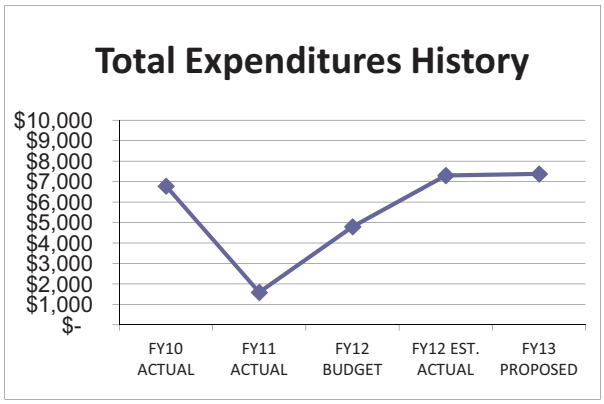
BUDGET HIGHLIGHTS AND SIGNIFICANT CHANGES

Adopted FY12 to Estimated Actual FY12

It is anticipated that we will need to appropriate $7,200 from accumulated prior years earnings to cover the shortfall between FY12 interest earnings. 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 during this economic slump and audit expenditures. During the FY12 budget cycle, the audit fees were not anticipated. Finance will continue to monitor this fund to ensure that a long-term balance is maintained between interest earnings and total expenditures.

Adopted FY12 to Proposed FY13

Prior budgets 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. Our FY13 budget continues to reflect our modification to treat this fund more as a flow of funds annuity with a steady annual stipend of $4,800 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.



FINANCIAL PROJECTIONS
SECTION 7

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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, 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 2012/13 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 14, 2012. 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 seventh column. 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 rate is projected to be 0.5% for 2012/13 and to increase slightly in future years.
- Fiscal Year 2012/13 Personal Services reflect current labor contracts that extend through June 30, 2013. The Wage & Benefits projections assume that employees will receive a 2.5% Cost of Living Adjustment (COLA) in FY's 2013/14 through FY2016/17. Additionally, the restoration of employee step increases in included in FY's 2015/16 and 2016/17. The projection includes savings associated with unfunded vacant positions; and, beginning in FY2014/15, funding is included for the restoration of those previously unfunded vacant positions at a rate of 3-4 positions per year.
- The average projected increase in employee benefits is 2.5% - 3.8% primarily due to expected increases over the next several years in the City's Worker's Compensation, Health, Dental 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 3.05 - 4.5% interest rate over a 15 or 20 year term.
- Starting in 2008/09 we have noted the current estimated fiscal impact of a new governmental accounting and reporting rule that will require all local and state governments to recognize the cost of Other Post Employment Benefits (OPEB or retiree health and dental insurance benefits) as they are earned (as we must do for our pension system) rather than on the current "pay-as-you-go" basis. The City is fully funding the annual required contribution (ARC) under OPEB.

- In Fiscal Year 2012/13, the property tax rate is proposed to remain the same as FY2011/12 at $0.788 per $100 of assessed value. Due to future capital projects being proposed in the Capital Improvement Program Fund, the property tax rate is projected to increase in FY2014/15 by $0.03 per $100 of assessed value or from $0.788 to $0.818 per $100 of assessed value.

- Due to the impact of the recent triennial reassessment in December 2010 of real property in the City, the 2011/12 estimated actual property tax revenue reflects an overall 10.1% decrease (from $24.2 million in FY2010/11 to $21.8 million in FY 2011/12). This decrease was a result of a 10.3% decrease in the City's assessable base for real property taxes, or from $2.9 billion to $2.6 billion. This decrease is unprecedented as shown on the City history of changes in assessable base since 1981/82. The next two fiscal years will likely level out and experience little to no growth. The statewide requirement to phase-in reassessment-related tax base growth over a three-year period, and the City's adoption of a 5% homestead tax credit for owner occupied residential properties has effectively smoothed the effect of the near-term property devaluation that resulted from the downturn in the economy. A modest growth recovery of 2.5% is projected for 2014/15 through 2016/17 with some expected recovery in property values from the next three year reassessment cycle.

- Beginning in Fiscal Year 2007/08, the projections reflect the impact of the assessment growth cap reduction from 10% to 5% on owner occupied real estate on (ARC) under OPEB.

- Generally, total revenue growth is projected to be flat or to increase modestly in the range of 3.0-4.5%. As the City attempts to diversify its revenue base and develop new revenue sources, several potential and new revenue streams have been included. Revenue for Automated Speed Cameras was approved in FY2011/12 and is included in Fines and Forefitures for FY2012/13 through FY2016/17 and are used to support public safety activities. The FY2016/17 projection for Fines and Forfeitures also includes a possible revenue increase from the implementation of Red Light Cameras to address public safety issues. FY2013/14 –FY2016/17 includes a new revenue stream for Stormwater Management Fees (SWM). This fee is contingent upon State legislative requirements currently under consideration in Annapolis and a study would need to be performed to establish the fee and rate structures. The revenue generated would be used to support related services, such as: street sweeping; street tree planting; stream and lake restorations; nutrient management on City lands such as the Golf Course; storm drain/ stormwater management upgrades and structure retrofits; and staff time associated with these functions.

- From FY2011/12 to FY2012/13, City share of state income tax is expected to continue to decline by just under 1% from $3.39 million to $3.35. It is projected to start growing again at about 2.1% annually beginning 2013/2014. This reflects the current economic down turn and the hopefully start of a modest recovery.

- The State Highway User revenues reflect the 90% cut by the state from FY 2009/2010. 100% of Highway User Revenues of have been transferred from the General Fund to the Capital Improvement Project Fund beginning in FY 2012/13 to support the City's Pavement Preservation Program, See Section 9. Police and Fire revenues from the state reflect a 35% cut that began in 2009/2010 and are not anticipated change significantly in future years from the present funding level of $570,000.

- The County Tax Rebate was terminated by the County after the 2009/10 fiscal year. It was replaced by a County Tax Rate differential provided directly to City property owners beginning in 2010/11. The County rate in the City is currently $0.125 cents per $100 assessed value less than the outside City rate and is estimated to stay the same for 2011/12 and future years.

- Most operating grants revenues and related expenditures are being separately accounted for in a Special Revenue Grants Fund to satisfy recommendations from the City's auditors.

- Due to a re-bidding of the refuse collection services contract, expenditures and revenues associated with that service decreased by about 5% in FY2012/13. For the projection, those revenues and expenditures are projected to increase by 2.5% each year to accommodate increases in landfill tipping charges, the trash collection contract and the number of residential and commercial units collected.

- Wage & Benefit projections reflect current labor contracts that extend through June 30, 2013. The Wage & Benefits projections assume that employees will receive a 2.5% Cost of Living Adjustment (COLA) in FY's 2013/14 through FY2016/17. Additionally, the restoration of employee step increases in included in FY's 2015/16 and 2016/17. The projection includes savings associated with unfunded vacant positions; and, beginning in FY2014/15, funding is included for the restoration of those previously unfunded vacant positions at a rate of 3-4 positions per year.

- The average projected increase in employee benefits is 2.5% - 3.8% primarily due to expected increases over the next several years in the City's Health, Dental, and Retirement Program costs.

- The remaining other expenditure categories are projected to increase based on historic trends.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
REVENUES										
Property Taxes	$ 23,931	$ 24,226	$ 22,167	$ 21,781	$ 22,196	S	$ 22,489	$ 23,474	$ 24,180	$ 25,142
Payments in Lieu of Taxes	2,530	2,685	2,696	2,707	2,701	S	2,715	2,829	2,902	3,004
Total property taxes	**26,461**	**26,911**	**24,863**	**24,488**	**24,897**		**25,204**	**26,302**	**27,082**	**28,146**
	8.9%	*1.7%*	*-7.6%*	*-9.0%*	*0.1%*		*1.2%*	*4.4%*	*3.0%*	*3.9%*
Income Tax	2,290	2,068	2,150	2,120	2,173	2.5%	2,227	2,283	2,340	2,399
Highway User Revenues	218	161	79	79	-		-	-	-	-
County Tax Rebate	1,599	-	-	-	-		-	-	-	-
Police / Fire Protection	570	571	570	570	570	0.5%	573	576	579	581
Admission Tax	75	173	134	160	150	2.5%	154	158	162	166
Financial Corporations	34	34	34	34	34		34	34	34	34
Room Tax - Tourism Promotion	127	148	140	140	144	2.5%	148	151	155	159
Enterprise Zone Tax Credits	133	138	135	111	133		134	134	124	99
Total State & County Shared Taxes	**5,046**	**3,293**	**3,242**	**3,214**	**3,204**		**3,269**	**3,335**	**3,393**	**3,437**
	-27.5%	*-34.7%*	*-1.5%*	*-2.4%*	*-1.2%*		*2.0%*	*2.0%*	*1.7%*	*1.3%*
Total Tax & Shared Revenues	**31,507**	**30,204**	**28,105**	**27,702**	**28,101**		**28,473**	**29,638**	**30,475**	**31,583**
	0.8%	*-4.1%*	*-7.0%*	*-8.3%*	*1.4%*		*1.3%*	*4.1%*	*2.8%*	*3.6%*
Grants	238	192	189	215	175	S	25	25	25	25
Admin Allocation	2,174	2,174	2,107	2,031	2,107	2.5%	2,160	2,214	2,269	2,326
Refuse Service Fees	2,148	2,165	2,357	2,304	2,246	2.5%	2,302	2,360	2,419	2,479
Stormwater Management Fees	-	-	-	-	-		750	1,500	1,500	1,750
Other Service Charges	779	820	980	976	1,101	2.0%	1,123	1,145	1,168	1,192
Residential Rental Licenses	456	423	415	415	415		420	425	430	435
Cable TV Franchise	360	384	380	380	380	1.2%	385	389	394	399
Other Licenses & Permits	763	747	781	854	749	1.0%	756	764	772	779
Interest	55	52	55	55	55		60	75	100	125
Fines & Forfeitures	105	74	243	204	730	3.0%	1,152	1,186	1,222	1,859
Other Revenues	217	183	378	501	676	S	348	323	298	273
Total Other Revenues	**7,295**	**7,214**	**7,885**	**7,935**	**8,634**		**9,481**	**10,407**	**10,597**	**11,641**
Total Revenues	**38,802**	**37,418**	**35,990**	**35,637**	**36,735**		**37,954**	**40,044**	**41,072**	**43,225**
% Revenue Growth	*-0.4%*	*-3.6%*	*-3.8%*	*-4.8%*	*2.1%*		*3.3%*	*5.5%*	*2.6%*	*5.2%*
Budgeted Use of Fund Balance	-	-	-	-	-		-	-	-	-
Total Funding Sources	**38,802**	**37,418**	**35,990**	**35,637**	**36,735**		**37,954**	**40,044**	**41,072**	**43,225**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
EXPENDITURES										
Personal Services	$ 18,531	$ 16,409	$ 16,767	$ 16,410	$ 16,762	S	$ 17,109	$ 17,665	$ 18,515	$ 19,402
Fringe Benefits -										
Active Employees	6,997	7,094	6,121	6,182	6,393	S	6,532	6,720	6,976	7,234
Retirees	1,367	1,025	1,024	1,024	1,112	S	1,158	1,206	1,255	1,307
Total Wages & Benefits	**26,895**	**24,528**	**23,912**	**23,616**	**24,267**		**24,800**	**25,591**	**26,747**	**27,944**
	-3.5%	*-8.8%*	*-2.5%*	*-3.7%*	*1.5%*		*2.2%*	*3.2%*	*4.5%*	*4.5%*
Contracted Services	3,434	3,479	3,465	3,708	3,801	S	3,886	3,973	4,062	4,153
Advertising & Printing	255	199	309	320	313	5.0%	329	345	362	380
Rentals	135	121	85	81	81		85	86	87	90
Maintenance & Repairs	559	628	635	640	665		600	605	610	620
Vehicle Expenses	842	867	821	869	889	3.0%	916	943	971	1,001
Materials, Supplies & Utilities	2,080	2,070	2,179	2,190	2,307	2.0%	2,353	2,400	2,448	2,497
Professional Development	120	60	57	68	138		100	105	110	115
Communication	204	274	166	247	263		170	172	174	176
Wage & Overhead Allocation	(969)	(1,065)	(792)	(898)	(948)		(969)	(1,000)	(1,045)	(1,092)
Other General Expenditures	482	445	644	587	548		635	640	645	650
Insurance	212	368	309	196	275	5.0%	289	303	318	334
Unallocated Gen'l Expenditures	774	608	605	605	609		600	605	610	625
Capital Outlay - Non-CIP	46	70	91	106	133		200	200	200	200
Capital Outlay - CIP	398	667	328	312	883		1,093	1,189	1,728	2,202
Debt Service	2,037	2,399	2,540	2,472	2,027	S	2,020	2,183	2,298	2,822
Transfers Out	637	1,487	508	504	415	S	475	505	515	505
Total Expenditures	**38,141**	**37,205**	**35,862**	**35,623**	**36,666**		**37,581**	**38,846**	**40,841**	**43,223**
% Expenditures Growth	*-3.4%*	*-2.5%*	*-3.6%*	*-4.3%*	*2.2%*		*2.5%*	*3.4%*	*5.1%*	*5.8%*
Surplus / (Deficit)	**$ 661**	**$ 213**	**$ 128**	**$ 14**	**$ 69**		**$ 373**	**$ 1,199**	**$ 231**	**$ 2**
Real Estate Tax Rates	**$ 0.788**	**$ 0.788**	**$ 0.788**	**$ 0.788**	**$ 0.788**		**$ 0.788**	**$ 0.818**	**$ 0.818**	**$ 0.818**
Change in Tax Rates	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**		**$ -**	**$ 0.030**	**$ -**	**$ -**
Each penny on the real estate tax rate generates additional revenue of	**$ 270**	**$ 279**	**$ 248**	**$ 248**	**$ 250**		**$ 253**	**$ 254**	**$ 261**	**$ 272**
Personal Property Tax Rates	**$ 1.970**	**$ 1.970**	**$ 1.970**	**$ 1.970**	**$ 1.970**		**$ 1.970**	**$ 1.970**	**$ 1.970**	**$ 1.970**
Change in Tax Rates	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**		**$ -**	**$ -**	**$ -**	**$ -**
Each penny on the personal property tax rate generates additional revenue of	**$ 14**	**$ 12**	**$ 14**	**$ 12**	**$ 13**		**$ 14**	**$ 14**	**$ 15**	**$ 16**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
PROPERTY TAXES
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG% *	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Real Estate - Full Year Levy	**24,183**	**24,605**	**19,768**	**19,990**	**20,060**		**20,160**	**21,007**	**21,553**	**22,308**
% Increase	***9.3%***	***1.7%***	***-19.7%***	***-18.8%***	***1.5%***		***0.5%***	***4.2%***	***2.6%***	***3.5%***
Real Estate - Partial Yr Levy	-	-	25	-	-		-	-	-	-
Personal Property - UnInc	49	46	42	43	42	4.0%	44	45	47	49
Personal Property - Corp	2,719	2,339	2,700	2,339	2,598	4.0%	2,702	2,810	2,922	3,039
Releases & Abatements	(10)	-	-	-	-		-	-	-	-
Tax Refunds	(46)	-	(50)	(40)	(49)		(49)	(49)	(49)	(49)
Homestead Tax Credit	(2,500)	(2,452)	-	(128)	(100)		(20)	-	-	-
Incentive Tax Credit Program	(268)	(271)	(270)	(265)	(266)		(267)	(267)	(247)	(197)
Residential Rehab Tax Cr Progran	(2)	(2)	(3)	(3)	(3)		(3)	(3)	(3)	(3)
Tax Exemption - Real Estate	(166)	(133)	(140)	(135)	(138)		(139)	(139)	(119)	(87)
Total Current Year's Levy	**23,959**	**24,132**	**22,072**	**21,801**	**22,144**		**22,428**	**23,404**	**24,105**	**25,060**
Reserve for Uncollect Taxes	(151)	(128)	(100)	(140)	(140)		(140)	(140)	(140)	(140)
Total Adj - Prior Yrs Levies	**(151)**	**(128)**	**(100)**	**(140)**	**(140)**		**(140)**	**(140)**	**(140)**	**(140)**
Current Years Levy	181	282	225	147	222		231	241	247	256
Prior Years Levy	1	-	-	-	-		-	-	-	-
Total Interest on Delinq Tax	**182**	**282**	**225**	**147**	**222**		**231**	**241**	**247**	**256**
Tax Discounts/Allows - C/Yr	(59)	(60)	(30)	(27)	(30)		(30)	(31)	(32)	(33)
Total Tax Discounts/Allows	**(59)**	**(60)**	**(30)**	**(27)**	**(30)**		**(30)**	**(31)**	**(32)**	**(33)**
Total Property Taxes	**23,931**	**24,226**	**22,167**	**21,781**	**22,196**		**22,489**	**23,474**	**24,180**	**25,142**
% Increase	*9.7%*	*1.2%*	*-8.5%*	*-10.1%*	*0.1%*		*1.3%*	*4.4%*	*3.0%*	*4.0%*
Hag Housing Authority	60	70	70	81	75		75	79	81	83
Bethel Gardens	12	8	12	12	12		12	13	13	13
Liberty Property	58	62	67	67	67		67	70	72	75
Electric Fund	502	532	532	532	532		535	557	572	592
Water Fund	623	660	660	660	660		663	691	709	734
Wastewater Fund	1,225	1,298	1,298	1,298	1,298		1,304	1,359	1,395	1,443
Property Management Fund	50	55	57	57	57		57	60	61	63
Total Pymts in Lieu of Taxes	**2,530**	**2,685**	**2,696**	**2,707**	**2,701**		**2,715**	**2,829**	**2,902**	**3,004**
Total Property Taxes	**26,461**	**26,911**	**24,863**	**24,488**	**24,897**		**25,204**	**26,302**	**27,082**	**28,146**
% Increase	*8.9%*	*1.7%*	*-7.6%*	*-9.0%*	*0.1%*		*1.2%*	*4.4%*	*3.0%*	*3.9%*

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
ASESSABLE BASE TABLE

	Assessable Base * (in millions)	Assessable Base - % Change from Prior Year	Real Estate Tax Rate *	Real Estate Tax Rate -% Change from Prior Year	Property Tax Revenue (in thousands)	Property Taxes - % Change from Prior Year
Actual 1981/1982	429	10.7%	0.700	6.1%	3,926	15.4%
Actual 1982/1983	478	11.4%	0.668	-4.6%	3,959	0.8%
Actual 1983/1984	516	7.9%	0.656	-1.8%	4,208	6.3%
Actual 1984/1985	547	5.9%	0.656	0.0%	4,438	5.5%
Actual 1985/1986	591	8.0%	0.656	0.0%	4,808	8.3%
Actual 1986/1987	615	4.1%	0.656	0.0%	5,170	7.5%
Actual 1987/1988	669	8.7%	0.656	0.0%	5,567	7.7%
Actual 1988/1989	716	7.0%	0.672	2.4%	5,914	6.2%
Actual 1989/1990	782	9.2%	0.684	1.8%	6,478	9.5%
Actual 1990/1991	862	10.3%	0.684	0.0%	6,982	7.8%
Actual 1991/1992	959	11.2%	0.684	0.0%	7,672	9.9%
Actual 1992/1993	1,028	7.3%	0.684	0.0%	8,194	6.8%
Actual 1993/1994	1,063	3.3%	0.684	0.0%	8,397	2.5%
Actual 1994/1995	1,122	5.6%	0.684	0.0%	8,810	4.9%
Actual 1995/1996	1,195	6.5%	0.680	-0.6%	9,156	3.9%
Actual 1996/1997	1,237	3.6%	0.680	0.0%	9,742	6.4%
Actual 1997/1998	1,264	2.2%	0.684	0.6%	9,821	0.8%
Actual 1998/1999	1,278	1.1%	0.696	1.8%	10,210	4.0%
Actual 1999/2000	1,326	3.8%	0.692	-0.6%	10,388	1.7%
Actual 2000/2001	1,380	4.0%	0.692	0.0%	10,756	3.5%
Actual 2001/2002	1,471	6.6%	0.732	5.8%	11,708	8.9%
Actual 2002/2003	1,491	1.4%	0.768	4.9%	12,873	10.0%
Actual 2003/2004	1,550	3.9%	0.783	2.0%	13,555	5.3%
Actual 2004/2005	1,640	5.8%	0.798	1.9%	14,597	7.7%
Actual 2005/2006	1,843	12.4%	0.798	0.0%	16,123	10.5%
Actual 2006/2007	2,103	14.1%	0.798	0.0%	18,200	12.9%
Actual 2007/2008	2,297	9.2%	0.798	0.0%	19,742	8.5%
Actual 2008/2009	2,552	11.1%	0.788	-1.3%	21,676	9.8%
Actual 2009/2010	2,830	10.9%	0.788	0.0%	23,959	10.5%
Actual 2010/2011	2,881	1.8%	0.788	0.0%	24,132	0.7%
Estimated 2011/2012	2,585	-10.3%	0.788	0.0%	21,801	-9.7%
Proposed 2012/2013	2,609	0.9%	0.788	0.0%	22,144	1.6%

* Assessable base and tax rates have been re-stated to reflect current practice of calculating property tax revenues over 100% of Estimated Actual Value.

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
ASESSABLE BASE TABLE
(IN THOUSANDS)

	OBJECT	ACTUAL 2009/10	ACTUAL 2010/11	EST. 2011/12	PROPOSED 2012/13
For Full Year Levy	411101	$ 24,183	$ 24,605	$ 19,990	$ 20,060
Tax Refunds on Current Year Levy	411103	(46)	-	(40)	(49)
Residential Rehab Tax Cr Program	411104	(2)	(2)	(3)	(3)
Enterprise Zone Tax Credit Program	411105	(268)	(271)	(265)	(266)
Tax Exemption - Real Estate	411106	(166)	(133)	(135)	(138)
Homestead Tax Credit Cap	411110	(2,500)	(2,452)	(128)	(100)
Net Real Estate Taxes		**21,201**	**21,747**	**19,419**	**19,504**
		11.2%	2.6%	-10.7%	-10.3%
Unincorporated Personal Property	4112	49	46	43	42
Corporate Personal Property	4113	2,719	2,339	2,339	2,598
Releases and Abatements	411301	(10)	-	-	-
Total Personal Property		**2,758**	**2,385**	**2,382**	**2,640**
		5.7%	-13.5%	-0.1%	10.7%
Current Year's Levy		**$ 23,959**	**$ 24,132**	**$ 21,801**	**$ 22,144**
		10.5%	0.7%	-9.7%	-8.2%
Real EstateTax Rate		**$ 0.788**	**$ 0.788**	**$ 0.788**	**$ 0.788**
Business Property Tax Rate		**$ 1.970**	**$ 1.970**	**$ 1.970**	**$ 1.970**
Assessable Base					
Real Property		$ 2,690,482	$ 2,759,772	$ 2,464,340	$ 2,475,127
		11.2%	2.6%	-10.7%	-10.3%
[(Net Real Estate Taxes / Tax Rate)/10)]					
Business Personal Property		140,000	121,066	120,914	134,010
		5.7%	-13.5%	-0.1%	10.7%
[Total Personal Property / Tax Rate]					
Total Assessable Base		**$ 2,830,482**	**$ 2,880,838**	**$ 2,585,254**	**$ 2,609,137**
		10.9%	1.8%	-10.3%	-9.4%

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
GRANT AND OTHER REVENUES
(IN THOUSANDS)

GRANT REVENUES

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Planning Dept. Grants										
Heritage Area Planning Grant	$ 7	$ -	$ -	$ 2	$ -		$ -	$ -	$ -	$ -
Other Dept. Grants	103	-	15	15	-		-	-	-	-
Police Dept. Grants										
Child Advocacy Center Grant	1	-	-	-	-		-	-	-	-
DEA Reimbursed Overtime	71	25	24	48	25		25	25	25	25
C-SAFE WCCP After School	-	11	-	-	-		-	-	-	-
School Resource Officers Grant	56	156	150	150	150		-	-	-	-
Total Grant Revenues	**238**	**192**	**189**	**215**	**175**		**25**	**25**	**25**	**25**

OTHER REVENUES

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Sale of Land & Other Propty										
Fire & Police Dept Equipment	-	1	-	4	3		-	-	-	-
Other - Public Works	2	4	1	9	-		2	2	2	2
Total Land Sale/Other	**2**	**5**	**1**	**13**	**3**		**2**	**2**	**2**	**2**
Citizen Contributions	120	116	105	123	118		110	110	110	110
Miscellaneous Revenues	17	52	36	39	299		30	30	30	30
Other Revenues	**137**	**168**	**141**	**162**	**417**		**140**	**140**	**140**	**140**
Transfers from Economic Redevelopment Fund	16	-	25	25	-		-	-	-	-
Transfers from Telecommuting Center	-	-	-	95	-		-	-	-	-
Transfers from CDBG Fund	-	5	5	-	-		-	-	-	-
Transfers from Flex Spending	6	6	6	6	6		6	6	6	6
Transfers from Workers Comp	-	-	200	200	250		200	175	150	125
Transfers from Health Ins Fund	-	-	-	-	-		-	-	-	-
Total Transfers In	**22**	**11**	**236**	**326**	**256**		**206**	**181**	**156**	**131**
Total Other Revenues	**$ 160**	**$ 183**	**$ 378**	**$ 501**	**$ 676**		**$ 348**	**$ 323**	**$ 298**	**$ 273**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
PERSONAL SERVICES AND FRINGE BENEFITS
(IN THOUSANDS)

PERSONAL SERVICES

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ. *2.500%*	2014/15 PROJ. *2.500%*	2015/16 PROJ. *4.000%*	2016/17 PROJ. *4.000%*
BASE WAGES										
Regular Wages-Salaried	$ 10,055	$ 8,039	$ 9,727	$ 8,000	$ 9,723		$ 9,966	$ 10,215	$ 10,624	$ 11,049
Regular Wages-Hourly	4,252	5,186	6,790	5,779	6,800		6,970	7,144	7,430	7,727
Sick Leave Pay	407	409	-	169	-		-	-	-	-
Holiday Pay	879	721	-	325	-		-	-	-	-
Vacation Pay	1,222	1,015	-	559	-		-	-	-	-
Compensatory Time Used	150	80	-	37	-		-	-	-	-
Workers Compensation Pay	63	24	-	-	-		-	-	-	-
Personal Leave	52	203	-	61	-		-	-	-	-
Temporary & Seasonal	510	438	471	513	566		569	572	575	577
Vacation Pay on Termination	145	209	135	110	67					
Furlough Day Savings	-	(581)	-	-	-		-	-	-	-
Unfunded Positions Savings	-	-	(1,141)	-	(1,094)		(1,100)	(975)	(850)	(725)
Additional Vacancy Savings	-	-	-	-	(200)		(200)	(200)	(200)	(200)
Total Base Wages	**17,735**	**15,743**	**15,982**	**15,553**	**15,862**		**16,205**	**16,756**	**17,578**	**18,428**
% Increase	*-1.1%*	*-11.2%*	*1.5%*	*-1.2%*	*2.0%*		*2.2%*	*3.4%*	*4.9%*	*4.8%*
ADDITIONAL WAGES										
Overtime Pay	795	683	785	857	900		905	909	936	974
Comp Time Earned	1	(17)	-	-	-		-	-	-	-
Total Additional Wages	**796**	**666**	**785**	**857**	**900**		**905**	**909**	**936**	**974**
% Increase	*-48.8%*	*-16.3%*	*17.9%*	*28.7%*	*5.0%*		*0.5%*	*0.5%*	*3.0%*	*4.0%*
Total Personal Services	**$ 18,531**	**$ 16,409**	**$ 16,767**	**$ 16,410**	**$ 16,762**		**$ 17,109**	**$ 17,665**	**$ 18,515**	**$ 19,402**
% Increase	*-4.9%*	*-11.5%*	*2.2%*	*0.0%*	*2.1%*		*2.1%*	*3.2%*	*4.8%*	*4.8%*

FRINGE BENEFITS

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Active Employees										
Sick Leave Buy Back	$ 90	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -
Holiday/Vacation Buy Back	174	15	-	7	-		-	-	-	-
Severance Incentive Pay	-	293	40	82	-		-	-	-	-
Retirement Payouts	293	714	253	349	252		300	275	250	225
Retirement - State Fund	614	883	707	579	658		672	695	729	764
Retirement - Police/Fire	1,118	1,059	1,026	930	998		1,020	1,054	1,106	1,159
Retirement - City Plan	6	-	-	-	-		-	-	-	-
Retirement Deficit Payment	125	131	138	138	145		152	151	168	176
F.I.C.A. Taxes (7.65%)	1,410	1,284	1,140	1,217	1,314		1,309	1,351	1,416	1,484
Health Insurance	2,354	2,008	1,955	1,977	2,099	4.0%	2,183	2,270	2,361	2,456
Dental Insurance	74	64	65	62	76	7.5%	82	88	94	101
Life Insurance	27	23	23	25	28		29	30	31	33
Long-Term Disability	7	7	8	5	6		8	8	8	8
Workmans Compensation	527	445	601	612	612	3.0%	630	649	669	689
Emply Discounted Parking	47	41	45	44	45		45	45	45	45
Unemployment Taxes	107	114	102	142	142		85	85	80	75
Employee Assistance Prog	13	12	13	13	13		13	13	14	14
City Employee Picnic	6	-	-	-	-		-	-	-	-
Employee Longevity	5	1	5	-	5		5	5	5	5
Total	**6,997**	**7,094**	**6,121**	**6,182**	**6,393**		**6,532**	**6,720**	**6,976**	**7,234**
% Increase	*11.2%*	*1.4%*	*-13.7%*	*-12.9%*	*4.4%*		*2.2%*	*2.9%*	*3.8%*	*3.7%*
Retirees										
Health Insurance	1,332	988	987	987	1,073	4.0%	1,116	1,161	1,207	1,255
Dental Insurance	35	37	37	37	39	7.5%	42	45	48	52
Total	**1,367**	**1,025**	**1,024**	**1,024**	**1,112**		**1,158**	**1,206**	**1,255**	**1,307**
% Increase	*-3.7%*	*-25.0%*	*-0.1%*	*-0.1%*	*8.6%*		*4.1%*	*4.1%*	*4.1%*	*4.1%*
Total Fringe Benefits	**$ 8,364**	**$ 8,119**	**$ 7,145**	**$ 7,206**	**$ 7,505**		**$ 7,690**	**$ 7,926**	**$ 8,232**	**$ 8,542**
% Increase	*8.5%*	*-2.9%*	*-14.6%*	*-13.8%*	*5.0%*		*2.5%*	*3.1%*	*3.9%*	*3.8%*

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
CONTRACTED SERVICES AND OPERATING TRANSFERS
(IN THOUSANDS)

CONTRACTED SERVICEES

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Medical Services	$ 18	$ 42	$ 25	$ 24	$ 48	2.0%	$ 49	$ 50	$ 51	$ 52
Grounds Services	91	78	118	184	140	2.0%	143	146	149	152
Miss Utility	2	1	2	2	2	2.0%	2	2	2	2
Contracted Staffing	99	82	76	87	72	2.0%	73	74	75	77
Other Contracted Services	720	716	633	802	1,034	2.0%	1,055	1,076	1,098	1,120
Trash Collection	2,074	2,080	2,145	2,159	2,010	2.5%	2,060	2,112	2,165	2,219
Legal Fees	208	190	221	203	239	2.0%	244	249	254	259
Auditing	38	40	17	17	17	2.0%	17	17	17	17
Consulting	50	-	10	10	10	2.0%	10	10	10	10
Engineering	68	37	40	40	40	2.0%	41	42	43	44
Building Services	24	18	23	19	22	2.0%	22	22	22	22
Safety Program	4	3	4	4	4	2.0%	4	4	4	4
Other Professional Services	38	192	151	157	163	2.0%	166	169	172	175
Total Contracted Services	**$ 3,434**	**$ 3,479**	**$ 3,465**	**$ 3,708**	**$ 3,801**		**$ 3,886**	**$ 3,973**	**$ 4,062**	**$ 4,153**
% Increase	*192.0%*	*1.3%*	*-0.4%*	*6.6%*	*9.7%*		*2.2%*	*2.2%*	*2.2%*	*2.2%*

OPERATING TRANSFERS

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Economic Redevelopment Fund	$ 125	$ 250	$ 250	$ 250	$ 200		$ 200	$ 200	$ 200	$ 200
Golf Course Fund	281	297	175	175	175		195	225	235	225
Special Revenue Grant Fund	231	340	83	79	40		80	80	80	80
Property Management Fund	-	600	-	-	-		-	-	-	-
Total Operating Transfers	$ 637	$ 1,487	$ 508	$ 504	$ 415		$ 475	$ 505	$ 515	$ 505

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
DEBT SERVICE
(IN THOUSANDS)

	2008/09 ACTUAL	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
1996 Pub Imprv Bonds											
Interest	$ 20	$ 15	$ 10	$ 4	$ 4	$ -		$ -	$ -	$ -	$ -
Principal ($1,325,451)	105	110	117	121	120	-		-	-	-	-
1997 Pub Imprv Bonds											
Interest	37	29	20	11	11	2		-	-	-	-
Principal ($2,140,960)	151	195	186	194	194	101		-	-	-	-
1998/99 Pub Imprv Bonds											
Interest	31	26	20	14	14	8		2	-	-	-
Principal ($1,675,000)	120	130	130	140	140	145		80	-	-	-
2003/04 Pub Imprv Bonds											
Interest	43	40	39	35	35	32		29	25	20	17
Principal ($1,395,000)	80	80	85	90	90	90		95	100	100	105
2004/05 Refunding Bonds											
Interest	31	21	13	4	4	-		-	-	-	-
Principal ($2,289,120)	387	276	251	254	254	-		-	-	-	-
2004/2005 Public Fac Bonds											
Interest	107	100	92	84	84	76		68	59	50	41
Principal ($3,800,000)	219	228	238	242	242	252		261	271	276	285
2005/06 Pub Imprv Bonds											
Interest	253	238	223	207	207	190		173	156	137	118
Principal ($7,490,666)	395	410	425	444	444	459		477	492	511	530
2007 HTC-WCSF Ice Rink Loan											
Interest	8	7	5	3	3	1		-	-	-	-
Principal ($181,942)	27	28	30	32	32	34		-	-	-	-
2008/09 Pub Imprv Bonds											
Interest	-	29	94	85	85	77		70	60	49	395
Principal ($3,407,810)	-	-	287	297	297	306		316	325	339	356
2008/09 Pub Imprv BAB											
Interest	-	75	134	279	181	181		181	181	181	181
Principal ($5,074,007)	-	-	-	-	-	-		-	-	-	-
2012 Tote Loan											
Interest	-	-	-	-	10	22		20	18	16	13
Principal ($600,000)	-	-	-	-	21	51		53	55	57	59
2012/13 Pub Imprv Bonds											
Interest (3.05%)	-	-	-	-	-	-		47	47	47	47
Principal ($ 2,855,333)	-	-	-	-	-	-		148	148	148	148
2013/14 Pub Imprv Bonds											
Interest (3.05%)	-	-	-	-	-	-		-	59	59	59
Principal ($ 3,629,333)	-	-	-	-	-	-		-	187	187	187
2014/15 Pub Imprv Bonds											
Interest (4.0%)	-	-	-	-	-	-		-	-	35	35
Principal ($ 1,651,000)	-	-	-	-	-	-		-	-	86	86
2015/16 Pub Imprv Bonds											
Interest (4.5%)	-	-	-	-	-	-		-	-	-	51
Principal ($ 2,111,000)	-	-	-	-	-	-		-	-	-	109
2016/17 Pub Imprv Bonds											
Interest (4.5%)	-	-	-	-	-	-		-	-	-	51
Principal ($ 2,120,000)	-	-	-	-	-	-		-	-	-	-
Total Debt Service											
Interest	**530**	**580**	**650**	**726**	**638**	**589**		**590**	**605**	**594**	**957**
Principal	**1,484**	**1,457**	**1,749**	**1,814**	**1,834**	**1,438**		**1,430**	**1,578**	**1,704**	**1,865**
Total Debt Service	**$ 2,014**	**$ 2,037**	**$ 2,399**	**$ 2,540**	**$ 2,472**	**$ 2,027**		**$ 2,020**	**$ 2,183**	**$ 2,298**	**$ 2,822**

GENERAL FUND FINANCIAL PROJECTIONS
FISCAL YEAR 2013/2017
DEBT AFFORADABILITY

Fiscal Year	Total Taxable Assessed Value	Population	Governmental Outstanding Debt	Percentage of Total Taxable Assessed Value	Per Capita	General Fund Debt Service as % of General Fund Operating Revenue
1997	1,237,000	35	7,585	0.61%	214	4.30%
1998	1,263,861	35	9,168	0.73%	259	4.40%
1999	1,278,140	35	10,121	0.79%	286	5.40%
2000	1,326,140	37	9,420	0.71%	257	4.90%
2001	1,379,531	37	8,674	0.63%	237	4.70%
2002	1,471,069	37	7,918	0.54%	215	4.60%
2003	1,491,155	37	7,204	0.48%	194	4.30%
2004	1,549,853	38	7,742	0.50%	206	3.60%
2005	1,639,741	38	11,643	0.71%	310	3.70%
2006	1,843,026	38	9,837	0.53%	257	4.77%
2007	2,103,113	39	16,120	0.77%	413	4.73%
2008	2,297,063	40	14,835	0.65%	371	5.42%
2009	2,520,240	40	13,343	0.53%	333	5.16%
2010	2,774,044	40	20,457	0.74%	511	5.25%
2011	2,880,838	40	20,456	0.71%	511	6.41%
Estimated 2011/12	2,585,254	40	20,456	0.79%	511	6.94%
Proposed 2012/13	2,609,137	40	20,454	0.78%	511	5.52%
Projected 2013/14	2,848,714	40	21,128	0.74%	527	5.32%
Projected 2014/15	2,970,088	40	22,311	0.75%	556	5.45%
Projected 2015/16	3,058,961	40	24,729	0.81%	615	5.60%
Projected 2016/17	3,180,158	40	28,433	0.89%	706	6.53%
City Debt Policy Guidelines				**10.00%**	**1,000**	**10.00%**

- Capital expenditures are taken directly from the City's CIP. Non-CIP capital outlay expenditures have been estimated and added to the CIP amounts based on prior years' experience.

- Percentages of projected changes are indicated in the sixth column. Items without a percentage have been individually projected by year.

- Interest earnings are estimated to remain fairly flat with minimal growth of less than 1% due to the current market conditions.

- Future bond issue interest costs vary by enterprise fund. This is because financing for water and wastewater projects can be financed through Maryland Department of the Environment loans and bonds, which offer below market subsidized interest rates.

- Depreciation is based on past and projected capital additions.

- Impact of proposed bond financing for the Water and Wastewater are included in the projections.

- For the Water and Wastewater Funds, we have included rate increases when necessary to maintain adequate cash reserves each year and fund needed system improvements.

- The cash and short term investment balances at the beginning and end of each fiscal year are presented for each fund to assist in analyzing the cumulative impact of the annual surplus or deficit amounts on working capital.

- The revenue projections show the expected loss of Unilever Breyers Good Humor Ice Cream for one half of 2012/13 due to the company closing its plant operations in Hagerstown.

- Negotiations between Allegheny Energy Supply/First Energy Supply and the City have concluded with an accepted contract extension and a new price point for the term of the extension. The existing Power Service Agreement will be extended for a period of one year, from the initial expiration date of May 31, 2013 through the new expiration date of May 31, 2014. The megawatt hour (MWh) charge for service during the one year extension period will become $54.57. The extension price represents a reduction of approximately 15% from the existing $64.85 per MWh charge. This is due to the future pricing of the electric market fuel and capacity expectations. A reduction in generation and transmission charges will equate to future savings to City customers. This savings reduction for City customers is reflected in the residential revenue projections.

- Operating expenses, excluding depreciation and purchased power categories, are estimated to increase 0.5% annually. The purchased power expense represents approximately 80% of total service revenue charges. As a result of no fluctuations in service revenue beginning in FY2013/14, the purchased power expense projection is flat.

- The investment interest rate is assumed to be 0.5%. Additional interest is received from a long term agreement with Cascades Tissue Group MD, LLC. According to the agreement, Cascades is required to reimburse cure costs and facilities charges in 240 months ending in 2024. The agreement carries a 6.5% interest rate per annum and is reflected in interest earned. This combination of items is the reason for the projected decrease.

- As reflected in our projections, all capital improvement projects and capital outlay expenditures will be covered by fund balance in the Electric Fund.

- The projections show the dividend affordability formula and its effect on the Electric Fund's cash balance. The Community Betterment Dividend is not projected to return in the near future due to the increased costs and the lower cash reserves of the Electric Fund.

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Operating Revenues										
Service Charges:										
Residential	$ 14,070	$ 15,375	$ 12,717	$ 13,656	$ 13,656	0.0%	$12,290	$12,290	$12,290	$12,290
Commercial	6,119	6,370	5,537	5,631	5,580	0.0%	5,580	5,580	5,580	5,580
Industrial	10,264	9,872	6,843	8,197	7,134	0.0%	6,084	6,084	6,084	6,084
Other Rates	911	1,102	979	820	820	0.0%	820	820	820	820
Total Service Charges	**31,364**	**32,719**	**26,074**	**28,304**	**27,190**		**24,774**	**24,774**	**24,774**	**24,774**
Other Operating Revenues	326	406	344	358	376		630	630	630	630
Total Operating Revenue	**31,690**	**33,126**	**26,418**	**28,661**	**27,565**		**25,404**	**25,404**	**25,404**	**25,404**
Operating Expenses										
Purchased Power	25,893	26,058	20,460	22,642	21,361		19,324	19,324	19,324	19,324
Distribution	1,937	1,895	2,015	2,170	2,051	0.5%	2,061	2,072	2,082	2,093
General & Administration	3,630	3,171	3,053	3,017	3,181	0.5%	3,197	3,213	3,229	3,245
Depreciation	1,003	951	1,032	916	950		986	1,024	1,063	1,103
Total Operating Expenses	**32,463**	**32,075**	**26,559**	**28,745**	**27,544**		**25,568**	**25,632**	**25,698**	**25,764**
Operating Income (Loss)	**(773)**	**1,050**	**(141)**	**(84)**	**22**		**(164)**	**(228)**	**(294)**	**(360)**
Non-Operating Revenues (Expenses)										
Interest Earned	192	169	162	161	152		139	129	119	108
Interest Expense - Current Bonds	(13)	(12)	(10)	(10)	(9)		(8)	(7)	(6)	(5)
Gain (loss) on Sale of Capital Assets	26	19	15	20	20		20	20	20	20
Total Non-Operating Revs (Exps)	**205**	**177**	**167**	**171**	**164**		**151**	**142**	**133**	**122**
Net Income (Loss) Before Operating Transfers	**(567)**	**1,227**	**26**	**87**	**185**		**(13)**	**(86)**	**(161)**	**(238)**
Transfers to Capital Improvements	(105)	(55)	(55)	(55)	(40)		(40)	(40)	(40)	(20)
Capital Contributions & Grants	24	124	100	126	170		50	50	50	50
Increase (Decrease) in Retained Earnings	**(648)**	**1,296**	**71**	**158**	**315**		**(3)**	**(76)**	**(151)**	**(208)**
Adjust to a Cash Flow Basis										
Depreciation	1,003	951	1,032	916	950		986	1,024	1,063	1,103
Current Principal Payments on Debt	(47)	(45)	(46)	(46)	(22)		(23)	(23)	(24)	(25)
Non-Cash Capital Contributions	(24)	(66)	(100)	(126)	(170)		(50)	(50)	(50)	(50)
Changes in Working Capital	233	(590)	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**1,166**	**250**	**886**	**744**	**759**		**913**	**951**	**989**	**1,028**
Funds Available for Capital Outlay	518	1,546	957	902	1,074		911	875	838	820
Capital Outlay	573	366	848	428	890		1,147	1,476	1,741	1,431
Net Surplus (Deficit)	**$ (55)**	**$ 1,179**	**$ 109**	**$ 474**	**$ 184**		**$ (236)**	**$ (601)**	**$ (903)**	**$ (611)**
Beginning Cash Balance	$ 3,006	$ 2,950	$ 4,130	$ 4,130	$ 4,603		$ 4,787	$ 4,551	$ 3,949	$ 3,046
Ending Cash Balance	$ 2,950	$ 4,130	$ 4,239	$ 4,603	$ 4,787		$ 4,551	$ 3,949	$ 3,046	$ 2,435
Dividend Affordability Formula										
Operating & Maintenance Expenses	31,410	31,124	25,527	27,830	26,593		24,582	24,608	24,635	24,661
Reserved Retained Earnings (2 Months)	5,235	5,187	4,255	4,638	4,432		4,097	4,101	4,106	4,110
Cash in Excess of Reserve after Dividend	(2,285)	(1,058)	(16)	(35)	355		454	(152)	(1,060)	(1,675)

ELECTRIC FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Vehicles-C0090	$ -	$ 10	$ -	$ -	$ 40		$ 180	$ 115	$ 180	$ 200
Circuit Upgrade-C0110	-	-	-	-	-		-	150	150	150
Telemetry Equipment-C111	27	-	40	-	75		40	40	30	-
Central Substation-C0118	-	-	-	-	-		-	200	500	200
Wesel Blvd.-C0220	-	-	5	-	5		50	50	50	50
Hag. Business Park-C0258	-	-	-	-	-		10	-	-	-
System Reconductoring-C0259	-	-	21	-	20		21	21	21	21
Pedestrian Lights-C0388	-	7	10	-	10		100	100	100	100
SCADA System-C0441	41	-	-	-	-		-	-	-	-
City Park Lighting-C0514	-	-	10	-	-		-	-	-	-
Building & Site Improvements-C0542	33	-	50	20	50		20	20	20	20
A. & E. District Upgrades-C0591	37	-	-	-	-		-	-	-	-
Test Equipment-C0609	-	10	15	1	17		15	15	15	15
City Park Bridge Light Replace.-C0610	-	-	-	-	-		-	25	-	-
Fairchild Heights-C0613	-	-	-	-	-		5	-	-	-
Jonathan Street Underground-C0617	55	1	-	-	-		-	-	-	-
Work Management System-C0618	-	-	-	-	-		50	50	100	100
Old Trail Estates-C0673	4	-	3	-	3		3	-	-	-
Potomac Manor-C0674	-	-	-	-	3		3	-	-	-
Linwood Hollow-C0706	-	-	20	-	6		20	20	20	20
Deerfield Knolls Dev.-C0707	-	-	-	-	4		10	10	10	10
Substation Breaker Replacement-C0776	40	-	10	8	10		-	-	-	-
GIS Facility Software-C0777	-	-	10	-	10		10	10	10	10
Mitchell Substation Third Bay-C0778	-	-	10	-	10		60	100	-	-
Spare Regulators-C0797	-	-	10	13	15		15	15	-	-
Substation Wildlife Protection-C0802	-	19	15	15	15		15	15	15	15
C W Brooks Building-C0804	-	16	-	-	-		-	-	-	-
Library Project (Electric Fund)-C0805	-	1	106	-	106		-	-	-	-
Northern Ave McDonalds-C0817	-	-	36	21	-		-	-	-	-
Noland Dr Boys and Girls Club-C0818	-	-	51	0	52		-	-	-	-
Hamilton Hotel-C0819	-	-	27	-	-		-	-	-	-
Feeder Coordination-C0833	-	-	-	-	25		20	20	20	20
Other - Non-Specific	336	302	399	350	414		500	500	500	500
Total Capital Outlay	**$ 573**	**$ 366**	**$ 848**	**$ 428**	**$ 890**		**$ 1,147**	**$ 1,476**	**$ 1,741**	**$ 1,431**

- Based on the five-year rate schedule adopted in September 2009, water service rates are scheduled to increase an average of 5.0% for services provided in the City and an average of 6.5% per year for services provided outside the City. The five-year rate schedule was based on a 2009 cost of service study; and, the rate schedule began November 1, 2009 and will end June 30, 2014. The projections reflect these average increases through Fiscal Year 2013/14. A 2% increase is anticipated beginning in FY 2014/15.

- Operating expenses, excluding depreciation, are estimated to increase 2.0% annually in future years.

- Depreciation expense will begin to increase as several large capital improvement projects are completed. As a result, deprecation is expected to increase from FY2013/14 through FY2016/17.

- The investment interest rate is assumed to remain flat with no growth calculated due to the current market conditions.

- The projection incorporates benefit charge funds. Benefit charge funds are intended for growth related capital projects and debt service from prior year growth related projects. Benefit charges have decreased significantly due to the current economic slowdown. From FY11 to FY12, benefit charges are estimated to decrease by 44% or from $1.1 million to $600,000. Projections are anticipated to remain flat during FY 2011/12 and through FY 2016/17.

- With the drop in projected new benefit charges from the slowdown in development, additional funding in future years includes restricting a portion of annual service charge revenues for future system repairs, renewal, and replacement. This is a recommendation from the cost of service study performed in 2009.

- The projections for Maryland Department of the Environment (MDE) Loan Program Bond financing include an interest rate of 2.0% over a twenty year term. In addition, MDE bonds include an administrative fee of 5.0% of debt service issued. The bonds marked as City bonds have an interest rate of 4.5% over 20 years. The MDE bond financing for the R.C. Willson Plant upgrades includes loan forgiveness of $1.5 million once certain terms and conditions have been met.

WATER FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Operating Revenues										
Service Charges										
Metered City Water	$ 1,740	$ 1,896	$ 1,838	$ 1,927	$ 2,001	5.0%	$ 2,081	$ 2,123	$ 2,165	$ 2,209
Metered County Water	6,052	7,107	7,093	7,410	7,876	6.0%	8,348	8,515	8,685	8,859
Total Service Charges	**7,792**	**9,002**	**8,931**	**9,337**	**9,877**		**10,429**	**10,638**	**10,851**	**11,068**
Other Operating Revenues	1,076	658	802	731	664		671	695	700	705
Total Operating Revenue	**8,868**	**9,660**	**9,733**	**10,068**	**10,541**		**11,100**	**11,333**	**11,551**	**11,773**
Operating Expenses										
Source of Supply	99	83	70	70	114	1.0%	116	118	121	123
Pumping & Water Treatment	3,112	3,329	3,500	3,384	3,536	1.0%	3,607	3,679	3,753	3,828
Transmission & Distribution	1,554	1,417	1,570	1,725	1,602	1.0%	1,634	1,667	1,700	1,734
Selling, General & Administration	2,559	2,395	2,426	2,431	2,661	1.0%	2,714	2,768	2,824	2,880
Total Operating Expenses	**7,324**	**7,225**	**7,566**	**7,609**	**7,913**		**8,071**	**8,232**	**8,397**	**8,565**
Cash Operating Income (Loss)	**1,544**	**2,435**	**2,167**	**2,460**	**2,628**		**3,029**	**3,100**	**3,154**	**3,208**
Depreciation	1,640	1,665	1,805	1,805	1,832		1,979	2,223	2,368	2,525
Operating Income (Loss)	**(96)**	**770**	**362**	**655**	**796**		**1,050**	**877**	**786**	**682**
Non-Operating Revenues (Expenses)										
Interest Earned	11	11	10	12	10		10	10	10	10
Interest Expense	(309)	(333)	(453)	(440)	(424)		(437)	(450)	(463)	(476)
Total Non-Operating Revenue (Expense)	**(298)**	**(323)**	**(443)**	**(428)**	**(414)**		**(427)**	**(440)**	**(453)**	**(466)**
Net Income (Loss) Before Operating Transfers	**(394)**	**447**	**(80)**	**227**	**383**		**624**	**437**	**333**	**217**
Transfers to Capital Improvements Fund	(55)	(55)	(55)	(55)	(40)		(40)	(40)	(40)	(20)
Capital Contributions										
Benefits Charges	610	1,078	600	652	652		600	600	600	600
Developer/Grant Funded	262	-	150	-	-		150	763	638	100
Non-Cash Capital Contributions	547	827	500	600	600		600	600	600	600
Total Capital Contributions	**1,419**	**1,905**	**1,250**	**1,252**	**1,252**		**1,350**	**1,963**	**1,838**	**1,300**
Gain on Fixed Asset Disposals	2	4	-	3	3		3	3	3	3
Increase (Decrease) in Retained Earnings	**972**	**2,301**	**1,115**	**1,426**	**1,597**		**1,936**	**2,362**	**2,133**	**1,499**
Adjust to a Cash Flow Basis										
Add Back Depreciation	1,640	1,665	1,805	1,805	1,832		1,979	2,223	2,368	2,525
Changes in Working Capital	649	1,204	-	-	-		-	-	-	-
Principal Payments on Long-term Debt	(1,066)	(1,122)	(1,546)	(1,495)	(1,338)		(1,379)	(1,448)	(2,141)	(2,405)
Non-Cash Capital Contributions	(547)	(827)	(500)	(600)	(600)		(600)	(600)	(600)	(600)
Total Adjustments to Retained Earnings	**677**	**921**	**(242)**	**(290)**	**(106)**		**-**	**175**	**(373)**	**(480)**
Cash Available for Capital Outlay	**1,649**	**3,222**	**873**	**1,136**	**1,491**		**1,936**	**2,538**	**1,760**	**1,019**
Capital Outlay										
Non-Growth Related	5,103	4,935	3,592	3,040	6,572		10,544	3,364	3,214	2,530
Growth Related	1,208	3,201	540	670	790		3,102	3,870	4,670	905
Total Capital Outlay	**6,311**	**8,136**	**4,132**	**3,710**	**7,362**		**13,645**	**7,233**	**7,884**	**3,435**
Cash After Capital Outlay	**(4,662)**	**(4,914)**	**(3,258)**	**(2,574)**	**(5,871)**		**(11,709)**	**(4,695)**	**(6,124)**	**(2,416)**
Restricted for Repair, Renewal, Replace	-	-	-	-	-		(500)	(800)	(1,000)	(1,000)
Additional Funding										
Changes in Restricted Cash for Benefit Funds										
Add Beginning Balance	3,755	3,664	3,445	3,445	3,019		2,799	2,007	1,793	1,229
Deduct Ending Balance	(3,664)	(3,445)	(3,019)	(3,019)	(2,799)		(2,007)	(1,793)	(1,549)	(1,164)
Change in Restricted Cash	**91**	**219**	**426**	**426**	**220**		**793**	**214**	**245**	**65**
MDE Bond Financing	1,611	5,294	1,375	1,340	4,050		10,023	4,040	4,843	811
City Bond Financing	5,325	-	1,741	3,494	2,245		1,988	1,796	1,855	1,916
Total Additional Funding	**7,027**	**5,513**	**3,542**	**5,260**	**6,515**		**12,803**	**6,049**	**6,942**	**2,792**
Net Surplus (Deficit)	**$ 2,365**	**$ 599**	**$ 284**	**$ 2,686**	**$ 644**		**$ 594**	**$ 554**	**$ (182)**	**$ (624)**
Beginning Cash Balance	$ 882	$ 3,247	$ 3,846	$ 3,846	$ 6,532		$ 7,176	$ 7,770	$ 8,324	$ 8,142
Ending Cash Balance	$ 3,247	$ 3,846	$ 4,130	$ 6,532	$ 7,176		$ 7,770	$ 8,324	$ 8,142	$ 7,518

WATER FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Water Vehicles-C0117	$ 4	$ -	$ 203	$ 200	$ 262		$ 202	$ 288	$ 201	$ 260
R.C. Willson Plant Improvements-C0166	83	127	150	150	200		210	221	232	243
Willson Transmission Main-C0167	183	2,045	110	300	-		500	3,815	4,615	750
Edgemont Reservoir Improvements-C0168	217	1	150	15	150		220	320	320	150
West End Reservoir-C0274	6	-	-	-	-		-	-	-	-
West End Reservoir Phase II-C0275	3,354	2,262	205	200	-		-	-	-	-
Zone 3 Standpipe-C0323	-	-	-	-	-		-	-	-	100
Breichner WTP Improvements-C0405	37	-	25	20	50		53	55	58	61
Jonathan Street Streetscape-C0638	167	-	-	-	-		-	-	-	-
Administrative/Engineering Equip.-C0648	3	-	10	-	10		10	10	10	10
Pump Station Improvements-C0651	52	47	225	75	215		225	838	713	75
DIstribution Services-C0653	1,062	1,019	1,043	1,200	1,170		1,205	1,241	1,278	1,317
Distribution System Rehabilitation-C0709	494	385	585	350	350		361	371	382	394
Distribution System Equipment-C0710	-	14	-	-	-		-	-	-	-
R.C. Willson Plant - Phase IV-C0740	-	11	500	500	4,500		9,600	-	-	-
R.C. Willson Plant - Phase V-C0741	648	2,224	575	350	-		-	-	-	-
Water System SCADA Improvements-C0820	-	-	350	350	455		1,060	75	75	75
Total Capital Outlay	**6,311**	**8,136**	**4,132**	**3,710**	**7,362**		**13,645**	**7,233**	**7,884**	**3,435**
Schedule B - Capital Outlay Detail										
Capital Outlay										
Non-Growth Related										
Cash Funded										
Water Vehicles-C0117	4	-	203	200	262		202	288	201	260
Edgemont Reservoir Improvements-C0168	217	1	150	15	150		150	150	150	150
West End Reservoir-C0274	5	-	-	-	-		-	-	-	-
West End Reservoir Phase II-C0275	-	-	4	-	-		-	-	-	-
Breichner WTP Improvements-C0405	37	-	25	20	-		-	-	-	-
Administrative/Engineering Equip.-C0648	1	-	8	-	8		8	8	8	8
Pump Station Improvements-C0651	-	47	75	75	75		75	75	75	75
R.C. Willson Plant - Phase IV-C0740	-	8	-	-	375		375	-	-	-
Water System SCADA Improvements-C0820	-	-	280	280	32		8	60	60	60
Total Cash Funding	**264**	**56**	**745**	**590**	**902**		**818**	**581**	**494**	**553**
Grants in Aid of Construction										
Pump Station Improvements-C0651	-	-	150	-	-		150	763	638	-
R.C. Willson Plant - Phase IV-C0740	-	-	-	-	1,500		-	-	-	-
R.C. Willson Plant - Phase V-C0741	196	-	-	-	-		-	-	-	-
Total Grants in Aid of Construction	**196**	**-**	**150**	**-**	**1,500**		**150**	**763**	**638**	**-**
MDE Bond Funded										
Edgemont Reservoir Improvements-C0168	-	-	-	-	-		70	170	170	-
West End Reservoir Phase II-C0275	2,156	1,263	150	150	-		-	-	-	-
Breichner WTP Improvements-C0405	-	-	-	-	50		53	55	58	61
R.C. Willson Plant - Phase IV-C0740	-	-	375	375	1,875		6,825	-	-	-
R.C. Willson Plant - Phase V-C0741	257	1,416	431	263	-		-	-	-	-
Water System SCADA Improvements-C0820	-	-	-	-	-		640	-	-	-
Total MDE Bond Funding	**2,414**	**2,679**	**956**	**788**	**1,925**		**7,588**	**225**	**228**	**61**
City Bond Funded (Benefit Charge Advance)										
R.C. Willson Plant Improvements-C0166	62	95	113	113	170		173	183	194	206
West End Reservoir Phase II-C0275	359	434	-	-	-		-	-	-	-
Jonathan Street Streetscape-C0638	167	-	-	-	-		-	-	-	-
Pump Station Improvements-C0651	52	-	-	-	140		-	-	-	-
DIstribution Services-C0653	1,062	1,019	1,043	1,200	1,170		1,205	1,241	1,278	1,317
Distribution System Rehabilitation-C0709	494	385	585	350	350		361	371	382	394
Distribution System Equipment-C0710	-	14	-	-	-		-	-	-	-
R.C. Willson Plant - Phase V-C0741	32	252	-	-	-		-	-	-	-
Water System SCADA Improvements-C0820	-	-	-	-	415		250	-	-	-
Total City Bond Funding	**2,229**	**2,199**	**1,741**	**1,663**	**2,245**		**1,988**	**1,796**	**1,855**	**1,916**
Total Non-Growth Related Capital Outlay	**$ 5,103**	**$ 4,935**	**$ 3,592**	**$ 3,040**	**$ 6,572**		**$ 10,544**	**$ 3,364**	**$ 3,214**	**$ 2,530**

WATER FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Growth Related										
Cash/Developer/Grant Funded										
Zone 3 Standpipe-C0323	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ 100
R.C. Willson Plant - Phase V-C0741	65	-	-	-	-		-	-	-	-
Total Developer/Grant Funded	**65**	-	-	-	-		-	-	-	**100**
Benefit Charges/Restricted Cash Funded										
R.C. Willson Plant Improvements-C0166	21	32	38	38	30		38	38	38	38
Willson Transmission Main-C0167	183	324	10	10	-		500	-	-	-
West End Reservoir-C0274	2	-	-	-	-		-	-	-	-
West End Reservoir Phase II-C0275	120	145	1	-	-		-	-	-	-
Administrative/Engineering Equip.-C0648	2	-	2	-	2		2	2	2	2
R.C. Willson Plant - Phase IV-C0740	-	3	-	-	125		125	-	-	-
R.C. Willson Plant - Phase V-C0741	11	84	-	-	-		-	-	-	-
Water System SCADA Improvements-C0820	-	-	70	70	8		2	15	15	15
Total Benefit Charge Funded	**338**	**587**	**121**	**118**	**165**		**667**	**55**	**55**	**55**
MDE Bond Funded										
Willson Transmission Main-C0167	-	1,721	100	290	-		-	3,815	4,615	750
West End Reservoir Phase II-C0275	719	421	50	50	-		-	-	-	-
R.C. Willson Plant - Phase IV-C0740	-	-	125	125	625		2,275	-	-	-
R.C. Willson Plant - Phase V-C0741	86	472	144	88	-		-	-	-	-
Water System SCADA Improvements-C0820	-	-	-	-	-		160	-	-	-
Total MDE Bond Funding	**805**	**2,614**	**419**	**553**	**625**		**2,435**	**3,815**	**4,615**	**750**
Total Growth Related Capital Outlay	**1,208**	**3,201**	**540**	**670**	**790**		**3,102**	**3,870**	**4,670**	**905**
Total Capital Outlay	**$ 6,311**	**$ 8,136**	**$ 4,132**	**$ 3,710**	**$ 7,362**		**$ 13,645**	**$ 7,233**	**$ 7,884**	**$ 3,435**

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2013/2017
ASSUMPTIONS

- Service Charge Revenue reflects a continuation of the annual increases adopted in September 2009 of 5.0% for inside and 3.0% for outside City customers. The annual rate increases continue through Fiscal Year 2013/14. In FY2014/2015 a 10% rate increase is proposed followed by a 3% annual increase in FY2015/16 and FY2016/17 to increase cash flow for the Wastewater Fund.

- Total operating expenses, excluding depreciation, increased by 1.7% from the FY2011/12 budget to the FY2012/13; therefore, operating expenses are estimated to increase by 0.5% annually.

- Depreciation expense is expected to increase by 2.0% in both FY2013/14 and FY2014/15 as several large capital improvement projects are completed. After FY2014/15, a 1.0% increase in depreciation is anticipated.

- The investment interest rate is assumed to remain flat due to the current market conditions.

- 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 recent years, revenues from benefit charges have decreased significantly due to the current economic slowdown. Therefore, benefit charge revenue projections include a 1.5% rate of growth after a FY2012/13.

- Beginning in FY2013/14, projections assume that all future bonds will be backed by the full faith and credit of the City and issued as general obligation debt at an interest rate of 4.5% over 20 years.

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Operating Revenues										
Service Charges										
Metered City Sewer	$ 4,820	$ 5,173	$ 5,134	$ 5,305	$ 5,567	5.0%	$ 5,845	$ 6,430	$ 6,623	$ 6,821
Metered County Sewer	2,263	2,597	2,612	2,764	2,848	3.0%	2,933	3,227	3,324	3,423
Metered Joint Sewer	1,692	1,840	1,872	1,868	1,924	3.5%	1,991	2,190	2,256	2,324
Low -Pressure System Charge	106	106	106	106	106	0.0%	106	106	109	109
Total Service Charges	**8,881**	**9,716**	**9,724**	**10,043**	**10,445**		**10,876**	**11,953**	**12,312**	**12,678**
Other Operating Revenues	125	201	84	85	78		90	90	90	90
Total Operating Revenue	**9,006**	**9,917**	**9,808**	**10,128**	**10,523**		**10,966**	**12,043**	**12,402**	**12,768**
Operating Expenses										
Plant Expenses	4,318	4,674	4,747	4,869	4,897	0.5%	4,922	4,946	4,971	4,996
Laboratory Expenses	251	261	282	273	287	0.6%	289	290	292	293
Collection Systems	1,122	1,096	1,126	1,125	1,226	0.5%	1,232	1,238	1,244	1,251
Selling, General & Administration	3,036	2,974	3,107	3,059	3,010	0.5%	3,025	3,040	3,056	3,071
Total Operating Expenses	**8,727**	**9,005**	**9,262**	**9,326**	**9,420**		**9,468**	**9,515**	**9,562**	**9,610**
Cash Operating Income (Loss)	**279**	**912**	**546**	**802**	**1,103**		**1,499**	**2,528**	**2,839**	**3,158**
Depreciation	2,116	2,300	2,355	2,355	2,400		2,446	2,497	2,520	2,540
Operating Income (Loss)	**(1,837)**	**(1,388)**	**(1,809)**	**(1,553)**	**(1,297)**		**(947)**	**31**	**319**	**618**
Non-Operating Revenues (Expenses)										
Interest Earned	6	5	5	2	3		4	4	4	4
Interest Expense	(350)	(353)	(454)	(401)	(398)		(407)	(395)	(383)	(362)
Gain (Loss) on Sale of Capital Assets	2	2	-	2	1		1	1	1	1
Total Non-Operating Revenues (Expenses)	**(343)**	**(346)**	**(449)**	**(397)**	**(394)**		**(402)**	**(390)**	**(378)**	**(357)**
Net Income (Loss) Before Operating Transfers	**(2,180)**	**(1,734)**	**(2,258)**	**(1,950)**	**(1,691)**		**(1,349)**	**(358)**	**(59)**	**260**
Transfers (to) Capital Improvements Fund	(55)	(55)	(55)	(55)	(40)		(40)	(40)	(40)	(20)
Capital Contributions										
Benefits Charges	712	871	600	600	700	1.5%	711	721	732	743
Grants in Aid of Construction	7,196	1,333	-	1,747	100		100	100	100	100
Non-Cash Capital Contributions	-	3,078	-	-	-		-	1,375	-	-
Total Capital Contributions	**7,908**	**5,282**	**600**	**2,347**	**800**		**811**	**2,196**	**832**	**843**
Increase (Decrease) in Retained Earnings	**5,673**	**3,493**	**(1,713)**	**342**	**(931)**		**(578)**	**1,798**	**733**	**1,083**
Adjust Retained Earnings to a Cash Flow Basis										
Add Back Depreciation	2,116	2,300	2,355	2,355	2,400		2,446	2,497	2,520	2,540
Changes in Working Capital	(1,282)	98	-	-	-		-	-	-	-
Principal Payment on Current Long-Term Debt	(1,106)	(1,597)	(1,713)	(1,662)	(1,623)		(1,629)	(1,658)	(1,766)	(1,824)
Non-Cash Capital Contributions	-	(3,078)	-	-	-		-	-	-	-
Total Adjustments to Retained Earnings	**(272)**	**(2,277)**	**642**	**693**	**777**		**817**	**839**	**754**	**716**
Cash Available for Capital Outlay	**5,401**	**1,216**	**(1,071)**	**1,035**	**(154)**		**239**	**2,637**	**1,487**	**1,799**
Capital Outlay										
Non-Growth Related	9,710	1,859	852	1,803	1,754		1,208	1,816	721	624
Growth Related	4,428	1,763	271	1,340	466		421	1,681	241	241
Total Capital Outlay	**14,139**	**3,622**	**1,123**	**3,143**	**2,220**		**1,629**	**3,497**	**962**	**865**
Cash After Capital Outlay	**(8,738)**	**(2,406)**	**(2,194)**	**(2,108)**	**(2,374)**		**(1,390)**	**(860)**	**525**	**934**
Additional Funding										
Changes - Restricted Cash Benefit Charges										
Add Beginning Balance	640	782	280	-	-		-	-	-	-
Deduct Ending Balance	(782)	-	-	-	-		-	-	-	-
Change in Restricted Cash	**(142)**	**782**	**280**	**-**	**-**		**-**	**-**	**-**	**-**
MDE Bond Financing	5,483	1,023	-	599	350		-	-	-	-
City Bond Financing	4,009	53	962	2,628	1,345		1,239	1,782	622	525
Total Additional Funding	**9,350**	**1,858**	**1,242**	**3,227**	**1,695**		**1,239**	**1,782**	**622**	**525**
Net Surplus (Deficit)	**$ 612**	**$ (548)**	**$ (952)**	**$ 1,119**	**$ (679)**		**$ (151)**	**$ 922**	**$ 1,147**	**$ 1,459**
Beginning Cash Balance	$ 199	$ 811	$ 263	$ 263	$ 1,382		$ 703	$ 552	$ 1,473	$ 2,620
Ending Cash Balance	$ 811	$ 263	$ (689)	$ 1,382	$ 703		$ 552	$ 1,473	$ 2,620	$ 4,079

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Schedule A - Capital Outlay										
Capital Outlay										
Sewer Vehicles-C0004	$ -	$ 16	$ 115	$ -	$ 580		$ 139	$ 182	$ 122	$ 25
Manhole Raising-C0267	15	13	25	22	25		25	25	25	25
Pump Station Improvements-C0299	38	80	45	30	45		45	345	45	45
Collection System Rehabilitation-C0327	383	422	400	400	400		400	1,600	400	400
East End Pump Station-C0565	-	-	-	-	-		-	675	-	-
WWTP/Enhanced Nutrient Removal-C0571	7,162	642	-	200	100		-	-	-	-
WWTP - Phase IV - Headworks-C0572	2,535	73	-	-	-		-	-	-	-
WWTP Equipment-C0584	26	-	100	80	125		100	100	100	100
Buildings & Structures-C0585	22	-	75	25	50		75	25	25	25
Jonathan Street Streetscape-C0638	156	-	-	-	-		-	-	-	-
WWTP - Phase III - Disinfection-C0657	109	-	100	50	100		100	100	-	-
WWTP/Phase V/Solids Processing-C0711	44	30	50	50	50		550	250	50	50
Collection System Equipment-C0713	12	-	80	55	80		80	80	80	80
Wastewater GIS - Hydraulic Model-C0742	-	-	25	-	-		-	-	-	-
Edgewood Intersection (SHA)-C0744	7	28	-	-	-		-	-	-	-
Laboratory Equipment-C0745	-	-	15	-	85		20	20	20	20
WWTP Disinfection Improvments-C0748	3,132	417	-	154	50		-	-	-	-
Grinder Pump Replacement-C0767	79	64	78	85	80		80	80	80	80
Conrad Court Pump Station-C0769	233	474	-	-	-		-	-	-	-
Salem Ave. - Winter-Burhans-C0799	171	663	-	-	-		-	-	-	-
SSES City Wide-C0800	14	698	-	1,993	300		-	-	-	-
Eliminate Pump Station #12-C0832	-	-	-	-	120		-	-	-	-
New Laterals-C0834	-	-	15	-	15		15	15	15	15
Narrow Band Radios-C0835	-	-	-	-	15		-	-	-	-
Total Capital Outlay	**14,139**	**3,622**	**1,123**	**3,143**	**2,220**		**1,629**	**3,497**	**962**	**865**
Schedule B - Capital Outlay Detail										
Capital Outlay Non-Growth Related										
Cash Funded										
Sewer Vehicles-C0004	-	16	-	-	-		-	-	-	-
Manhole Raising-C0267	15	13	25	22	25		25	25	25	25
Pump Station Improvements-C0299	-	-	-	-	34		34	34	34	34
WWTP/Enhanced Nutrient Removal-C0571	34	-	-	-	-		-	-	-	-
Buildings & Structures-C0585	22	-	25	-	50		75	25	25	25
WWTP/Phase V/Solids Processing-C0711	31	-	-	-	35		-	-	-	-
Wastewater GIS - Hydraulic Model-C0742	-	-	25	-	-		-	-	-	-
Laboratory Equipment-C0745	-	-	15	-	15		20	20	20	20
Grinder Pump Replacement-C0767	-	-	-	-	10		10	10	10	10
Salem Ave. - Winter-Burhans-C0799	14	-	-	-	-		-	-	-	-
Narrow Band Radios-C0835	-	-	-	-	15		-	-	-	-
Total Cash Funding	**116**	**29**	**90**	**22**	**184**		**164**	**114**	**114**	**114**
Grants in Aid of Construction										
WWTP/Enhanced Nutrient Removal-C0571	4,979	450	-	140	70		-	-	-	-
SSES City Wide-C0800	7	296	-	774	-		-	-	-	-
Total Grant in Aid of Construction	**4,986**	**746**	**-**	**914**	**70**		**-**	**-**	**-**	**-**
Contributions by Developers										
Collection System Rehabilitation-C0327	-	-	-	-	-		-	350	-	-
Total Developer Contributions	-	-	-	-	-		-	**350**	-	-
MDE Bond Funded										
WWTP - Phase IV - Headworks-C0572	1,682	51	-	-	-		-	-	-	-
WWTP Disinfection Improvements-C0748	2,056	254	-	108	35		-	-	-	-
Salem Ave. - Winter-Burhans-C0799	72	294	-	-	-		-	-	-	-
SSES City Wide-C0800	-	-	-	223	150		-	-	-	-
Total MDE Bond Funding	**$ 3,809**	**$ 599**	**$ -**	**$ 330**	**$ 185**		**$ -**	**$ -**	**$ -**	**$ -**
City Bond Funded (Benefit Charge Advance)										
Sewer Vehicles-C0004	$ -	$ -	$ 115	$ -	$ 580		$ 139	$ 182	$ 122	$ 25
Pump Station Improvements-C0299	28	60	34	23	-		-	225	-	-
Collection System Rehabilitation-C0327	192	211	200	200	200		200	450	200	200
WWTP - Phase IV - Headworks-C0572	93	-	-	-	-		-	-	-	-
WWTP Equipment-C0584	26	-	100	80	125		100	100	100	100
Buildings & Structures-C0585	-	-	50	25	-		-	-	-	-
Jonathan Street Streetscape-C0638	156	-	-	-	-		-	-	-	-
WWTP - Phase III - Disinfection-C0657	77	-	70	35	70		70	70	-	-
WWTP/Phase V/Solids Processing-C0711	-	21	35	35	-		385	175	35	35
Collection System Equipment-C0713	12	-	80	55	80		80	80	80	80
Laboratory Equipment-C0745	-	-	-	-	70		-	-	-	-
WWTP Disinfection Improvments-C0748	136	38	-	-	-		-	-	-	-
Grinder Pump Replacement-C0767	79	64	78	85	70		70	70	70	70
Salem Ave. - Winter-Burhans-C0799	-	38	-	-	-		-	-	-	-
SSES City Wide-C0800	-	53	-	-	-		-	-	-	-
Eliminate Pump Station #12-C0832	-	-	-	-	120		-	-	-	-
Total City Bond Funding	**799**	**486**	**762**	**538**	**1,315**		**1,044**	**1,352**	**607**	**510**
Total Non-Growth Related Capital Outlay	**$ 9,710**	**$ 1,859**	**$ 852**	**$ 1,803**	**$ 1,754**		**$ 1,208**	**$ 1,816**	**$ 721**	**$ 624**

WASTEWATER FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Growth Related										
Grants in Aid of Construction										
WWTP/Enhanced Nutrient Removal-C0571	$ 2,134	$ 193	$ -	$ 60	$ 30		$ -	$ -	$ -	$ -
SSES City Wide-C0800	7	296	-	774	-		-	-	-	-
Total Grants in Aid of Construction	**2,141**	**489**	**-**	**834**	**30**		**-**	**-**	**-**	**-**
Contributions by Developers										
Collection System Rehabilitation-C0327	-	-	-	-	-		-	350	-	-
East End Pump Station-C0565	-	-	-	-	-		-	675	-	-
Total Developer Contributions	**-**	**-**	**-**	**-**	**-**		**-**	**1,025**	**-**	**-**
Benefit Charges/Restricted Cash Funded										
Pump Station Improvements-C0299	9	20	11	8	11		11	11	11	11
Collection System Rehabilitation-C0327	192	211	-	100	200		200	200	200	200
WWTP/Enhanced Nutrient Removal-C0571	15	-	-	-	-		-	-	-	-
WWTP - Phase IV - Headworks-C0572	40	-	-	-	-		-	-	-	-
WWTP - Phase III - Disinfection-C0657	33	-	30	15	-		-	-	-	-
WWTP/Phase V/Solids Processing-C0711	13	9	15	15	15		-	-	-	-
Edgewood Intersection (SHA)-C0744	7	28	-	-	-		-	-	-	-
WWTP Disinfection Improvments-C0748	58	16	-	-	-		-	-	-	-
Conrad Court Pump Station-C0769	233	474	-	-	-		-	-	-	-
Salem Ave. - Winter-Burhans-C0799	14	38	-	-	-		-	-	-	-
SSES City Wide-C0800	-	53	-	-	-		-	-	-	-
New Laterals-C0834	-	-	15	-	15		15	15	15	15
Total Benefit Charge Funding	**614**	**850**	**71**	**138**	**241**		**226**	**226**	**226**	**226**
MDE Bond Funded										
WWTP - Phase IV - Headworks-C0572	721	22	-	-	-		-	-	-	-
WWTP Disinfection Improvments-C0748	881	109	-	46	15		-	-	-	-
Salem Ave. - Winter-Burhans-C0799	72	294	-	-	-		-	-	-	-
SSES City Wide-C0800	-	-	-	223	150		-	-	-	-
Total MDE Bond Funding	**1,673**	**424**	**-**	**269**	**165**		**-**	**-**	**-**	**-**
City Bond Funded										
Pump Station Improvements-C0299	-	-	-	-	-		-	75	-	-
Collection System Rehabilitation-C0327	-	-	200	100	-		-	250	-	-
WWTP - Phase III - Disinfection-C0657	-	-	-	-	30		30	30	-	-
WWTP/Phase V/Solids Processing-C0711	-	-	-	-	-		165	75	15	15
Total City Bond Funding	**-**	**-**	**200**	**100**	**30**		**195**	**430**	**15**	**15**
Total Growth Related Capital Outlay	**4,428**	**1,763**	**271**	**1,340**	**466**		**421**	**1,681**	**241**	**241**
Total Capital Outlay	**$ 14,139**	**$ 3,622**	**$ 1,123**	**$ 3,143**	**$ 2,220**		**$ 1,629**	**$ 3,497**	**$ 962**	**$ 865**

- Deck rates to remain at current level of $60/month; deck rate per day maximum is $8.00/day; meter rates to remain the same; Central Lot West, Central Lot East, Market Lot, Rochester Lot and Church St. Lot permits all the same rate of $46/month; Departmental Charges are $45/month in the decks and $34.50/month in the lots which includes the 25% discount for 25+ vehicles; and Student Rates are $15/month.

- With the possible construction of a new parking deck in the City Center, deck revenues would increase beginning in FY2014/15 by $260,000 each year. The increase is attributable to the completion of a new multi-use athletic and event facility in the City Center. It is anticipated that additional parking needs in the surrounding decks, and metered spaces and lots will be generated for events being performed.

- Award Beauty School is a major customer at the Arts & Entertainment Parking Deck generating an average of $7,000 per month of revenue.

- Operating expenses are estimated to increase by 2.5% annually.

- The future bond interest rates are assumed to be 3.05% over a 20 year term.

- Debt Service on Bonded Debt decreases by approximately $200,000 in FY13 due to the payoff of the bonds for the N. Potomac Street Parking Deck financing.

- *Capital Outlay:*

  FY 2011/12: Parking Master Plan: $35,238 budgeted in CIP Fund for downtown parking study.

  FY 2012/13: N. Potomac Street Deck: $100,000 for concrete and joint repairs throughout the structure.
  Vehicle Replacement: $25,000 to replace a Chevy truck that was deferred for two years.

  FY2013/14: Parking Deck III: $500,000 for land acquisition and planning/design for new parking deck to support redevelopment of the City Center and the construction of a new multi-use athletic and event facility in the City Center.

  FY 2014/15: Parking Deck III: $8,900,000 for construction of a new 450-space deck to support the redevelopment of the City Center and the construction of a new multi-use athletic and event facility in the City Center.

PARKING FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Operating Revenues										
Parking Deck Revenues										
North Potomac Street Parking Deck										
Parking Deck Permits	$ 166	$ 124	$ 75	$ 130	$ 130	1.5%	$ 132	$ 134	$ 136	$ 138
Parking Deck Fees	43	46	49	42	42	1.5%	42	68	94	95
General Free Parking	(19)	(5)	(21)	(7)	(7)	1.5%	(7)	(7)	(7)	(7)
Parking Deck Coupons	4	6	7	2	2	1.5%	2	2	2	2
Arts & Entertainment Parking Deck										
Parking Deck Permits	58	145	140	100	100	1.5%	102	103	105	106
Parking Deck Fees	38	41	39	49	49	1.5%	49	75	101	103
Downtown Promotions	2	-	-	-	-	1.5%	-	0	-	0
PEP Parking Discount	(3)	(2)	(4)	(3)	(3)	1.5%	(3)	(3)	(3)	(4)
Parking Deck III										
Parking Deck Fees	-	-	-	-	-		-	-	200	200
Total Parking Deck Revenue	**289**	**355**	**285**	**311**	**311**		**316**	**371**	**626**	**632**
Parking Meter & Lot Revenues										
Street Meters	79	77	166	101	107	1.5%	109	110	112	114
Market House Lot	35	34	38	35	35	1.5%	36	36	37	37
Church Street Lot	48	41	44	45	45	1.5%	45	46	47	47
Rochester Lot	2	3	3	8	8	1.5%	8	8	8	8
Central Lot	92	82	134	97	100	1.5%	102	113	125	127
Antietam St. Lot	24	26	29	29	29	1.5%	29	29	30	30
Hospital Streets	72	35	-	-	-		-	-	-	-
Bryan Centre Lot	1	2	1	1	1	0.0%	1	1	1	1
Departmental Charges	58	30	36	30	30	1.5%	30	31	31	32
Total Parking Meter & Lot Revenue	**410**	**331**	**449**	**345**	**354**		**359**	**375**	**390**	**396**
Net Parking Fines	173	125	140	157	173	1.5%	176	178	181	184
Other Revenue	-	1	1	3	2		1	1	1	1
Total Operating Revenue	**872**	**812**	**874**	**816**	**840**		**852**	**924**	**1,198**	**1,213**
Operating Expenses										
North Potomac Street Parking Deck	207	175	177	185	168	2.5%	173	177	181	186
Arts & Entertainment Parking Deck	58	92	81	89	82	2.5%	84	86	88	90
Parking Deck III	-	-	-	-	-		-	-	180	180
Other Facilities	100	108	133	108	111	2.5%	113	116	119	122
Parking Enforcement Expenses	59	43	29	35	35	2.5%	36	37	37	38
Depreciation	199	206	203	206	208		211	212	391	392
Total Operating Expense	**623**	**624**	**622**	**623**	**603**		**617**	**628**	**997**	**1,009**
Operating Income (Loss)	**250**	**188**	**253**	**192**	**237**		**235**	**297**	**201**	**204**
Non-Operating Revenue (Expense)										
Investment Earnings	2	-	1	-	-		-	-	-	-
Interest Expense	(105)	(90)	(88)	(78)	(67)		(60)	(53)	(121)	(113)
Bond Issuance Cost (New City Bonds)	(11)	(11)	(4)	(4)	(3)		(3)	(3)	(3)	(3)
Total Non-Operating Revenue (Expense	**(114)**	**(101)**	**(92)**	**(82)**	**(70)**		**(63)**	**(56)**	**(124)**	**(116)**
Grants in Aid of Construction	96	-	-	-	-		250	4,450	-	-
Transfers from General Fund	-	-	35	35	-		-	-	-	-
Increase (Decrease) in Retained Earnings	**231**	**86**	**196**	**145**	**167**		**422**	**4,691**	**77**	**88**

PARKING FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

Adjust to a Cash Flow Basis									
Add Back Depreciation	$ 199	$ 206	$ 203	$ 206	$ 208	$ 211	$ 212	$ 391	$ 392
Changes in Working Capital	(89)	117	-	-	-	-	-	-	-
Prin. Pay on Current Long-Term Debt.	(348)	(350)	(362)	(362)	(172)	(143)	(150)	(399)	(406)
Total Adjustments to Retarined Earning	**(238)**	**(27)**	**(159)**	**(156)**	**36**	**68**	**63**	**(8)**	**(14)**
Cash Available for Capital Outlay	**(6)**	**59**	**37**	**(11)**	**203**	**490**	**4,753**	**69**	**74**
Capital Outlay									
N Potomac St Parking Deck Rehab	183	-	-	-	100	30	30	30	30
City Center Parking	-	-	35	34	-	500	8,900	-	-
Vehicle/ Equipment replacement	-	-	-	-	25	-	20	20	25
Total Capital Outlay	**183**	**0**	**35**	**34**	**125**	**530**	**8,950**	**50**	**55**
Cash After Capital Outlay	**(189)**	**59**	**2**	**(45)**	**78**	**(40)**	**(4,197)**	**19**	**19**
Additional Funding									
Bond Financing	150	-	-	-	100	250	4,450	-	-
Total Additional Funding	**150**	-	-	-	**100**	**250**	**4,450**	-	-
Net Surplus (Deficit)	**$ (39)**	**$ 59**	**$ 2**	**$ (45)**	**$ 178**	**$ 210**	**$ 253**	**$ 19**	**$ 19**
Beginning Cash Balance	$ 144	$ 106	$ 165	$ 165	$ 120	$ 298	$ 508	$ 762	$ 781
Ending Cash Balance	$ 106	$ 165	$ 166	$ 120	$ 298	$ 508	$ 762	$ 781	$ 800

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2013/2017
ASSUMPTIONS

- These projections are intended to improve the existing level of services and facilities at Hagerstown Greens, the City's municipal golf course. Management is striving to continually improve the City Golf Course, the experience of its patrons, and the efficiency and effectiveness of operations.

- Substantial renovations and upgrades were made to the Clubhouse in FY2011/12 to attract more golfers. Included in the renovations were: concession area improvements with an expanded food menu; an outside deck to allow patrons time to relax and enjoy the view of the golf course greens; and exterior changes that include an increased roof pitch and a modern facade.

- As a result of the Clubhouse improvements, anticipated rate increases, and other program enhancements being developed by the Recreation department, revenues are projected to increase 10% FY2012/13 to FY2013/14 and 6% from FY2014/15 and beyond. The most recent rate increase has already been approved by Mayor and City Council and is effective July 1, 2012 (see Section 8 – User Fee Schedules). The anticipated increases in revenue have also allowed the Golf Course Fund to reduce its annual operating transfer in from the General Fund as noted in the decrease from $195,000 in FY2013/14 to $130,000 in FY2016/17.

- Total operating expense is estimated to remain flat from FY2012/13 to FY2013/14 with an overall 1.1% increase. The increase is attributable to a potential 2.5% cost of living adjustment for full time employees. From FY2014/15 through FY2016/17, operating expenses are expected to increase approximately 2%-3% each year. The increases are also attributable to potential cost of living adjustments and restoration of step increases for full time employees. Two full-time employees are assigned to golf course maintenance; and, no full-time employees are assigned to the Golf Course Pro Shop.

- Capital Outlay includes various vehicle and equipment replacements over the next few years. Additionally, it includes construction of a proposed storage building to provide cover for electric-run golf cars. Construction of the storage building includes Project Open Space (POS) funding of $20,000 from the State.

GOLF COURSE FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Operating Revenues										
Green Fees	$ 70	$ 77	$ 97	$ 70	$ 90		$ 99	$ 105	$ 111	$ 118
Cart Rentals	32	35	63	35	44		48	51	54	58
Tournaments & Specials	14	14	35	35	35		39	41	43	46
Other Revenues	11	12	19	13	15		26	30	35	40
Total Operating Revenues	**127**	**138**	**214**	**153**	**184**		**211**	**227**	**244**	**261**
Operating Expenses										
Personal Services	185	174	145	170	167		171	175	182	189
Wage & O/H Allocation	52	6	45	-	-		-	-	-	-
Fringe Benefits	59	79	69	70	75		73	76	79	82
Matls, Supplies & Utilities	38	60	47	48	48		49	50	51	52
Maintenance & Repairs	3	2	4	4	4		4	4	4	4
Vehicle Operating Expenses	26	28	23	23	23		23	23	23	23
Advertising & Printing	-	3	3	3	3		3	3	3	3
Machinery & Equipment Rentals	21	24	21	21	22		22	22	22	22
Contracted Services	1	3	4	9	6		6	6	6	6
Other General Expenses	4	16	4	5	4		4	4	4	4
Insurance	7	6	6	5	3		3	3	3	3
Communication Expenses	-	-	-	-	-		1	1	1	1
Depreciation	23	21	21	21	22		22	22	22	22
Total Operating Expenses	**420**	**422**	**392**	**379**	**377**		**381**	**389**	**400**	**411**
Operating Income (Loss)	**(293)**	**(284)**	**(178)**	**(226)**	**(193)**		**(170)**	**(162)**	**(156)**	**(150)**
Non-Operating Revenues (Expense)										
Interest Earned	7	-	1	-	-		1	1	1	1
Total Non-Operating Revenue (Expense)	**7**	**-**	**1**	**-**	**-**		**1**	**1**	**1**	**1**
Operating Transfers In	281	297	175	175	175		195	190	160	130
Increase (Decrease) in Retained Earnings	**(5)**	**13**	**(2)**	**(51)**	**(18)**		**46**	**29**	**5**	**(19)**
Adjust to Cash Flow Basis										
Add Back Depreciation	23	21	21	21	22		22	22	22	22
Prior Year Bond Proceeds	-	-	40	40	-		-	-	-	-
Contributions & Grants in Aid	-	-	-	-	-		20	-	-	-
Changes in Working Capital	(17)	26	-	-	-		-	-	-	-
Total Adjustment to Retained Earnings	**5**	**47**	**61**	**61**	**22**		**42**	**22**	**22**	**22**
Cash Available for Capital Outlay	**(0)**	**60**	**59**	**10**	**4**		**88**	**51**	**27**	**3**
Capital Outlay										
Vehicle/equipment Replace - C0395	-	-	-	-	25		65	50	20	-
Clubhouse Improvements - C0824	-	-	40	50	-		-	-	-	-
Golf Cart Storage Pavilion - C0825	-	-	10	-	-		22	-	-	-
Total Capital Outlay	**-**	**-**	**50**	**50**	**25**		**87**	**50**	**20**	**-**
Net Surplus (Deficit)	**$ (0)**	**$ 60**	**$ 9**	**$ (40)**	**$ (21)**		**$ 1**	**$ 1**	**$ 7**	**$ 3**
Beginning Cash	$ 1	$ 1	$ 61	$ 61	$ 21		$ 0	$ 1	$ 2	$ 9
Ending Cash	$ 1	$ 61	$ 70	$ 21	$ 0		$ 1	$ 2	$ 9	$ 12
Self Supporting Level	30.2%	32.7%	54.6%	40.4%	48.8%		55.5%	58.4%	60.9%	63.6%

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2013/2017
ASSUMPTIONS

- Overall, rental revenue projections are estimated to decrease 1.8% from FY13 to FY14 due to vacated spaces by Washington County Industrial Foundation (CHIEF), Civil War Preservation Trust, City of Hagerstown Inspection's Department, and Potomac Classical Youth Ballet. Also, the lease on the new building acquired at 36-40 North Potomac expires on November 30, 2013.

- The Fire Police Headquarters located on Valley Road is rented for $1.00 per year to the Fire Police. In exchange, the Fire Police maintain the property other than major building elements such as utilities (plumbing, electric, heating, cooling) and structural items (roofing, foundation, etc.).

- The City of Hagerstown Police Auxiliary Department is currently occupying the space on 25 East Franklin Street at no charge until another tenant is found.

- Classical Youth Ballet vacated their space. City Ballet School is currently using it as storage at no cost.

- The new lease for Spickler's Market ends on December 31, 2015. Rent has been negotiated to increase slightly in the future years.

- The revenue projection for the Convention & Visitors Bureau welcome center eliminates the city's subsidy of $9,300 effective July 1, 2011.

- The projections include a temporary rent reduction for the Rhubarb House with full year restoration during FY14.

- Currently, there is one tenant at 60 West Washington Street. While there are some interests by future rentors, the projections only include those properties and tenants with current lease agreements and arrangements.

- Operating expenses, excluding depreciation, are estimated to increase by 2.5% per year in future years.

- Depreciation projections are increasing by $50,000 annually with the recent building additions of 60 West Washington Street and 36-40 North Potomac Street.

- Current plans for the Alms House include the construction of neighborhood parking. The $5,000 in out years is to provide future funds for continued maintenance.

- For purposes of the budget, the Elizabeth Hager Center CIP line includes DLLR, Teleworks, City Ballet, MOSH, CVB, County Tourism, Rhubarb House, Civil War Preservation Trust, Code Compliance, Center for Business & Training (CBT) and the Stair Tower. Teleworks will cease operations in April 2011. Revenue from CBT or another new tenant is now shown on a separate line.

- Our bond financed obligation for the Elizabeth Hager Center was paid in full during FY12.

- Capital Outlay reflects continued renovation of 60 West Washington Street to become a business incubator. This property at 60 West Washington was initially acquired in FY11. Additionally, capital outlay reflects a new building acquisition of 36-40 North Potomac Street in FY12.

PROPERTY MANAGEMENT FUND PROJECTIONS
FISCAL YEAR 2013/2017
INCOME STATEMENT
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
Operating Revenues										
Rent - 2-6 N Potomac Street, 1st Floor	$ 156	$ 156	$ 156	$ 156	$ 162	0.0%	$ 162	$ 162	$ 162	$ 162
Rent - 14 N Potomac Street, Suite 200A/B	61	46	38	-	33	0.0%	33	34	34	35
Rent - 14 N Potomac Street, Suite B-2	25	26	26	26	26	2.9%	27	27	28	28
Rent - 16 Public Square	12	14	14	14	14	0.0%	14	14	14	14
Rent - 12 Public Square	11	12	13	7	7	86.4%	14	14	14	14
Rent - 6 N Potomac Street	17	9	19	19	19	0.0%	19	19	19	19
Rent - 11 Public Square, Suite 200	1	1	1	0	-		-	-	-	-
Rent - 14 N Potomac Street, Suite B-3	26	26	26	27	27	0.0%	27	27	27	27
Rent - 10 Public Square (Common Area)	3	3	3	3	3	0.0%	3	3	3	3
Rent - 17 E Franklin Street	7	8	8	8	8	1.6%	8	8	9	9
Rent - 25 E Franklin Street	9	9	9	5	-		-	-	-	-
Rent - 11 Public Square, Suite 300	20	20	20	20	-		-	-	-	-
Rent - 14 N Potomac Street, Suite LI	4	(1)	-	-	-		-	-	-	-
Rent - 14 N Potomac Street, Suite 200B	-	-	-	6	6	0.0%	6	6	6	6
Rent - 60 W Wash Ste 102	-	-	-	6	7	5.4%	7	7	8	8
Rent - 790-800 Potomac Avenue	-	-	-	30	30	0.0%	30	30	30	30
Rent - 40 N Potomac Street	-	-	-	18	23	-63.7%	8	-	-	-
Miscellaneous Revenues	0	1	-	7	3	5.5%	4	4	4	4
Total Operating Revenues	**352**	**331**	**332**	**352**	**368**		**362**	**355**	**357**	**359**
Operating Expenses										
Rental Properties Operational Expense	300	328	268	353	317	2.5%	325	333	342	350
Depreciation	82	81	82	82	85	55.3%	132	132	132	132
Total Operating Expenses	**382**	**409**	**350**	**435**	**402**		**457**	**465**	**474**	**482**
Operating Income (Loss)	**(29)**	**(79)**	**(18)**	**(83)**	**(34)**		**(95)**	**(110)**	**(116)**	**(123)**
Non-Operating Revenues (Expenses)										
Capital Contributions - Grants	-	50	50	50	205		-	-	-	-
Loss on Disposal of Capital Assets	(150)	-	-	-	-		-	-	-	-
Interest Earned	4	1	3	1	1		2	2	2	2
Interest Expense (Current Bonds)	(3)	(2)	(1)	(1)	-		-	-	-	-
Total Non-Operating Revenues (Expenses)	**(149)**	**49**	**52**	**50**	**206**		**2**	**2**	**2**	**2**
Net Income (Loss) Before Operating Transfers	**(178)**	**(30)**	**34**	**(33)**	**172**		**(94)**	**(109)**	**(115)**	**(122)**
Transfers From (To) Other Funds										
Transfer from General Fund	-	600	-	-	-		-	-	-	-
Transfer from CDBG Fund	-	38	398	573	320		-	-	-	-
Transfer from CIP Fund	-	170	475	475	-		-	-	-	-
Total Transfers From (To) Other Funds	**-**	**808**	**873**	**1,048**	**320**		**-**	**-**	**-**	**-**
Increase (Decrease) in Retained Earnings	**$ (178)**	**$ 778**	**$ 907**	**$ 1,015**	**$ 492**		**$ (94)**	**$ (109)**	**$ (115)**	**$ (122)**
Adjust to a Cash Flow Basis										
Add Back Depreciation	82	81	82	82	85		132	132	132	132
Changes in Working Capital	139	(35)	-	-	-		-	-	-	-
Prin. Pay. on Current Long-Term Debt.	(40)	(37)	(37)	(37)	-		-	-	-	-
Total Adjustments to Retained Earnings	**181**	**10**	**45**	**45**	**85**		**132**	**132**	**132**	**132**
Cash Available for Capital Outlay	**3**	**788**	**952**	**1,060**	**577**		**38**	**23**	**17**	**10**
Capital Outlay										
Alms House Repairs - C0755	-	-	50	50	-		5	-	-	5
AFC Fire Station - C00731	-	600	200	-	-		-	-	-	-
Elizabeth Hager Center - C0803	-	-	30	15	30		20	20	20	20
Hagerstown Small Bus Ctr - C0828	-	265	438	438	150		-	-	-	-
36-40 N Potomac Street - C0836	29	-	235	410	375		-	-	-	-
Total Capital Outlay	**29**	**865**	**953**	**913**	**555**		**25**	**20**	**20**	**25**
Net Surplus (Deficit)	**$ (27)**	**$ (77)**	**$ (0)**	**$ 148**	**$ 22**		**$ 13**	**$ 3**	**$ (3)**	**$ (15)**
Beginning Cash Balance	$ 355	$ 329	$ 329	$ 251	$ 399		$ 421	$ 434	$ 437	$ 434
Ending Cash Balance	$ 329	$ 251	$ 329	$ 399	$ 421		$ 434	$ 437	$ 434	$ 419

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 a specific stop loss for each individual covered. 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 share of cost of insurance for its employees, retiree and dependents. Similarly, the active employees and retirees pay internal "insurance" rates for their share of dependent coverage and their individual coverage (20%). These billings represent funding sources for the Health Care Fund from which all health care related administrative and medical reimbursement costs are paid.

Health Insurance Plan Options

Active employees have the option of choosing between the City's Level Plan and a less costly 'Plus' Plan. The City pays the Level Plan cost at 80% for each individual active employee and between 43% and 48% for the dependents of an active employee. Retirees and their dependents under 65 are enrolled in the City's "80/20" Plan with a similar cost sharing arrangement. The City provides a $4,800 annual stipend to all retirees and their spouses over 65. These retirees and their spouses can choose to use this stipend to partially pay for their coverage in the City's Medicare supplementary health insurance plan or can use this stipend to help pay for a health insurance policy which they privately purchase.

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. If the City would decide to change back to a traditional insurance coverage plan, this would be the cost amount left to be paid out from previous year billings to the City departments, its active employees and retirees. To properly match revenues and costs, and to minimize the cost effect of changing back to a traditional insurance plan, the City attempts to provide for a "Run-Out" Reserve approximately equivalent to two months of its Medical Expense Reimbursement expenditures. To be effective, the liability for this reserve on the Health Care Fund's balance sheet must be fully offset by an equal cash balance.

Estimated Actual Projections

At the end of Fiscal Year 2011/12, the City projects cash balances over $4.0 million which provide future funding for any required Claims Reserve. Additionally, our fund balance reserve will remain at $3.5 million.

Proposed Fiscal Year 2012/13 Budget

We project no deficit in Fiscal Year 2012/2013. However in subsequent years, we anticipate that we will experience growing deficits due to the overall national trend in healthcare coverage and costs. At the end of Fiscal Year 2016/17, we still anticipate a fund balance reserve over $1.9 million and cash of approximately $2.5 million.

Four Year Forecast Beyond Proposed Fiscal Year 2012/13 Budget

Direct health care costs nationally continue to increase at rates exceeding 10% on an annual basis. The City of Hagerstown has not experienced this trend due to cost control measures and some staffing restructuring. Despite our recent history, the projections into the future include 7.5% increases as we are not immune to these national trends. The proposed budget includes an increase over current fiscal year levels and expects this increase to continue in the next several years.

New Accounting Rules for Other Post Employment Benefits (GASB 43)

Like pension benefits, City employees and their dependents receive health and dental benefits after retirement based upon years of employment with the City. In fiscal year (2008/09), the City had to conform to new accounting rules to remain in compliance with generally accepted accounting procedures. These accounting rules changed how the City accounts for the cost of its post employment benefits. Instead of recognizing these expenses when paid, we had to begin to recognize the expenses as they are earned. The City annually contracts with an actuarial firm, CBIZ Benefits & Insurance Services, Inc., to calculate the City's Annual Required Contribution (ARC). The additional annual required contribution (ARC) for the City to fund our OPEB liability is reflected as a separate line item in our financial projections. Per our actuary's report, we provided $625,000 in Fiscal Year 2010/11 estimated actual for this additional annual required contribution. Based on the current structure of our Health Insurance Fund's plan, we expect that the required ARC will increase at the same rate as our Medical Expense Reimbursements.

HEALTH CARE FUND PROJECTIONS
FISCAL YEAR 2013/2017
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
							7.50%	*7.50%*	*7.50%*	*7.50%*
Premium Revenues										
Premium Revenues - City	$5,391	$4,293	$4,084	$4,087	$4,569		$4,912	$5,280	$5,676	$6,102
Premium Revenues - Employees	988	1,119	1,011	1,011	1,085		1,167	1,254	1,348	1,449
Premium Revenues - Retirees	326	243	335	335	338		363	390	420	451
Total Premium Revenue	**6,705**	**5,655**	**5,431**	**5,434**	**5,992**		**6,441**	**6,924**	**7,444**	**8,002**
Interest From Investments	35	15	30	15	15	2.5%	15	16	16	17
Medicare Part D Reimbursements	19	2	-	-	-		-	-	-	-
Prescription Rebates	224	111	80	100	80	2.5%	81	84	86	88
Stop Loss Reimbursement	82	-	20	16	20		25	30	35	40
Miscellaneous Revenue	2	2	3	3	3	0.0%	3	3	3	3
Total Revenue	**7,067**	**5,786**	**5,563**	**5,567**	**6,109**		**6,566**	**7,056**	**7,583**	**8,149**
Administrative Expenses	360	344	429	460	461	3.0%	475	489	504	519
Premium Expenses	191	221	257	257	258	20.0%	309	371	445	535
Medical Expense Reimbursement	5,409	4,287	4,158	4,158	4,649	9.6%	5,095	5,585	6,121	6,708
Health Savings Account Contributions	2	17	14	17	17		19	22	24	27
Claims Reserve Expense	(205)	41	74	74	74	9.6%	81	89	97	107
Other Post Employment Benefits Contributions	710	625	650	650	650	9.6%	712	781	856	938
Total Expenses	**6,467**	**5,533**	**5,581**	**5,616**	**6,109**		**6,692**	**7,336**	**8,047**	**8,833**
Operating Income (Loss)	**600**	**253**	**(18)**	**(49)**	**0**		**(127)**	**(280)**	**(465)**	**(685)**
General Fund Pre-Payments of Premiums	-	-	-	-	-		-	-	-	-
Increase (Decrease) in Retained Earnings	**$ 600**	**$ 253**	**$ (18)**	**$ (49)**	**$ -**		**$ (127)**	**$ (280)**	**$ (465)**	**$ (685)**
Beginning Fund Balance	2,699	3,298	3,551	3,551	3,502		3,502	3,375	3,095	2,630
Ending Fund Balance	**3,298**	**3,551**	**3,532**	**3,502**	**3,502**		**3,375**	**3,095**	**2,630**	**1,945**
Ending Cash Balance	**$ 3,895**	**$4,147**	**$ 4,129**	**$ 4,080**	**$ 4,080**		**$ 3,953**	**$ 3,673**	**$3,208**	**$2,523**

DENTAL INSURANCE FUND
FISCAL YEAR 2013/2017
PROPOSED EXPENSES & REVENUES
(IN THOUSANDS)

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 REVISED BUDGET	2011/12 EST. ACTUAL	2012/13 PROPOSED BUDGET	PROJ. CHG%	2013/14 PROJ.	2014/15 PROJ.	2015/16 PROJ.	2016/17 PROJ.
							7.50%	*7.50%*	*7.50%*	*7.50%*
Premium Revenues										
Premium Revenues - City	$ 157	$ 149	$ 138	$ 189	$ 169		$ 182	$ 195	$ 210	$ 226
Premium Revenues - Employees	155	143	140	140	140		151	162	174	187
Premium Revenues - Retirees	54	56	72	56	74		80	86	92	99
Total Premium Revenue	**366**	**348**	**350**	**385**	**383**		**412**	**443**	**476**	**511**
Interest From Investments	2	3	1	-	-		1	1	1	1
Total Revenue	**368**	**351**	**351**	**385**	**383**		**413**	**444**	**477**	**512**
Administrative Expenses	6	-	34	35	35	3.0%	36	37	38	39
Medical Expense Reimbursement	368	366	343	351	348	8.0%	376	406	438	473
Claims Reserve Expense	11	(16)	-	-	-		-	-	-	-
Total Expenses	**385**	**350**	**377**	**386**	**383**		**412**	**443**	**477**	**513**
Increase (Decrease) in Retained Earnings	**$ (17)**	**$ 1**	**$ (26)**	**$ (1)**	**$ -**		**$ 1**	**$ 1**	**$ 0**	**$ (0)**
Beginning Fund Balance	93	76	77	77	76		76	77	77	78
Ending Fund Balance	**76**	**77**	**51**	**76**	**76**		**77**	**77**	**78**	**77**
Ending Cash Balance	**$ 107**	**$ 87**	**$ 61**	**$ 60**	**$ 60**		**$ 61**	**$ 61**	**$ 62**	**$ 61**

SCHEDULE OF FEES AND SERVICE CHARGES
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SCHEDULE OF FEES & SERVICE CHARGES
FISCAL YEAR 2012/2013

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CITY CLERK						
01030022 - 4271				**$ (7,405)**		
Auctioneer-to Conduct an Auction					Salisbury-Auction house $250+$2,000	Ordinance
In-County Annual Fee	2012	$25	None		bond: Home $10	
Out-of-County Annual Fee	2012	$100	None			
Peddler:						Ordinance
Class I(Stand or Truck) Annual Fee	2012	$175	None		$125 Fee+$1,000 bond	
Class II(Door-to-Door)						
Daily Fee	2012	$25	None			
Annual Fee	2012	$75	None			
Transient Dealer Annual Fee	1983	$1,000	$250-$1,000		$125 Fee+$1,000 bond (County is the same as the City)	Ordinance
Parade Per Event Fee	1992	$125	None			Ordinance
Circus/Carnival Weekly Fee	1992	$125	None	**(Waived)**		Ordinance
Special Sales(Auctions, Going-out-of Business, Etc.)	1992	$125	None		Special Sales $5 for 1	Ordinance
Theatre Annual Fee	1967	$100	None		$125 Fee+$1,000 bond	Ordinance
01030022 - 4221				**$ 1,000**		
Utility License Annual Fee	2007	$4,500	None		For all private & City owned utilities	Resolution
01030022 - 4221				**$ -**		
City Code Annual Fee	1990	$125	None			Admin Order
City Code Supplement	1998	$40	None			Admin Order
01030021 - 489903				**$ -**		
Souvenirs/Maps		Various	None			
SUPPORT SERVICES						
01070022 - 4494				**$ 8,209**		
Bad Check Fee Per Check (To compensate the City for Bank charges & employee time)	2007	$37.50	None		$35-$39 Area Banks	Admin Order
01072062 - 4490				**$ -**		
Pay-By-Phone Transaction Fee	2012	$5.00	None		Allegheny Power $7	Admin Order
01072062 - 489606				**$ -**		
Bill Re-Prints	2012	$1.00	None		Standard with many MD municipalities	Admin Order
New Fee						
Credit Card Convenience Fee			$2.00		Standard with other service companies	Admin Order
ACCOUNTING						
VARIOUS COPY EXPENSE ACCOUNTS						
Photocopy Charges:						Admin Order
City Departments - Per Copy	2000	$0.03	None		$0.10-$0.25/copy	
City Employees - Per Copy		$0.10				
General Office - Per Copy		$0.25				
General Office - Per Copy		$0.75			$0.75-$1/copy	
COMMUNITY DEVELOPMENT BLOCK GRANT FUND						
10000002 - 441596				**$ 4,050**		
Loan Application Fees:						
Multifamily Residence	1986	$50	None		No fees in Frederick or Cumberland	Admin Order
Mixed Use or Commercial		$50	None			
Economic Development		$100	None			
Hagerstown Revolving Loan Fund	2001					
Based on loan request amount:						
$5,000- 50,000		$100	None			
$50,001- 100,000		$150	None			
$100,001- 150,000		$200	None			
$150,001 - 200,000		$250	None			
PLANNING						
01090012 - 441131				**$ -**		
Subdivision: Simplified Plat	2006	$300	None		Washington County-$365	Admin Order
01090012 - 441122				**$ 3,440**	Washington County:	
Subdivision: Final Plat Per Lot Created	2006	$500+$40	None		$665+$250/lot (<50 lots) $665+$150/lot (>50 lots)	Admin Order
01090012 - 441121				**$ -**		
Subdivision: Dev Plan Per Lot Created	2006	$1000+$40/Lot	None		Washington County -$915+$100/Lot	Admin Order
01090012 - 441125				**$ 1,080**		
Minor Subdivision Fee Per Lot Created	2006	$500+$40	$300		Washington County-$365	Admin Order
01090012 - 441126				**$ -**		
Subdivision Variance/Waiver Request	2006	$100	$0		Washington County-$115	Admin Order

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PLANNING (continued)						
01090012 - 441161				$ -		
Concept Plan/Sketch Plan						Admin Order
C4 Big Box	2006	$2,500	$1,000			
01090012 - 441162				$ -		
Concept Plan: Other	2006					Admin Order
Non-Residential: 2 acres or less		$500	None			
Residential: 49 or fewer units/lots		$500	None			
01090012 - 441163				$ -		
Concept Plan: Other	2006					Admin Order
Non-Residential: Over 2 acres		$1,000	None			
Residential: 50 or more units/lots		$1,000	None			
01090012 - 441119				$ 3,525		
BZA Filing Fee: Special Exception	2006	$500	None		Washington County-$500	Admin Order
BZA Filing Fee Variance:	2006					
Residential		$325	$150		Washington County-$150	Admin Order
Non-Residential		$325	$300		Washington County-$300	Admin Order
BZA Filing Fee: Res Fence Variance	2006	$150	None		Washington County-$150	Admin Order
BZA Filing Fee: Non-conforming use change	2006	$500	None		Washington County-$500	Admin Order
BZA Filing Fee:Non-conforming use-expansion	2006	$750	$500		Washington County-$500	Admin Order
BZA Administrative Appeals	2005	$225	$225		Washington County-$150	Admin Order
01090012 - 441112				$ 1,000		
Rezoning- Preliminary Consultation	2006	$500	None		Washington County-$515+$20/acre	Admin Order
Rezoning Fee Per Adj Prop	2006	$2,000+$10	None		Washington County - $2015+$20/acre	Admin Order
Local Conversion District	2010	$500	None			Admin Order
PUD Master Plan Fee Per Adj Prop	2006	$2000+$10	None		Washington County - $1000+$30/lot	Admin Order
01090012 - 441102				$ 14,014		
Full Site Plan: Residential Per Unit	2006	$1000+$15	None		Washington Co - Res. $765+$10/unit	Admin Order
Full Site Plan: Non-Res Fee Per Acre	2006	$1000+$50	None		Washington Co -Non $765+$50/acre	Admin Order
01090012 - 441101				$ 4,000		
Staff Approved Site Plan	2006	$500	None		Washington Co - Res. $665	Admin Order
01090012 - 441103				$ 3,000		
Site Plan Variance/Waiver Request	2006	$100	$0		Washington County-$115	Admin Order
01090012 - 441111				$ 10,491		
Zoning Certificate Fee:	2002					Admin Order
Home occupations & D-MU		$25	None		Washington Co - $80	
All other commercial		$25	$100		Washington Co - $165	
Fence Permits	2005					
Residential: Single Family, Two-Family		$25	None		Washington Co - Res. $50	Admin Order
Commercial, Industrial, Multi-Family		$100	None		Washington Co -Non $165	
01090012 - 489603				$ -		
Comprehensive Plan	2008	$15	$5 (disc only)		Washington County - $50 ($5 on CD)	Admin Order
01090012 - 489604				$ -		
Land Management Code	2008	$15	$5 (disc only)		Washington County - $20 zoning Washington County - $12 subdivision	Admin Order
Design Review Guidelines	2008	$6.50	$5 (disc only)		Washington County - $100	Admin Order
Zoning Verification Letter: One SFR	2004	$25	None		Washington County - $100	Admin Order
Zoning Verification Letter: All Others	2006	$100	None		Washington County - $100	Admin Order
01090012 - 441141				$ -		
Zoning Text Amendment	2006	$2,000	None		Washington County - $2015	Admin Order
Subdivision Text Amendment	2006	$2,000	None		Washington County - $2015	Admin Order
01090012 - 4896				$ -		
Copies of Recorded Meetings	2006					Admin Order
Per Meeting Fee		$25	None			
Per Tape Fee		$10	None			
01090012 - 426902				$ 951		
Forest Conservation Fee:						
Delineation	2006	$250	None		Washington Co-$265	Admin Order
Final Plan & Easements Fee Per Acre	2006	$500+$10	None		Washington Co. $750+$10/acre	Admin Order
Forest Conservation Waiver/Variance Request	2006	$25	None		Washington Co-$40	
Forest Conservation Exemption Certification	2008	$25	None		Washington Co-$25	
01090012 - 441151				$ 120		
Services Available Review Fee:					N/A	Admin Order
Residential per unit	2002	$30/unit				
Residential proposed:						
Infill residential lot (1 or 2 units)			$150			
Minor residential dev (3-5 units)			$500			
Major residential dev (6 or more units)			$1,000 +$15/unit			
Non-residential per acre	2002	$150/acre	$1,000+$50/acre			

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
CODE ADMINISTRATION						
01140012 - 441502				$ 360		Admin order
Pre-Sale Inspections, First unit	2011	$100	None			
Each Add'l Unit		$40	None			
01140012 - 4210				$ 157,715	Washington County: Comm app $150+	Ordinance
Building Permits:	2011				$15 tech fee+ $0.15 per sq ft	
Application Fee		$20	None		Res app $65 + $15 tech + $.10 per sq ft.	
Tech Fee		$20	None		Frederick City: Comm $0.009 x cost ($128	
Commercial & New Residential:					min) Res SFD $0.20, Multi $0.15 per sq ft.($64 min)	
up to $10,000		$8.50 / thousand	None		Frederick County: Comm app $35 + $0.21 per sq ft	
$10,000 and greater		$5.00 / thousand	None		Res app $35 + $741 SFD < 4000 sq ft / $395 per	
Misc Residential:					multi unit	
up to $10,000		$8.50 / thousand	None			
$10,000 and greater		$3.50 / thousand	None			
01140012 - 421101				$ 65,485	Wash.Co.$65 Res/$125Comm+$15 tech fee	Ordinance
Plumbing Permits:	2011				Fred City: $30 single fix, $10 each additional	
Application Fee: Residential/Comm/Apmt		$50/$100/$100	None		Fred Co: $45 Res/$110 Comm min + $10 enhance	
Tech Fee		$20	None		fee, fixture fees vary	
Fixture fees (varies)		$4- $40	None			
Single fixture (app fee is waived)		Tech fee + fixture only	None			
01140012 - 4202				$ 11,080	Wash. Co.(2 yr) Master $50/res, $100 non-res	Ordinance
Plumbers license/registration (Biannual):	2007	($40 of fee is tech fee)	None		Journeyman $20/$40 Apprentice $15/$30	
Master		New: $150/ Renew: $125	None		Fred City (2 yr): Master $100, Journeyman $30,	
Journeyman		New: $95/ Renew: $70	None		Apprentice $10	
Apprentice		New: $85/ Renew: $60	None		Fred Co (2 yr). Master $150 Journeyman $55	
If license has lapsed more than 30 days		New rate is charged	None			
01140012 - 421102				$ 105,957	Wash Co: $65 Res/ $125 Comm+$15 tech+	Ordinance
Electrical Permits	2011				$15-$50 fixture fees	
Application Fee: Residential/Comm/Apmt		$50/$100/$100	None		Fred City: Min chg $61 Res or Comm.(Most over $122)	
Tech Fee		$20	None		Fred Co: $45 Res/ $147 Comm min + $10 enhance fee	
Fixture fees (vary)		$3-$50	None		fixture fees vary	
01140012 - 421103				$ 36,250	Wash Co: $65Res/$125Comm+$15 tech+	Ordinance
Mechanical Permits:	2011				$3-$60 fixture fees additional enhance fee fixture fees vary	
Application Fee: Residential/Comm/Apmt		$50/$100/$100	None			
Tech Fee		$20	None			
Fixture fees (vary)		$5 -$30	None			
01140012 - 4203				$ 2,295	Wash Co Mechanical (2yr): $50/res, $100 non-res	Ordinance
Contractor's Licenses (Biennial)	2011	($40 of fee is tech fee)	None		Fred City: Heat/Nat.gas/propane(2 yr): $100	
		$125			Fred Co: Appliance installer (2 yr): $125	
01140012 - 4204				$ 27,290	Wash Co (3 yr): Mstr or low volt $150, inactive $50	Ordinance
Electrician's Licenses (Biennial)	2007	($40 of fee is tech fee)	None		Fred City (2 yr): $240	
Master/ Restricted Master		New: $150/ Renew: $125	None		Fred Co (2 yr):$150 (all types)	
If license has lapsed more than 30 days		New rate is charged	None			
01140012 - 441593				$ 4,341		Admin Order
Administrative Fee for Excise Tax	2005	2% of 72% of excise tax	None			
01140012 - 450102				$ 16,422		Ordinance
Municipal Infractions: Fee Per Citation	2008	$200-$1,000	None			
01140012 - 4205				$ 414,940	Cumberland: $25 per unit (annual)	Ordinance
Rental Registration Fee	2008				Gaithersburg: $150 per unit (Biennial)	
Per Unit Fee		$50	None		Mont Co: $98 per unit (annual)/ $56 per multi-unit bldg	
Per Rooming House + Per Unit Fee		$100+$10	None		Howard Co: $93.50 per unit (Biennial). Incl roomers	
01140012 - 4504				$ 38,778		Admin Order
CAD Administrative Fees:	2003					
Snow Removal Fee		$50	None			
All Others: Fee + Tech Fee	2011	$100+$20	None			
01140012 - 441503				$ 400	Wash Co: 1st- $50, 2nd- $75, 3rd- $100	Admin Order
Reinspection fee	2011	$50	None			
01140012 - 441512				$ 1,500		Ordinance
Vacant Structures, Residential	2007	$100	None			
01140012 - 441513				$ 5,250		Ordinance
Vacant Structures, Commercial	2007	$250-$1,000	None			
01140012 - 441594				$ 220		Ordinance
Secure Vacant Structure:	2007					
Fee Per Building	2011	$100	None			
Admin fee		$100	None			
Tech fee		$20	None			
Material fees		Various	None			
01140012 - 441601						
New Fee: Refuse Pickup Admin Fee	2012		$50			Admin Order
01140012 - 441602						
New Fee: Trash Pickup Fee	2012		$5 per bag			Admin Order
01140012 - 449101				$ 14,550		Ordinance
Rental License Late Fee, Per Incident	2011	$50	None			

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
MARKET HOUSE						
01402042-481005				**$ 29,391**		
Market House Stall Rentals:	2007				Washington County Farmer's Market -	Admin Order
Annual Rates:					$15.24/ft Stall	
Reg Space: 6ft Quarterly Fee		$51	$54			
Reg Space: 6ft Monthly Fee		$17	$18		Washington County Farmer's Market	
Reg Space: 3ft Quarterly Fee		$36	$39		$10 per day Wed. & Sat.	
Reg Space: 3ft Monthly Fee		$12	$13		Receive 10% discount if choose to be a	
Prem Space: 6ft Quarterly		$63	$66		part of the entire season	
Prem Space: 6ft Monthly		$21	$22			
Prem Space: 3ft Quarterly		$48	$51			
Prem Space: 3ft Monthly		$16	$17			
Electric Monthly Fee		$8	$10			
Seasonal Rates:						
Reg Space: 6ft Quarterly Fee		$57	$60			
Reg Space: 6ft Monthly Fee		$19	$20			
Reg Space: 3ft Quarterly Fee		$42	$45			
Reg Space: 3ft Monthly Fee		$14	$15			
Prem Space: 6ft Quarterly		$69	$72			
Prem Space: 6ft Monthly		$23	$24			
Prem Space: 3ft Quarterly		$54	$57			
Prem Space: 3ft Monthly		$118	$119			
Electric Monthly Fee		$8	$10			
Weekly Rates:						
Reg Space: 6ft Fee		$51	$15			
Prem Space: 6ft Fee		$51	$15			
01402042-489905				**$ 91**		
City Farmer's Market Mugs		None				Admin Order
ENGINEERING						
01140012 - 4505				**$ 150**		
Appeals Fee-Board of Code Appeals	2002				Annapolis/Rockville/Mont Co $75/case	Admin Order
Fee Per Case		$50	None		Wash Co $250/case	
01090042 - 421202				**$ 58,109**		
Street Cutting Permits	2010				Washington County $35/cut	Ordinance
Per Cut Minimum Fee		$25 & $150	None			
Plus Tech Fee		$25				
01090042 - 4899				**$ 4,020**		
Sale of Construction Standards	Varies Per	$200	None		Frederick City $20	Admin Order
Sale of Construction Documents	Contract	$25-$250			Washington Co $25-50	Admin Order
01090042 - 4711				**$ -**		
Sale of Maps	2012	Increase Maps &	None		Frederick County $3/map	Admin Order
Sale of Prints/Copies		Other Items			Washington Co. $3 or .50-/SF	
01090042 - 421203				**$ 7,365**		
Curb/Sidewalk/Driveway Permits	1995		None		Cumberland $15,Fred.Co $35+bond	Resolution
Fee Per Driveway		$25				
Fee Per Curb/Sidewalk		$10				
Plus Tech Fee		$5				
01090042 - 421205				**$ 26,185**		
Site Grading Permit	2004		None		Fred Co $109Minor,$239Major or 1.5%	Admin Order
Flat Fee for Site Cost		$15			Wash Co $25minor,5 acre min-$20 ac	
Plus % of Total Work Cost		1%				
Plus Tech Fee		$25				
01090042 - 421201				**$ -**		
General Street Construction Permit Fee:	2003		None		Based on % so Rate adjusts	Ordinance
Flat Fee		$25			automatically	
Plus % of Total Work Cost		2%				
Plus Tech Fee		$25				
01090042 - 421204				**$ 4,091**		
Storm Water Management Permit	1995		None		Based on % so Rate adjusts automatically	Admin Order
Flat Fee		$25				
Plus % of Total Work Cost		2%				
Plus Tech Fee		$25				
01090042 - 441201				**$ 8,784**		
Engineering Review Fees	2006					Admin Order
Fee Per Lot - Subdivision		$150+$60	$150 + $200/acre		Washington County - Min Fee of $600: -	
Fee Per AC-Site Plan		$150+$200/acre	for <10 acres		$150 + $280/acre (<10 acres) -	
Sim. Plats		$100	$150+$140/acre		$150 + $140/acre (>10-<50 acres) $150 +	
01090042 - 421206				**$ 3,775**		
Right of Way Closure Permit	2005				None - Washington County	Admin Order
Application Fee		$10	None			
Tech Fee		$5	None			
Closure Fee		Fee Varies	None			

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKS & RECREATION						
Various Accounts Golf Course						
Greens Fees at Hamilton Run	2012			$ 76,655	Town of Waynesboro:	Admin Order
9 Hole/18 Hole		$9/$12	$11/$14		$9.25/$13.25	
Senior 9 Hole/Senior 18 Hole		$8/$10	$9/$12		$8.75/$12.25	
Twilight		$7.5	$8		N/A	
Weekend or Holiday 9 Hole/18 Hole		$13	$14/$17		$11/$15.75	
Season Pass (City Residents Only)	2012					Admin Order
Individual		$370	$425		325.00	
Senior Individual		$260	$300		275.00	
Coupon Book for (9) Greens Fee	2007					Admin Order
Regular Rate		$60	None			
Senior Rate		$50	None			
Tournaments & Specials	2011	Varies	None	$ 14,410		Admin Order
Cart Rentals, Per Person:	2012			$ 35,068		Admin Order
9 Hole/18 Hole		$10/$16	$6.50/$11		$6/$9.50	
Senior 9 Hole/Senior 18 Hole		$9.50/$15	$5.50/$9		$5.50/$8.50	
Pull Cart Fee		$2	None			
01450012 - 481011				$ 1,075		
Municipal Stadium-Facility Reservations:			$250/Youth;			Admin Order
Field-No Lights: Rate Per Game	2001	$150	$350/Non-Profit;		Frederick $500/day,$660/night game	
Field-With Lights: Add'l Rate Per Game		$100	and $600/Other			
Parking Lot Rental	2009	$50			Frederick $250	
01450012 - 481013				$ 18,095		
Pavilion Facility Reservations:	2006				Washington County:	Admin Order
4hr Rate/All Day Rate		$50/$70	$25/$50		$50 for resident/$70 for non-resident	
Bandshell Facility Reservations:	1999				Arts Pavilion $70/$90	Admin Order
4hr Rate/All Day Rate			$25/$50		Pen-Mar $125/$135	
City Sponsored event fee waived						
01450012 - 481012				$ 230		
Softball Field Facility Reservation:						
4hr Rate/All Day Rate	2003	$15/$250	$25/$50		Same as County Rates	Admin Order
01450112 - 481010				$ 130		
Fairground Park Multipurpose Fields	2003		$25/$50			Admin Order
Facility Reservations:						
Non-Tournament, Per 4 hours/All Day		$15	None			
Tournament, Per Team/Per Season		$5/$250	None			
Stable Rental - 8hr Rate/All Day Rate	2003	$10	$250/$500			Admin Order
Chair Rental Daily Rate	2003	$10	Discontinue			Admin Order
Table Rental Daily Rate	2003	$10	Discontinue			Admin Order
01450112 - 481011				$ 6,556		
Fairground Park Special Event Rentals						
Special Events	2002	Rate Varies	None			Admin Order
Tennis/Basketball/Hockey Courts and						
All Other Areas:						
4hr Rate/All Day Rate			$25/$50			Admin Order
01404022 - 448701				$ 2,448		
Hager House-Admission/Tour Charge	2006		None		Miller House: $3/adult,$2/senior	Admin Order
Adult/Senior/Child (Ages 6-12)		$3/$2/$1			Free to school age	
** Special Family Rates: $8 for 2 adults & children; Free tours for pre-approved school groups; special rates for other tour groups**						
01404022 - 481006				$ 2,055		
Autumn Arts Festival:			None			
Vendor Stall Rental Fee	2007	$50			Boonsboro: $50/each	Admin Order
County Res Vendor Stall Rental Fee		$25				
Food Vendor: Fee Per Vendor		$150				
01402022 - Various Accounts				$ 58,106		
Potterfield Pool:						
Daily Rates:	2011				County Pool:	Admin Order
2 and Under/Pre-school		Free/$1.50	None		Free/$1.50	
Youth: Ages 5-12		$3	None		$3 (ages 5-12)	
Adult: 13 and Older		$3.50	None		$3.50 (ages 13-61)	
Senior: 62 and Older		$3	None		$3 (age 62+)	
Season Pass - City Residents:	2011				County Pool:	
Age 2 & Under		Free	None			
Pre-school/Youth		$25/$55	None		$75/child,$100/Adult,$150/Family	
Adult/Senior		$75/$50	None		(max 5 +$20/pp add'l); $25 credit if	
Family/Over 5 member fee per person		$125/$25	None		paid by April 1	
Season Pass - Non-City Residents:	2011					
Age 2 & Under		Free	None			
Pre-school/Youth		$40/$80	None			
Adult/Senior		$100/$70	None			
Family/Over 5 member fee per person		$175/$35	None			

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKS & RECREATION						
Pool Rentals:	2011					Admin Order
1-50 People Hourly Rate		$80	None		6:30pm - 8:30pm (rates are for 2 hrs):	
51-75 People Hourly Rate		$90	None		0-25 $100; 26-50 $120; 51-75 $140;	
76-100 People Hourly Rate		$125	None		76-100 $160; $20 for each 25 increase	
Over 100 People		Special Quote	None			
Baby Pool Hourly Rate		$35	None			
Swim Lessons	2011	TBD by YMCA	TBD by YMCA		Progressive $40R/$45NR	
Fitness Swim (3 or 4 days a week, Lap or water workouts)	2011	TBD by YMCA	TBD by YMCA			
Lounge Chair Rental Daily Rate	2011	$2	None			Admin Order
RECYCLING AND TRASH COLLECTION						
01300012 - 4416				**$ 2,160,660**		
Recycling & Refuse Collection	2011				Private Contract Hauler $106/Qtr	Admin Order
Quarterly Fee - Residence		$39.00	None		plus $25/Mo for Yard Waste	
Quarterly Fee - Commercial		$50.00	None			
01300012 - 4417				**$ 4,338**		
Bulk Trash Pick-up and Disposal Fee:						Admin Order
Per Load Fee		$25	None			
Appliance with Freon Fee		$25	None			
POLICE DEPARTMENT						
01100012 - 4896				**$ 6,134**		
Copy Charges	2012				WCSO-$5/1st page,$1/each add'l page	Admin Order
Fee Per Page		$0.25	None			
01100012 - 441301				**$ 3,739**		
Fingerprinting-Civilian	2004	$13	None		WCSO-$10	Admin Order
Electronic Media Duplication	2004	$25 + Cos Media	None		WCSO-$10/1st hour, $5 each add'l hour.	Admin Order
01104012 - 441331				**$ 55,578**		
Special Assignments- Hrly Fee (Dance, School Event, etc)	2010	$49.91	None		115% of top officer's pay overtime rate per AFSCME 3373 Bargaining Agreement	Barg. Agrmt
01102052 - 441311				**$ 82,423**		
Drug Analysis-Washington County (Fee is 50% of Actual Cost for Supervisory Forensic Scientist and Forensic Technician)	1992	50% of actual Costs	None			MOU
Drug Analysis-Other Agencies	2003	$35	None			Admin Order
01100012 - 4503				**$ 16,699**		
Vehicle Storage Fee Per Day Storage, Towed Vehicles, Public Auctions	2007	$20	None		WCSO - $15 County - for tow companies on rotating call list - $25	Admin Order
01100012-455301 New Fee	2012				Annapolis / Frederick	Ordinance
Red Curb & Handicap Fines						
Fine - Parking on Red Curb			$25		$100 red, $25 yellow / $ 30 yellow	
Fine - Parking on Handicap Zone			$100		$100 / $100	
Fine - Parking in Fire Lane			$25		$100 / $100	
Fine - Parking in front of Fire Hydrant			$100		$100 / $100	
01104072 - 4509 New Fee (March 2012)						
Speed Camera Fine	2012		$40			Ordinance
FIRE DEPARTMENT						
01120012 - 441402				**$ -**		
False Call/Failure to notify FD working	2012	$250	None			Ordinance
01120012 - 421302				**$ 320**		
Blasting Permits	2012	$50	None			Ordinance
01120012 - 4210				**$ 27,805**		
GBSD Permit	2012	$250	None			Ordinance
Assembly Permit	2012	$50	None			Ordinance
Building Permits:						
% of Total Building Permit Fee	2004	25%	25%			
0112012 - 441401				**$ 10,988**		
Reinspection Fee	2012	$150	None		State Fire Marshal $150	Ordinance
Plan Review & Inspection for Fire Protection System Installation Per System	2012	$100 with add'l chgs per system fixture or device	None		State Fire Marshal $100/system with add'l charges per system fixture or device	Ordinance
01120012 - 4899				**$ 496**		
Technical Assistance Hourly Fee	2012	$45	$50		State Fire Marshall Office $45/hr	Ordinance
Municipal Infractions & Misc. Revenues	2006	Various	None			Ordinance
Fire Report Fee	2004	$5 for 4 pages	None			Admin Order
01120012 - 441403				**$ 125**		
Juvenile Intervention Program	2004	$150	None			Admin Order
01120012 - 441404				**$ -**		
Fire Call Service Charge Per Call	2001	$1,000	None			Ordinance

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
FIRE DEPARTMENT (continued)						
01120012 - 441405				$ -		
Responding to Motor Vehicle Collisions						Ordinance
Engine: Hourly Rate (Min Billing Amt)	2012	$150	None			
Utility: Hourly Rate (Min Billing Amt)	2012	$100	None			
Officer: Hourly Rate (Min Billing Amt)	2012		$50			
Truck: Hourly Rate (Min Billing Amt)	2012	$150	None			
PUBLIC WORKS						
01160012 - 483006				$ 52,500		
Signal-State Highway Administration	2005					
Fee Per Intersection		$1,500	None		$1,500 each	Admin Order
ELECTRIC DEPARTMENT						
50000002 - 442101				$ 15,375,122	and net energy metering tariff	
50000002 - 442102						
Residential - All KWH	2005		None			Maryland PSC
Base rate		$0.06263				
Purchased Power Adj. Rate (Est Ave rate)		$0.02383				
50000002 - 442201				$ 6,369,812		
50000002 - 442202						
General and Commercial	2005		None		AP Schedule "G" $.13857/1st 700 KWH	Maryland PSC
1st 700 KWH		$0.08314				
>700 KWH		$0.05257				
Demand over 7.5 KW		$4.06817				
Purchased Power Adj. Rate (Est. aver. rate)		$0.02383			>700KWH $.06502, >7.5 KW $11.36/KW	
50000002 - 442301				$ 3,193,437		
Industrial-Low Load	2005		None			Maryland PSC
1st 100,000 KWH		$0.05040			Schedule"PH"$0.03547/1st 100,000KWH	
Over 100,000 KWH		$0.04220			$.03171 > 100,000 KWH	
Demand all KW		$3.4090			Demand:<500KW$17.23, >500 $16.86	
Purchased Power Adj. Rate (Est. ave. rate)		$0.02383				
50000002 - 442302				$ 6,679,023		
Industrial-High Load	2005		None		AP Schedule "PH"	Maryland PSC
1st 100,000 KWH		$0.04052			No comparison due to AP Large Industrial	
Over 100,000 KWH		$0.03606			customers experiencing hourly load pricing	
Demand all KW		$6.26929				
Purchased Power Adj. Rate (Est. ave. rate)		$0.02383				
50000002 - 4424				$ 27,536		
Outdoor Lighting	1996		None		No comparison, due to Structuring	Maryland PSC
175 Watt Monthly Fee		$5.25			difference	
250 Watt Monthly Fee		$6.96				
400 Watt Monthly Fee		$10.03				
Purchased Power Adj. Rate (Est. ave. rate)		$0.02383				
50000002 - 442501				$ 772,805		
Street & Highway Lighting Per KWH	2005	$0.06842	None		No comparison	Maryland PSC
50000002 - 442502				$ 29,476		
Traffic Lights Per KWH			None		No comparison	Maryland PSC
1st 700 KWH	1996	$0.06749				
>700		$0.03865				
Purchased Power Adj. Rate (Est. ave. rate)		$0.02383				
50000002 - 442303				$ 171,608		
High Voltage-Cascades	1995		None		AP Schedule"PP", No comparison	Maryland PSC
Per KW		$10.5380				
Per KWH		$0.01092				
50000002 - 481813				$ 16,203		
Pole Rental - Fee Per Pole	2001	$20.00	None			Maryland PSC
Pole Rental (Prior 2001 grandfathered)	1966	$4.50	None		$4.50 AND $20.00 per pole	
50000002 - 481814				$ 5,200		
28 W. Church Street Monthly Fee	2006	$400	$0		N/A	Resolution
50000002 - 481815				$ 36,000		
Central Maintenance Garage Monthly Fee	2012	$3,083	None		N/A	Admin Order
50000002 - 489908				$ 35,286		
Reimbursed Line Dept. Overtime	1984	Actual Cost	None			Maryland PSC
Call out charge-Reconnect		$85			AP $80	
Call out Charge-Pole Reconnect		Est. Actual Cost				
50000002 - 4238				$ 68,230		
Connection Fees	1992	$10	None		AP $0	Maryland PSC
Reconnection Fees		$15	None		AP $16	

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WATER DEPARTMENT						
52000002 - 4249				**$ 7,909**		
Contracted service-payment for services rendered not w/in the existing level	1991				Frederick - Labor 38.5%,Material 10%	Admin Order
Labor Fee		$2.64 Multiplier	None			
Plus (Schedule)		Material, 25% Equip	None			
52000002 - 4245				**$ (22,129)**		
Water Plan Review/Inspection Fee	2006	$50	None			Ordinance
Per Application Fee		$50	None			
Plus Fee Per Ft Main Review		0.50	None			
Inspection Fee Per Ft		$3	None			
PS Fee Per Gallon (Minimum of PS Capacity)		$14	None			
52000002 - 4235				**$ 52,191**		
Non-Utility Misc-payment for providing consumption data to WCWSD Annual	Annual Per Agree					Admin Order
Fee Per Account		$10.32	$10.60			
52000002 - 481002				**$ 24,960**		
Rent-City Employee						
Willson (Tenants Pay Fuel)	2008	$580	None		Wheaton Park $207	Admin Order
Smithsburg (Tenants Pay Fuel)	2008	$495	None		Funkhouser Park $427	
Edgemont (Tenants Pay Fuel)	2008	$505	None		Hager Park $290	
Ritchie Rd (Tenants Pay Fuel)	2008	$500	None			
52000002 - 4899				**$ 1,030**		
Misc. Other Revenues	2006				N/A	Admin Order
Hunting Permits		$10	None			
Maps (Free with Permit)		$1	None			
Transfer Fee	2007	$30	None			M&C
Meter Testing Fee		$30	None		New fee for customer initiated meter tests	
52000002 - 4236				**$ -**		
Front footage charges-service connection fee(where applicable) Per ft minimum	1992	$21	None		None available locally	Ordinance
52000004 - 4722				**$ 1,060,789**		
Benefit charges-charged to new customers for impact of additional demand to major system components	2006				Frederick Co.: Single Family $4,617	Ordinance
Fee Per Gallon of Average Daily Usage		$12.50	None			
Fee Min 200 Gallon		$2,500	None			
52000002 - 443201			Eff July 1, 2012	**$ 1,895,712**	5 Year Agreement previous approved by	
52000002 - 443101			Rate Increase - 5%		Mayor and Council for FY10-FY14	
Metered Sales - City:			City & 6.5% County		FY11: Frederick City-Qrtly + usage fee	Ordinance
Residential:	2012				<1" - $28.88 $2.74/K-1st 6,000	
Consumption: Per K, 1st 18,000		$1.33	$1.40		1"to3"-$40.43/$317.62; $3.97 / K next	
Consumption: Per K, Over 18,000		$2.52	$2.65		10,000 >3"-$404.24/$837.35 $4.76 / K over 32K	
Fixed: 5/8" - 10"		$5.89 - $812.82	$6.19-$854.22			
Non-Residential:	2012					
Consumption: Per K, 1st 100,000		$1.33	$1.40			
Consumption: Per K, Over 100,000		$1.17	$1.23			
Fixed: 5/8" - 10"		$5.89 - $812.82	$6.19-$854.22			
52000002 - 443202			Eff July 1, 2012	**$ 7,030,993**	5 Year Agreement previous approved by	
52000002 - 443203			Rate Increase - 5%	**Total Fees**	Mayor and Council for FY11-FY14	
52000002 - 443102			City & 6.5% County			
Metered Service - County:					Frederick City - Qrtly + usage fee -Outside	Ordinance
Residential:	2012				Double inside City rate	
Consumption: Per K, 1st 18,000		$3.12	$3.32			
Consumption: Per K, Over 18,000		$5.93	$6.32			
Fixed: 5/8" - 10"		$16.68 - $2,301.84	$17.76-$2,450.88			
Non-Residential:	2012					Ordinance
Consumption: Per K, 1st 100,000		$3.12	$3.32			
Consumption: Per K, Over 100,000		$2.81	$2.99			
Fixed: 5/8" - 10"		$16.68 - $2,301.84	$17.76-$2,450.88			
52000002 - 4237				**$ 141,973**		
Fire Protection:	2009				Chambersburg - City & County	Ordinance
City - 4" - 12"		$166 - $1,492	None		4" $81.60, 6" $204,36, 8" $326.76	
County - 4" - 12"		$222 - $1,990	None		10" $489.84, 12" $680.40	
52000002 - 4232				**$ 189,470**		
New Services:	2003				Wash Co. Residential - $1950+$325	Resolution
3/4"		$715	None		meter fee	
1"		$925	None			
1" Double		$1,160	None			
Application Fee		$50	None			
52000002 - 4238				**$ 44,975**		
Reconnection Fee:					Frederick City: $25 on/$25 off	Ordinance
8:00am-3:00pm	2006	$35	None			
After 3:00pm	2001	$85	None			

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
WASTEWATER DEPARTMENT						
54000002 - 4243				**$ 7,350**		
Connection Charge:	2003				Wash Co.$1,950 +$325 meter fee	Ordinance
City		$1,200	None		Frederick 6" $2,530/8" $2,970	
County		$1,800	None			
54000002 - 4245				**$ 7,016**		
Sewer Plan Review/Inspection Fee:	2006					Ordinance
Application Fee + Review Fee Per Ft.		$50 + $0.50	None			
Inspection Fee Per Ft.		$3	None			
PS Fee Per Gal. (Minimum of PS Capacity)		$14	None			
54000004 - 4722				**$ 870,868**		
55000004 - 4722					Washington Co. Residential $6,300 includes	
Benefit Charges-Fee Per Gallon:	2006				connection charge	Ordinance
In City w/$4,400 Minimum		$22	None		Frederick Co - single family - $6,444	
In County w/$5,000 Minimum		$25	None			
54000002 - 444201			Eff July 1, 2012	**$ 4,242,353**	5 Year Agreement previous approved by	
54000002 - 444101			Rate Increase - 5%	**$ 902,797**	Mayor and Council for FY10-FY14	
Sewer Service Charges-City	2012		City & 3.0% County		Frederick City:In-City: 3/4 28.88; Fixed+	Ordinance
Consumption: Per 1,000 Gallons		$3.96	$4.15		2.74/K up to 6000 gal 3.97/K next 10000 gal	
Fixed Charges: 5/8" - 10"		$16.25 - $2,242.50	$17.06-$2354.28		(Outside City: Double City Rates)	
54000002 - 444202			Eff July 1, 2012	**$ 2,175,721**	5 Year Agreement previous approved by	
54000002 - 444102			Rate Increase - 5%	**$ 420,871**	Mayor and Council for FY10-FY14	
Sewer Service Charges- County	2012		City & 3.0% County		Carlisle: 5/8" Meter $10.92/mo; 1" $16.38	Ordinance
Consumption: Per 1,000 Gallons		$6.88	$7.09		or $5.46/100CU FT all customers	
Fixed Charges: 5/8" - 10"		$28.02 - $3,866.76	$28.86-$3982.68			
54000002 - 444203				**$ 1,455,058**	5 Year Agreement previous approved by	
54000002 - 444103				**$ 384,704**	Mayor and Council for FY10-FY14	
Sewer Service Charges-Joint County	2012				Wash.: $94/6,000G min,$5.35/1,000g over	Ordinance
Consumption: Per 1,000 Gallons		$5.99	$6.17			
Fixed Charges: 5/8" - 10"		$24.38 - $3,364.44	$25.11-3465.18			
54000002 - 4443				**$ 105,889**		
Low Pressure Systems	2010					Ordinance
Per Dwelling Quarterly Fee		$97.80	None			
If 2 Dwelling Pump Quarterly Fee		$53.73	None			
54000002 - 4246				**$ 1,360**		
Monitoring Report/Lab Testing Fees:	2012					
Meter Set-Up Charge Per Test		$85	None		Frederick - part of permit fee	Admin Order
Biochemical Oxygen Demand		$30	None		Wash. Co: $25,$35,$12	
Chemical Oxygen Demand		$30	None			
Fats, Oils & Grease		$40	None			
Suspended Solids		$15	None		Carlisle: Calculated assessment	
PH		$8	None			
Metals		$15	None			
54000002 - 4244				**$ 120,919**		
Industrial Surcharge Per 1,000 lbs:	2008					
Chemical Oxygen Demand Fee		$0.33	None		Frederick: Increment calculated every 6mo	Ordinance
Suspended Solids Fee		$0.82	None		Wash Co: 1.9% Residential	
Grease & Oil Fee		$0.47	None			
Biochemical Oxygen Demand		$0.82	None		Carlisle: Calculated assessment	
PARKING FACILITIES						
56740112 - 4451				**$ 123,806**		
Parking Deck Permits - Monthly Fee:					Annapolis: $125/$165 month	
Regular Customers	2009	$60	None		Cumberland: $55/$90 month	Resolution
Personally Assigned Space		$120	None		Winchester: $19/$50 month	Resolution
Late Fee Parking Deck Permit		$15	None		Frederick: $80 month	Admin Order
56740112 - 4452				**$ 28,980**		
Parking Deck Fees					Annapolis: $1hr,$16 max/$1.50hr, $16max	Resolution
Minimum Fee	2010	$1	None		Cumberland:$1hr,$8max	
Half Hour Fee	2010	$0.50	None			
Maximum Daily Rate	2012	$8	None			
Monthly	2012	$60	None			
Exiting Fee Between 4pm-6pm	2010					
weeknights & weekends		$1	None			
56740112 - 4453				**$ 9,102**		
Special Event Parking (i.e. Blues Fest)		$5	None		Frederick: $1/hour,$10 max	
56740112 - 4454				**$ 6,101**	Winchester: $.50/hour, $4max	
Parking and Shop Hourly Fee	2010	$0.80	None			Resolution
56740112 - 4455				**$ 7,825**		
Parking Meter Fees	1992				Annapolis: $1/hour	Resolution
Twelve (12) Minutes		$0.05	None			
Twenty Four (24) Minutes		$0.10	None			
Sixty (60) Minutes	2012	$0.50	None		Cumberland: $.50/hour	

NAME OF FEE/PURPOSE	EFF DATE	FY12 RATE	FY13 PROPOSED	FY11 ACTUAL	COMPARABLE RATES	ACTION REQUIRED
PARKING FACILITIES (continued)						
Thirty Minute Parking Meters	2003					Resolution
Six (6) Minutes		$0.10	None			
Twelve (12) Minutes		$0.20	None			
Thirty (30) Minutes		$0.50	None			
Monthly Permit Fees Parking Lots:	2012					
Central Lot West		$46	None		Harrisburg: $100/$150 month	Resolution
Church Street Lot		$46	None		$155/reserved	
Market Lot		$46	None		Cumberland: $35 month	
Rochester Lot		$46	None		Winchester: $25 month	
Central Lot East d		$46	None			
56740132 - 445899				**$ 30,398**		
Department Charges Monthly Fee	2012	$46	None			Admin Order
Parking/Expired Meter	2003	$10/$25/$35	None		Annapolis: $15/expired,$20/handicap	Ordinance
Fire Hydrant		$100/$110/$120	None		Cumberland: $25/expired,$25/handicap	
Non-Meter/All Other		$15/$25/$35	None		Frederick: $10/expired,$100/handicap	
Handicap Zone		$100/$110/$120	None		Rockville: $10/expired,$100/handicap	
Parking Boot Fee		$100	None			Resolution

CAPITAL IMPROVEMENT PROGRAM
SECTION 9

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All Departments – Consolidated

PROGRAM OVERVIEW

The City 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 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 comprehensively reviewing all capital needs; obtaining citizens' opinions about needs and proposed expenditures; and setting criteria policy-makers can use to choose among competing projects.

The proposed Capital Improvements Program (CIP) for FY 2011/12 and FY 2012/13 is summarized below:

	FY12		FY13
Fund	**Revised Budget**	**Estimated Actual**	**Proposed Budget**
General / CIP Fund	$ 4,326,497	$ 4,109,440	$ 18,412,900
Electric Fund	449,000	76,903	476,000
Water Fund	4,131,606	3,710,000	7,362,000
Wastewater Fund	1,123,000	3,143,471	2,220,000
Parking Fund	35,000	33,735	125,000
Golf Fund	50,000	50,000	25,000
Property Management Fund	952,561	912,658	555,000
TOTALS	**$ 11,067,664**	**$ 12,036,207**	**$ 29,175,900**

MAJOR 2012/13 PROGRAM OBJECTIVES

- Further the City's goals and objectives as outlined in the City's Comprehensive and Strategic Plans.
- Maximize opportunities for community development and infrastructure replacement while staying within debt affordability guidelines, available resources and complying with the City's debt policies.
- 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 September 2010, the Mayor and City Council approved a formal Strategic Plan for the City's future. Through a mix of financial management policies, land use, and forecasting, the City will ensure stability by maximizing its current use of resources. To assist policy makers, the CIP's five year forecast included in this section reflects the financial impact of their decisions. The Strategic Plan outlines the City's desire to be the location of choice for a diverse and dynamic citizenry, and to provide a proud and prosperous community.

A Prosperous Community
In order to provide a prosperous community, the City strives to create incentives and programs that attract higher paying jobs, increase private sector investment and market Hagerstown as the premier community for residential and economic development; as a result $605,000 has been included in the budget for on-going renovation of 36-40

N Potomac Street to improve the building façade and create Artist lofts and gallery space, continuing renovation of the Hagerstown Small Business Center (the old CVS building) in City Center as a small business incubator, and renovations to the Elizabeth Hager Center also in City Center.

A Vibrant, Active, and Livable Community
To ensure a vibrant, active, and livable community, the City helps policy makers focus on specific areas, buildings and projects that create a rich, social and culturally vibrant community. The budget plan includes $13M for pocket parks, construction of a new multi-use facility in City Center to support Class A Minor League baseball and other community events, a new statue, and other miscellaneous community initiatives.

A Safe and Healthy Community
To create and maintain a community that is safe, inviting, and environmentally healthy, with an emphasis on resource conservation, the budget proposal provides $11.7 million for bridge repairs, City Hall "green" renovations, pavement preservation and maintenance, signal controller upgrades, culvert repairs, water main replacements, improvements to water treatment plants to improve safe drinking water standards, and collection system rehabilitations.

An Innovative and Sustainable Government
In order to have an innovative and sustainable government, the City invigorates the organization and identifies techniques that allow services to be delivered in the most efficient and cost effective manner. In order to achieve this efficiency, there is $1.0 million planned for MUNIS financial system upgrades, Geographic Information System (GIS) upgrades, Cable PEG and Internet upgrades, and Supervisory Control and Data Acquisition (SCADA) Systems.

OVERVIEW OF THE PROJECTS IN THE CIP

The CIP section presents comprehensive descriptions of major project needs for FY2013 through FY2017. Pages 4 through 36 provide summary schedules by fund outlining funding sources and project expenditures and are organized by Fund and department. Pages 41 through 174 contain detailed descriptions pertaining to individual CIP projects and are organized by Fund and project number. These pages describe each project in more detail, including a justification section.

The City's Capital Improvement Program for FY 2012/13 at $29.0 million has increased from $11.1 million in FY 2011/12. Total CIP is much higher than it has been in the previous year and has several contributing factors:

- Over the past few years, vehicle purchases have been deferred in an effort to minimize costs and aid in the overall financial condition of the City due to the economically difficult times. As a result, the City is now in a position where vehicles are well past their useful lives and are beginning to impact negatively on operating maintenance costs. For FY 2012/13, the General Fund has included $975,000 for vehicle replacements. In the FY 2012/13 budget, it is important to note that only vehicle replacements are included; and, the budget does not include the addition of vehicles into the existing fleet. Additionally, a Fire Engine replacement totaling $450,000 is included in the General Fund for FY 2012/13. In comparison, the FY 2011/12 approved budget is $100,000 to cover all General Fund vehicle purchases. For FY 2012/13, all Enterprise Funds include a total of $932,000 for vehicle replacements and FY 2011/12 included $318,000.

- The City of Hagerstown, Washington County, State of Maryland, and the Washington County Industrial Foundation (CHIEF), a public-private partnership (P3), are working to complete a feasibility study. The study is underway and will provide a market analysis, economic impact analysis, and a final report with recommendations on how to proceed with any potential Class A Minor League baseball stadium renovations or new construction. In the FY2012/13 CIP budget, $13,250,000 in planning, design and construction costs are included. All costs are anticipated to be shared among the City, County, State, and other private contributor funds.

- Several other large projects within the FY 2012/13 budget are: restoration of funding to the Pavement preservation program for upkeep and maintenance of City streets, an on-going Bridge repair program to rehab three (3) existing bridges located on Burhans Boulevard, construction and improvements to the existing Frederick Street culvert and connecting sidewalk, continuation of the Wastewater's Collection system rehab efforts for necessary repairs, continuation of efficiency enhancements included as part of the Water department's residential and large meter replacement program, and begin phase IV for the design and bidding of the RC Willson Water Plant improvements.

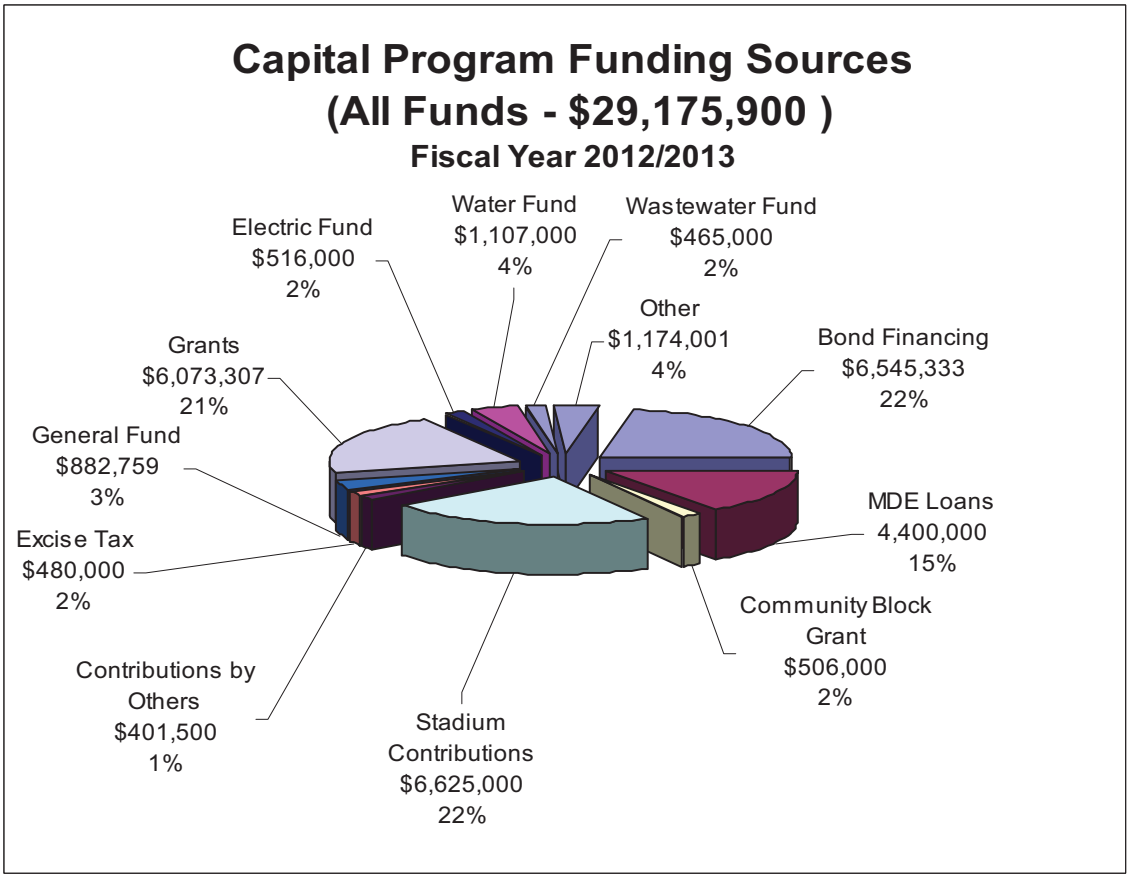
DEFINITIONS

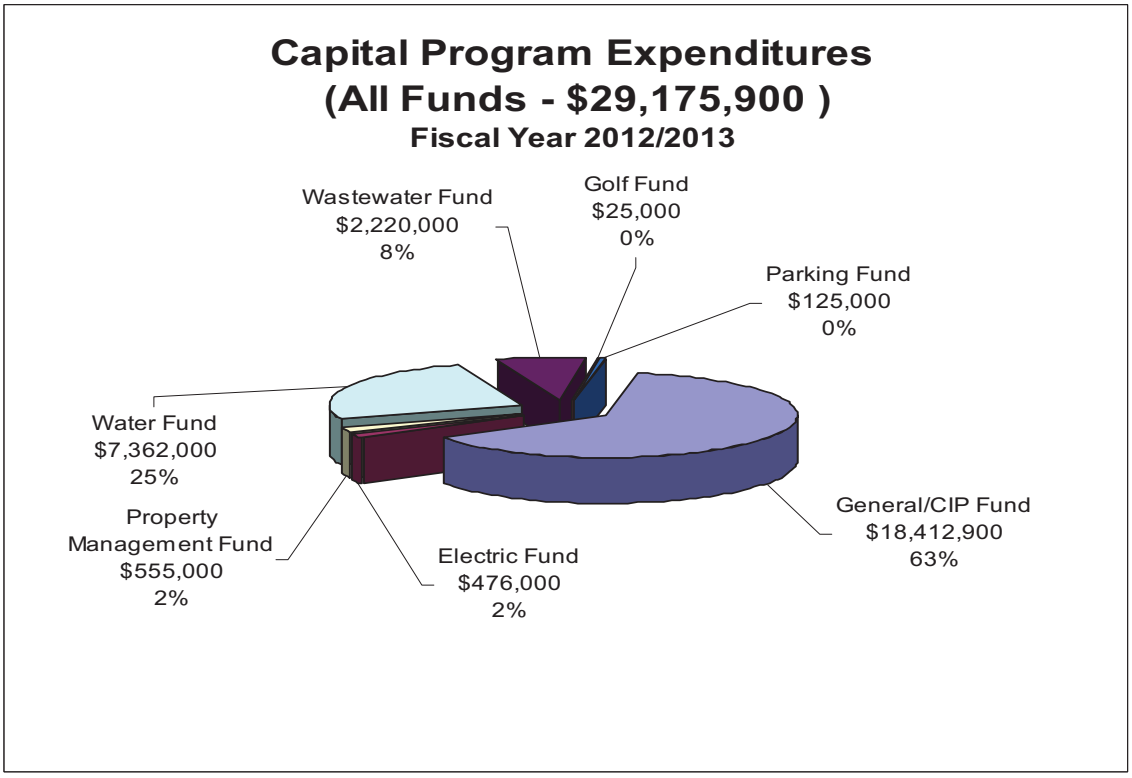
For the purposes of this program, the definitions for "operating" and "capital" budget costs are as follows:

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 three 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 10.


Capital Program Funding Sources
(All Funds - $29,175,900)
Fiscal Year 2012/2013
Electric Fund $516,000 2%
Water Fund $1,107,000 4%
Wastewater Fund $465,000 2%
Other $1,174,001 4%
Bond Financing $6,545,333 22%
Grants $6,073,307 21%
General Fund $882,759 3%
MDE Loans 4,400,000 15%
Excise Tax $480,000 2%
Community Block Grant $506,000 2%
Contributions by Others $401,500 1%
Stadium Contributions $6,625,000 22%


Capital Program Expenditures
(All Funds - $29,175,900)
Fiscal Year 2012/2013
Wastewater Fund $2,220,000 8%
Golf Fund $25,000 0%
Parking Fund $125,000 0%
Water Fund $7,362,000 25%
General/CIP Fund $18,412,900 63%
Property Management Fund $555,000 2%
Electric Fund $476,000 2%

Capital Improvement Program
ALL FUNDS

SUMMARY BY FUND (EXPENDITURES)

Fiscal Years FY '13 thru FY '17

	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Community Development	68,000	54,000	-	61,000	43,000	226,000
Engineering	15,898,000	14,559,000	6,131,000	2,979,000	5,162,000	44,729,000
Fire	496,000	900,000	950,000	135,000	750,000	3,231,000
Information Technology	533,900	163,000	145,000	145,000	280,000	1,266,900
Parks	576,500	500,000	1,180,000	5,548,451	4,665,000	12,969,951
Planning	46,500	-	-	-	-	46,500
Police	381,000	271,000	256,000	536,000	426,000	1,870,000
Public Works	413,000	278,000	642,000	731,000	550,000	2,614,000
General/CIP Fund Total	**18,412,900**	**16,725,000**	**9,304,000**	**10,135,451**	**11,876,000**	**66,953,351**
Electric Fund	476,000	647,000	976,000	1,241,000	931,000	4,271,000
Water Fund	7,362,000	13,645,000	7,233,193	7,883,951	3,434,948	39,559,092
Wastewater Fund	2,220,000	1,629,000	3,497,000	962,000	865,000	9,173,000
Parking Fund	125,000	530,000	8,950,000	50,000	55,000	9,710,000
Golf Fund	25,000	87,000	50,000	20,000	-	182,000
Property Management Fund	555,000	25,000	20,000	20,000	25,000	645,000
GRAND TOTAL - ALL FUNDS	**29,175,900**	**33,288,000**	**30,030,193**	**20,312,402**	**17,186,948**	**130,493,443**

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '13 thru **FY '17**

FUNDING SOURCE SUMMARY

Source	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund)	2,855,333	3,629,333	1,651,000	2,111,000	2,120,000	*12,366,666*
CIP Fund Balance	608,400	10,000		13,451		*631,851*
Contribution by Others	401,500	700,000	5,350,000	4,500,000	6,400,000	*17,351,500*
Excise Tax Fund	480,000		280,000		150,000	*910,000*
Grants-County					60,000	*60,000*
Grants-Federal	1,067,000			110,000	540,000	*1,717,000*
Grants-State	4,601,307	4,411,667	270,000	907,000	100,000	*10,289,974*
Grants-State Aid in Lieu of Urban Funds	100,000					*100,000*
Grants-State Program Open Space		184,500	243,000	375,000	90,000	*892,500*
PEG Fee	56,000	18,000				*74,000*
Prior Bond Proceeds	90,000					*90,000*
Reforestation Funds	26,000	25,000	25,000	25,000	25,000	*126,000*
Stadium County Contribution	2,208,333	2,083,333				*4,291,666*
Stadium Private Contribution	4,416,667	4,166,667				*8,583,334*
State Highway User Revenue	313,601	83,517	85,605	87,745	89,500	*659,968*
Transfers to CIP-CDBG Fund	186,000	200,000	90,000	158,000	40,000	*674,000*
Transfers to CIP-Electric Fund	40,000	40,000	40,000	40,000	20,000	*180,000*
Transfers to CIP-General Fund	882,759	1,092,983	1,189,395	1,728,255	2,201,500	*7,094,892*
Transfers to CIP-Wastewater Fund	40,000	40,000	40,000	40,000	20,000	*180,000*
Transfers to CIP-Water Fund	40,000	40,000	40,000	40,000	20,000	*180,000*
GRAND TOTAL	**18,412,900**	**16,725,000**	**9,304,000**	**10,135,451**	**11,876,000**	***66,453,351***

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund)								
Fire Department Vehicle Replacement	*45-C0010*	5	296,000	700,000	750,000			*1,746,000*
Pavement Preservation Program	*45-C0025*	5		275,000	175,000			*450,000*
Stadium/Multi-use Facility Construction	*45-C0041*	5	2,208,333	2,083,333				*4,291,666*
City Park Lake Improvements	*45-C0047*	5					500,000	*500,000*
Public Works Vehicles	*45-C0065*	5	171,000	176,000	106,000	66,000		*519,000*
Market House Improvements	*45-C0099*	5	110,000					*110,000*
Police Radios	*45-C0128*	1				170,000	170,000	*340,000*
Major Signal Intersection Upgrades	*45-C0243*	5		125,000				*125,000*
City Hall Improvements	*45-C0326*	5				50,000	250,000	*300,000*
City Park Bandshell Seating	*45-C0332*	5	50,000					*50,000*
Park Circle Improvements	*45-C0373*	1		126,000				*126,000*
Stormdrain System Upgrades	*45-C0444*	5	20,000	75,000				*95,000*
Geographic Information System	*45-C0451*	5					200,000	*200,000*
City Park Parking Improvements	*45-C0522*	5				25,000		*25,000*
Parks Vehicles and Equipment	*45-C0570*	5		69,000	100,000			*169,000*
Public Works Storage Yard Expansion	*45-C0718*	5			375,000	525,000		*900,000*
West End Fire and EMS (Relocation)	*45-C0730*	5				100,000	150,000	*250,000*
Northwest Connector	*45-C0735*	5				1,000,000	850,000	*1,850,000*
Pangborn Lake Reconstruction	*45-C0812*	3				175,000		*175,000*
W Washington Streetscape Improvements	*45-C0827*	5			145,000			*145,000*
Bond Financing (General Fund) Total			**2,855,333**	**3,629,333**	**1,651,000**	**2,111,000**	**2,120,000**	***12,366,666***
CIP Fund Balance								
Pavement Preservation Program	*45-C0025*	5	200,000					*200,000*
Police Radios	*45-C0128*	1	53,000					*53,000*
Steam Engine Museum	*45-C0439*	5		10,000		13,451		*23,451*
Geographic Information System	*45-C0451*	5	163,000					*163,000*
Cable PEG/I-Net	*45-C0568*	2	169,900					*169,900*
Mills Park Hiker/Biker Trail	*45-C0737*	5	7,500					*7,500*
George Washington Statue	*45-C0837*	5	15,000					*15,000*
CIP Fund Balance Total			**608,400**	**10,000**		**13,451**		***631,851***
Contribution by Others								
Fire Department Vehicle Replacement	*45-C0010*	5	200,000	200,000	200,000			*600,000*
Police Firing Range	*45-C0226*	5	30,000					*30,000*
Fairground Grandstand Improvements	*45-C0624*	2			500,000	4,000,000	4,000,000	*8,500,000*
R. Paul Smith Boulevard	*45-C0733*	5		500,000	4,500,000			*5,000,000*
Northwest Connector	*45-C0735*	5				500,000	2,400,000	*2,900,000*
Kiwanis Park	*45-C0773*	2	150,000					*150,000*
Antietam Creek Greenway Trail	*45-C0774*	5			150,000			*150,000*
George Washington Statue	*45-C0837*	5	21,500					*21,500*

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Contribution by Others Total			**401,500**	**700,000**	**5,350,000**	**4,500,000**	**6,400,000**	***17,351,500***
Excise Tax Fund								
Bridge Repair Program	*45-C0400*	4	290,000					*290,000*
Northwest Connector	*45-C0735*	5			280,000		150,000	*430,000*
Kiwanis Park	*45-C0773*	2	20,000					*20,000*
Oswald Park - Irrigation System	*45-C0792*	4	10,000					*10,000*
Frederick Street Culvert	*45-C0811*	3	150,000					*150,000*
City Park Irrigation System	*45-C0826*	4	10,000					*10,000*
Excise Tax Fund Total			**480,000**		**280,000**		**150,000**	***910,000***
Grants-County								
Fire Training Tower	*45-C0241*	5					60,000	*60,000*
Grants-County Total							**60,000**	***60,000***
Grants-Federal								
Pavement Markings	*45-C0093*	1	10,000					*10,000*
Police Crime Lab Equipment	*45-C0182*	5	17,000			110,000		*127,000*
Fire Training Tower	*45-C0241*	5					540,000	*540,000*
Bridge Repair Program	*45-C0400*	4	1,040,000					*1,040,000*
Grants-Federal Total			**1,067,000**			**110,000**	**540,000**	***1,717,000***
Grants-State								
Stadium/Multi-use Facility Construction	*45-C0041*	5	4,416,667	4,166,667				*8,583,334*
State Highway Retrofit Sidewalk Program	*45-C0527*	6	120,000	190,000	140,000	100,000	100,000	*650,000*
Downtown Gateway Signs	*45-C0579*	5		55,000				*55,000*
Bicycle Trail	*45-C0717*	5			30,000	200,000		*230,000*
Mills Park Hiker/Biker Trail	*45-C0737*	5	24,640					*24,640*
Antietam Creek Greenway Trail	*45-C0774*	5				432,000		*432,000*
Pangborn Lake Reconstruction	*45-C0812*	3	30,000			175,000		*205,000*
W Washington Streetscape Improvements	*45-C0827*	5			100,000			*100,000*
George Washington Statue	*45-C0837*	5	10,000					*10,000*
Grants-State Total			**4,601,307**	**4,411,667**	**270,000**	**907,000**	**100,000**	***10,289,974***
Grants-State Aid in Lieu of Urban Fu								
Frederick Street Culvert	*45-C0811*	3	100,000					*100,000*
Grants-State Aid in Lieu of Urban Funds Total			**100,000**					***100,000***
Grants-State Program Open Space								
Park Equipment	*45-C0237*	5		27,000				*27,000*
City Park Parking Improvements	*45-C0522*	5			180,000	225,000		*405,000*
Winter Street School-Neighborhood Park	*45-C0764*	6				150,000		*150,000*
Kiwanis Park	*45-C0773*	2					90,000	*90,000*
Hager Park - Multipurpose Court	*45-C0789*	3		157,500				*157,500*
Tennis Court Expansion	*45-C0809*	2			63,000			*63,000*

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State Program Open Space Total				**184,500**	**243,000**	**375,000**	**90,000**	***892,500***
PEG Fee								
Cable PEG/I-Net	*45-C0568*	2	56,000	18,000				*74,000*
PEG Fee Total			**56,000**	**18,000**				***74,000***
Prior Bond Proceeds								
East Avenue Park	*45-C0752*	5	90,000					*90,000*
Prior Bond Proceeds Total			**90,000**					***90,000***
Reforestation Funds								
Installation of Street Trees	*45-C0594*	5	26,000	25,000	25,000	25,000	25,000	*126,000*
Reforestation Funds Total			**26,000**	**25,000**	**25,000**	**25,000**	**25,000**	***126,000***
Stadium County Contribution								
Stadium/Multi-use Facility Construction	*45-C0041*	5	2,208,333	2,083,333				*4,291,666*
Stadium County Contribution Total			**2,208,333**	**2,083,333**				***4,291,666***
Stadium Private Contribution								
Stadium/Multi-use Facility Construction	*45-C0041*	5	4,416,667	4,166,667				*8,583,334*
Stadium Private Contribution Total			**4,416,667**	**4,166,667**				***8,583,334***
State Highway User Revenue								
Pavement Preservation Program	*45-C0025*	5	313,601	83,517	85,605	87,745	89,500	*659,968*
State Highway User Revenue Total			**313,601**	**83,517**	**85,605**	**87,745**	**89,500**	***659,968***
Transfers to CIP-CDBG Fund								
Handicapped Access	*45-C0217*	6	40,000	40,000	40,000	40,000	40,000	*200,000*
Major Signal Intersection Upgrades	*45-C0243*	5				118,000		*118,000*
New Sidewalks	*45-C0595*	1		35,000				*35,000*
North East Area Community Improvements	*45-C0664*	4	50,000					*50,000*
Neighborhood Parks	*45-C0751*	5	50,000	100,000	50,000			*200,000*
Memorial Park	*45-C0784*	8	36,000					*36,000*
Potterfield Pool Improvements	*45-C0822*	8	10,000	25,000				*35,000*
Transfers to CIP-CDBG Fund Total			**186,000**	**200,000**	**90,000**	**158,000**	**40,000**	***674,000***
Transfers to CIP-Electric Fund								
Computer Equipment and Software	*45-C0006*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Geographic Information System	*45-C0451*	5	20,000	20,000	20,000	20,000		*80,000*
Transfers to CIP-Electric Fund Total			**40,000**	**40,000**	**40,000**	**40,000**	**20,000**	***180,000***

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund								
Computer Equipment and Software	*45-C0006*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Fire Department Vehicle Replacement	*45-C0010*	5				35,000	0	*35,000*
Pavement Preservation Program	*45-C0025*	5	86,399	281,483	314,395	312,255	310,500	*1,305,032*
Municipal Stadium Improvements	*45-C0040*	4	50,000	50,000	35,000	35,000	35,000	*205,000*
Public Works Vehicles	*45-C0065*	5	9,000	24,000	45,000	44,000	269,000	*391,000*
Pavement Markings	*45-C0093*	1	10,000	10,000	10,000	10,000	10,000	*50,000*
Police Vehicles	*45-C0129*	1	226,000	241,000	226,000	226,000	226,000	*1,145,000*
Engineering Vehicles	*45-C0133*	4	22,000		16,000	16,000	17,000	*71,000*
Park Equipment	*45-C0237*	5		3,000				*3,000*
Major Signal Intersection Upgrades	*45-C0243*	5	10,000					*10,000*
LED Signal Lights	*45-C0245*	4	17,000	17,000				*34,000*
Community & Economic Development Vehicles	*45-C0249*	4	18,000	54,000		61,000	43,000	*176,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	6,000	6,000	6,000	6,000	6,000	*30,000*
Downtown Beautification Program	*45-C0280*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Police Building Renovation	*45-C0308*	5	55,000	30,000	30,000	30,000	30,000	*175,000*
Alley Reconstruction	*45-C0324*	5	85,000	73,000	75,000	75,000	65,000	*373,000*
City Hall Improvements	*45-C0326*	5	5,000	5,000	70,000			*80,000*
Signal Controller Upgrades	*45-C0433*	5	15,000	15,000	15,000	15,000		*60,000*
Stormdrain System Upgrades	*45-C0444*	5			40,000	40,000	40,000	*120,000*
Geographic Information System	*45-C0451*	5	5,000	5,000	5,000	5,000		*20,000*
Curb and Sidewalk Replacement Program	*45-C0458*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
City Park Parking Improvements	*45-C0522*	5			20,000			*20,000*
Traffic Calming	*45-C0560*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Parks Vehicles and Equipment	*45-C0570*	5	33,000	31,000	25,000	70,000	30,000	*189,000*
Installation of Street Trees	*45-C0594*	5	10,000					*10,000*
New Sidewalks	*45-C0595*	1			20,000	40,000		*60,000*
Storm Water Management Planning and Improvements	*45-C0637*	2	50,000	100,000	100,000	550,000	1,000,000	*1,800,000*
Signal Timing Optimization	*45-C0640*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Bicycle Trail	*45-C0717*	5		10,000	20,000			*30,000*
Public Works Storage Yard Expansion	*45-C0718*	5	10,000	10,000				*20,000*
Mills Park Hiker/Biker Trail	*45-C0737*	5	5,360					*5,360*
Kiwanis Park	*45-C0773*	2					10,000	*10,000*
Antietam Creek Greenway Trail	*45-C0774*	5				48,000		*48,000*
Hager Park - Multipurpose Court	*45-C0789*	3		17,500				*17,500*
Tennis Court Expansion	*45-C0809*	2			7,000			*7,000*
Narrow Band Radios	*45-C0835*	5	45,000					*45,000*
Transfers to CIP-General Fund Total			**882,759**	**1,092,983**	**1,189,395**	**1,728,255**	**2,201,500**	***7,094,892***
Transfers to CIP-Wastewater Fund								
Computer Equipment and Software	*45-C0006*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Geographic Information System	*45-C0451*	5	20,000	20,000	20,000	20,000		*80,000*
Transfers to CIP-Wastewater Fund Total			**40,000**	**40,000**	**40,000**	**40,000**	**20,000**	***180,000***
Transfers to CIP-Water Fund								
Computer Equipment and Software	*45-C0006*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Geographic Information System	*45-C0451*	5	20,000	20,000	20,000	20,000		*80,000*
Transfers to CIP-Water Fund Total			**40,000**	**40,000**	**40,000**	**40,000**	**20,000**	***180,000***

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
GRAND TOTAL			18,412,900	16,725,000	9,304,000	10,135,451	11,876,000	*66,453,351*

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '13 thru FY '17

DEPARTMENT SUMMARY

Department	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Community Development	68,000	54,000		61,000	43,000	*226,000*
Engineering	15,898,000	14,559,000	6,131,000	2,979,000	5,162,000	*44,729,000*
Fire	496,000	900,000	950,000	135,000	750,000	*3,231,000*
Information Technology	533,900	163,000	145,000	145,000	280,000	*1,266,900*
Parks	576,500	500,000	1,180,000	5,548,451	4,665,000	*12,469,951*
Planning	46,500					*46,500*
Police	381,000	271,000	256,000	536,000	426,000	*1,870,000*
Public Works	413,000	278,000	642,000	731,000	550,000	*2,614,000*
TOTAL	**18,412,900**	**16,725,000**	**9,304,000**	**10,135,451**	**11,876,000**	***66,453,351***

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '13 thru **FY '17**

CATEGORY SUMMARY

Category	FY '13	FY '14	FY '15	FY '16	FY '17	Total	Future
Amenities			70,000			*70,000*	
Automobiles and Trucks	975,000	1,495,000	1,468,000	518,000	585,000	*5,041,000*	
Buildings and Structures	13,986,000	13,451,000	1,591,000	5,159,451	5,471,000	*39,658,451*	1,150,000
Infrastructure-Alleys	85,000	73,000	75,000	75,000	65,000	*373,000*	60,000
Infrastructure-Bridges	1,330,000					*1,330,000*	
Infrastructure-Parks	36,000					*36,000*	
Infrastructure-Sidewalks	185,000	290,000	225,000	205,000	165,000	*1,070,000*	
Infrastructure-Storm Drains	70,000	175,000	140,000	590,000	1,040,000	*2,015,000*	
Infrastructure-Streets	40,000	656,000	5,055,000	1,530,000	3,430,000	*10,711,000*	
Infrastructure-Utilities	10,000	125,000		118,000		*253,000*	
Land Acquisition				150,000		*150,000*	
Land Improvements	525,000	215,000	500,000	980,000	650,000	*2,870,000*	
Machinery and Equipment	662,900	180,000	115,000	395,000	270,000	*1,622,900*	
Software	228,000	65,000	65,000	65,000	200,000	*623,000*	
Storm Drainage	250,000					*250,000*	
Storm Water	30,000			350,000		*380,000*	
TOTAL	**18,412,900**	**16,725,000**	**9,304,000**	**10,135,451**	**11,876,000**	***66,453,351***	**1,210,000**

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '13 thru FY '17

EXPENDITURE TYPE SUMMARY

Expenditure Type	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design	963,000	655,000	715,000	108,000	370,000	*2,811,000*
Land Acquisition	200,000		400,000	100,000		*700,000*
Construction/Maintenance	15,592,000	14,345,000	6,576,000	8,984,451	10,671,000	*56,168,451*
Equip/Vehicles/Furnishings	1,562,900	1,630,000	1,518,000	848,000	790,000	*6,348,900*
Other	95,000	95,000	95,000	95,000	45,000	*425,000*
GRAND TOTAL	**18,412,900**	**16,725,000**	**9,304,000**	**10,135,451**	**11,876,000**	***66,453,351***

City of Hagerstown, Maryland

GENERAL/CIP FUND

FY '13 thru FY '17

PROJECTS BY DEPARTMENT

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Community Development								
Community & Economic Development Vehicles	*45-C0249*	4	18,000	54,000		61,000	43,000	*176,000*
North East Area Community Improvements	*45-C0664*	4	50,000					*50,000*
Community Development Total			**68,000**	**54,000**		**61,000**	**43,000**	***226,000***
Engineering								
Pavement Preservation Program	*45-C0025*	5	600,000	640,000	575,000	400,000	400,000	*2,615,000*
Stadium/Multi-use Facility Construction	*45-C0041*	5	13,250,000	12,500,000				*25,750,000*
Pavement Markings	*45-C0093*	1	20,000	10,000	10,000	10,000	10,000	*60,000*
Engineering Vehicles	*45-C0133*	4	22,000		16,000	16,000	17,000	*71,000*
Handicapped Access	*45-C0217*	6	40,000	40,000	40,000	40,000	40,000	*200,000*
Major Signal Intersection Upgrades	*45-C0243*	5	10,000	125,000		118,000		*253,000*
Alley Reconstruction	*45-C0324*	5	85,000	73,000	75,000	75,000	65,000	*373,000*
Park Circle Improvements	*45-C0373*	1		126,000				*126,000*
Bridge Repair Program	*45-C0400*	4	1,330,000					*1,330,000*
Stormdrain System Upgrades	*45-C0444*	5	20,000	75,000	40,000	40,000	40,000	*215,000*
Curb and Sidewalk Replacement Program	*45-C0458*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
State Highway Retrofit Sidewalk Program	*45-C0527*	6	120,000	190,000	140,000	100,000	100,000	*650,000*
Traffic Calming	*45-C0560*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
Downtown Gateway Signs	*45-C0579*	5		55,000				*55,000*
Installation of Street Trees	*45-C0594*	5	36,000	25,000	25,000	25,000	25,000	*136,000*
New Sidewalks	*45-C0595*	1		35,000	20,000	40,000		*95,000*
Storm Water Management Planning and Improvements	*45-C0637*	2	50,000	100,000	100,000	550,000	1,000,000	*1,800,000*
Signal Timing Optimization	*45-C0640*	5	20,000	20,000	20,000	20,000	20,000	*100,000*
R. Paul Smith Boulevard	*45-C0733*	5		500,000	4,500,000			*5,000,000*
Northwest Connector	*45-C0735*	5			280,000	1,500,000	3,400,000	*5,180,000*
Frederick Street Culvert	*45-C0811*	3	250,000					*250,000*
W Washington Streetscape Improvements	*45-C0827*	5			245,000			*245,000*
Engineering Total			**15,898,000**	**14,559,000**	**6,131,000**	**2,979,000**	**5,162,000**	***44,729,000***
Fire								
Fire Department Vehicle Replacement	*45-C0010*	5	496,000	900,000	950,000	35,000		*2,381,000*
Fire Training Tower	*45-C0241*	5					600,000	*600,000*
West End Fire and EMS (Relocation)	*45-C0730*	5				100,000	150,000	*250,000*
Fire Total			**496,000**	**900,000**	**950,000**	**135,000**	**750,000**	***3,231,000***
Information Technology								
Computer Equipment and Software	*45-C0006*	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Geographic Information System	*45-C0451*	5	228,000	65,000	65,000	65,000	200,000	*623,000*
Cable PEG/I-Net	*45-C0568*	2	225,900	18,000				*243,900*
Information Technology Total			**533,900**	**163,000**	**145,000**	**145,000**	**280,000**	***1,266,900***

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Parks								
Municipal Stadium Improvements	*45-C0040*	4	50,000	50,000	35,000	35,000	35,000	*205,000*
City Park Lake Improvements	*45-C0047*	5					500,000	*500,000*
Park Equipment	*45-C0237*	5		30,000				*30,000*
City Park Bandshell Seating	*45-C0332*	5	50,000					*50,000*
Steam Engine Museum	*45-C0439*	5		10,000		13,451		*23,451*
City Park Parking Improvements	*45-C0522*	5			200,000	250,000		*450,000*
Parks Vehicles and Equipment	*45-C0570*	5	33,000	100,000	125,000	70,000	30,000	*358,000*
Fairground Grandstand Improvements	*45-C0624*	2			500,000	4,000,000	4,000,000	*8,500,000*
Bicycle Trail	*45-C0717*	5		10,000	50,000	200,000		*260,000*
Mills Park Hiker/Biker Trail	*45-C0737*	5	37,500					*37,500*
Neighborhood Parks	*45-C0751*	5	50,000	100,000	50,000			*200,000*
East Avenue Park	*45-C0752*	5	90,000					*90,000*
Winter Street School-Neighborhood Park	*45-C0764*	6				150,000		*150,000*
Kiwanis Park	*45-C0773*	2	170,000				100,000	*270,000*
Antietam Creek Greenway Trail	*45-C0774*	5			150,000	480,000		*630,000*
Memorial Park	*45-C0784*	8	36,000					*36,000*
Hager Park - Multipurpose Court	*45-C0789*	3		175,000				*175,000*
Oswald Park - Irrigation System	*45-C0792*	4	10,000					*10,000*
Tennis Court Expansion	*45-C0809*	2			70,000			*70,000*
Pangborn Lake Reconstruction	*45-C0812*	3	30,000			350,000		*380,000*
Potterfield Pool Improvements	*45-C0822*	8	10,000	25,000				*35,000*
City Park Irrigation System	*45-C0826*	4	10,000					*10,000*
Parks Total			**576,500**	**500,000**	**1,180,000**	**5,548,451**	**4,665,000**	***12,469,951***
Planning								
George Washington Statue	*45-C0837*	5	46,500					*46,500*
Planning Total			**46,500**					***46,500***
Police								
Police Radios	*45-C0128*	1	53,000			170,000	170,000	*393,000*
Police Vehicles	*45-C0129*	1	226,000	241,000	226,000	226,000	226,000	*1,145,000*
Police Crime Lab Equipment	*45-C0182*	5	17,000			110,000		*127,000*
Police Firing Range	*45-C0226*	5	30,000					*30,000*
Police Building Renovation	*45-C0308*	5	55,000	30,000	30,000	30,000	30,000	*175,000*
Police Total			**381,000**	**271,000**	**256,000**	**536,000**	**426,000**	***1,870,000***
Public Works								
Public Works Vehicles	*45-C0065*	5	180,000	200,000	151,000	110,000	269,000	*910,000*
Market House Improvements	*45-C0099*	5	110,000					*110,000*
LED Signal Lights	*45-C0245*	4	17,000	17,000				*34,000*
Public Works Operations Center Improvement Program	*45-C0250*	5	6,000	6,000	6,000	6,000	6,000	*30,000*
Downtown Beautification Program	*45-C0280*	5	25,000	25,000	25,000	25,000	25,000	*125,000*
City Hall Improvements	*45-C0326*	5	5,000	5,000	70,000	50,000	250,000	*380,000*
Signal Controller Upgrades	*45-C0433*	5	15,000	15,000	15,000	15,000		*60,000*
Public Works Storage Yard Expansion	*45-C0718*	5	10,000	10,000	375,000	525,000		*920,000*
Narrow Band Radios	*45-C0835*	5	45,000					*45,000*
Public Works Total			**413,000**	**278,000**	**642,000**	**731,000**	**550,000**	***2,614,000***
GRAND TOTAL			**18,412,900**	**16,725,000**	**9,304,000**	**10,135,451**	**11,876,000**	***66,453,351***

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Community Development								
Community & Economic Development Vehicles	45-C0249	4	18,000	54,000		61,000	43,000	*176,000*
Transfers to CIP-General Fund			***18,000***	***54,000***		***61,000***	***43,000***	***176,000***
North East Area Community Improvements	45-C0664	4	50,000					*50,000*
Transfers to CIP-CDBG Fund			***50,000***					***50,000***
Community Development Total			**68,000**	**54,000**		**61,000**	**43,000**	***226,000***
Engineering								
Pavement Preservation Program	45-C0025	5	600,000	640,000	575,000	400,000	400,000	*2,615,000*
Bond Financing (General Fund)				***275,000***	***175,000***			***450,000***
CIP Fund Balance			***200,000***					***200,000***
State Highway User Revenue			***313,601***	***83,517***	***85,605***	***87,745***	***89,500***	***659,968***
Transfers to CIP-General Fund			***86,399***	***281,483***	***314,395***	***312,255***	***310,500***	***1,305,032***
Stadium/Multi-use Facility Construction	45-C0041	5	13,250,000	12,500,000				*25,750,000*
Bond Financing (General Fund)			***2,208,333***	***2,083,333***				***4,291,666***
Grants-State			***4,416,667***	***4,166,667***				***8,583,334***
Stadium County Contribution			***2,208,333***	***2,083,333***				***4,291,666***
Stadium Private Contribution			***4,416,667***	***4,166,667***				***8,583,334***
Pavement Markings	45-C0093	1	20,000	10,000	10,000	10,000	10,000	*60,000*
Grants-Federal			***10,000***					***10,000***
Transfers to CIP-General Fund			***10,000***	***10,000***	***10,000***	***10,000***	***10,000***	***50,000***
Engineering Vehicles	45-C0133	4	22,000		16,000	16,000	17,000	*71,000*
Transfers to CIP-General Fund			***22,000***		***16,000***	***16,000***	***17,000***	***71,000***
Handicapped Access	45-C0217	6	40,000	40,000	40,000	40,000	40,000	*200,000*
Transfers to CIP-CDBG Fund			***40,000***	***40,000***	***40,000***	***40,000***	***40,000***	***200,000***
Major Signal Intersection Upgrades	45-C0243	5	10,000	125,000		118,000		*253,000*
Bond Financing (General Fund)				***125,000***				***125,000***
Transfers to CIP-CDBG Fund						***118,000***		***118,000***
Transfers to CIP-General Fund			***10,000***					***10,000***
Alley Reconstruction	45-C0324	5	85,000	73,000	75,000	75,000	65,000	*373,000*
Transfers to CIP-General Fund			***85,000***	***73,000***	***75,000***	***75,000***	***65,000***	***373,000***
Park Circle Improvements	45-C0373	1		126,000				*126,000*
Bond Financing (General Fund)				***126,000***				***126,000***
Bridge Repair Program	45-C0400	4	1,330,000					*1,330,000*
Excise Tax Fund			***290,000***					***290,000***
Grants-Federal			***1,040,000***					***1,040,000***
Stormdrain System Upgrades	45-C0444	5	20,000	75,000	40,000	40,000	40,000	*215,000*
Bond Financing (General Fund)			***20,000***	***75,000***				***95,000***
Transfers to CIP-General Fund					***40,000***	***40,000***	***40,000***	***120,000***
Curb and Sidewalk Replacement Program	45-C0458	5	25,000	25,000	25,000	25,000	25,000	*125,000*
Transfers to CIP-General Fund			***25,000***	***25,000***	***25,000***	***25,000***	***25,000***	***125,000***
State Highway Retrofit Sidewalk Program	45-C0527	6	120,000	190,000	140,000	100,000	100,000	*650,000*

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State			*120,000*	*190,000*	*140,000*	*100,000*	*100,000*	*650,000*
Traffic Calming	45-C0560	5	20,000	20,000	20,000	20,000	20,000	100,000
Transfers to CIP-General Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Downtown Gateway Signs	45-C0579	5		55,000				55,000
Grants-State				*55,000*				*55,000*
Installation of Street Trees	45-C0594	5	36,000	25,000	25,000	25,000	25,000	136,000
Reforestation Funds			*26,000*	*25,000*	*25,000*	*25,000*	*25,000*	*126,000*
Transfers to CIP-General Fund			*10,000*					*10,000*
New Sidewalks	45-C0595	1		35,000	20,000	40,000		95,000
Transfers to CIP-CDBG Fund				*35,000*				*35,000*
Transfers to CIP-General Fund					*20,000*	*40,000*		*60,000*
Storm Water Management Planning and Improvements	45-C0637	2	50,000	100,000	100,000	550,000	1,000,000	1,800,000
Transfers to CIP-General Fund			*50,000*	*100,000*	*100,000*	*550,000*	*1,000,000*	*1,800,000*
Signal Timing Optimization	45-C0640	5	20,000	20,000	20,000	20,000	20,000	100,000
Transfers to CIP-General Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
R. Paul Smith Boulevard	45-C0733	5		500,000	4,500,000			5,000,000
Contribution by Others				*500,000*	*4,500,000*			*5,000,000*
Northwest Connector	45-C0735	5			280,000	1,500,000	3,400,000	5,180,000
Bond Financing (General Fund)						*1,000,000*	*850,000*	*1,850,000*
Contribution by Others						*500,000*	*2,400,000*	*2,900,000*
Excise Tax Fund					*280,000*		*150,000*	*430,000*
Frederick Street Culvert	45-C0811	3	250,000					250,000
Excise Tax Fund			*150,000*					*150,000*
Grants-State Aid in Lieu of Urban Funds			*100,000*					*100,000*
W Washington Streetscape Improvements	45-C0827	5			245,000			245,000
Bond Financing (General Fund)					*145,000*			*145,000*
Grants-State					*100,000*			*100,000*
Engineering Total			**15,898,000**	**14,559,000**	**6,131,000**	**2,979,000**	**5,162,000**	***44,729,000***
Fire								
Fire Department Vehicle Replacement	45-C0010	5	496,000	900,000	950,000	35,000		2,381,000
Bond Financing (General Fund)			*296,000*	*700,000*	*750,000*			*1,746,000*
Contribution by Others			*200,000*	*200,000*	*200,000*			*600,000*
Transfers to CIP-General Fund						*35,000*		*35,000*
Fire Training Tower	45-C0241	5					600,000	600,000
Grants-County							*60,000*	*60,000*
Grants-Federal							*540,000*	*540,000*
West End Fire and EMS (Relocation)	45-C0730	5				100,000	150,000	250,000
Bond Financing (General Fund)						*100,000*	*150,000*	*250,000*
Fire Total			**496,000**	**900,000**	**950,000**	**135,000**	**750,000**	***3,231,000***
Information Technology								
Computer Equipment and Software	45-C0006	5	80,000	80,000	80,000	80,000	80,000	400,000
Transfers to CIP-Electric Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Transfers to CIP-General Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Transfers to CIP-Wastewater Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Transfers to CIP-Water Fund			*20,000*	*20,000*	*20,000*	*20,000*	*20,000*	*100,000*
Geographic Information System	45-C0451	5	228,000	65,000	65,000	65,000	200,000	623,000
Bond Financing (General Fund)							*200,000*	*200,000*
CIP Fund Balance			*163,000*					*163,000*
Transfers to CIP-Electric Fund			*20,000*	*20,000*	*20,000*	*20,000*		*80,000*
Transfers to CIP-General Fund			*5,000*	*5,000*	*5,000*	*5,000*		*20,000*
Transfers to CIP-Wastewater Fund			*20,000*	*20,000*	*20,000*	*20,000*		*80,000*
Transfers to CIP-Water Fund			*20,000*	*20,000*	*20,000*	*20,000*		*80,000*

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Cable PEG/I-Net	45-C0568	2	225,900	18,000				243,900
CIP Fund Balance			***169,900***					***169,900***
PEG Fee			***56,000***	***18,000***				***74,000***
Information Technology Total			**533,900**	**163,000**	**145,000**	**145,000**	**280,000**	***1,266,900***
Parks								
Municipal Stadium Improvements	45-C0040	4	50,000	50,000	35,000	35,000	35,000	205,000
Transfers to CIP-General Fund			***50,000***	***50,000***	***35,000***	***35,000***	***35,000***	***205,000***
City Park Lake Improvements	45-C0047	5					500,000	500,000
Bond Financing (General Fund)							***500,000***	***500,000***
Park Equipment	45-C0237	5		30,000				30,000
Grants-State Program Open Space				***27,000***				***27,000***
Transfers to CIP-General Fund				***3,000***				***3,000***
City Park Bandshell Seating	45-C0332	5	50,000					50,000
Bond Financing (General Fund)			***50,000***					***50,000***
Steam Engine Museum	45-C0439	5		10,000		13,451		23,451
CIP Fund Balance				***10,000***		***13,451***		***23,451***
City Park Parking Improvements	45-C0522	5			200,000	250,000		450,000
Bond Financing (General Fund)						***25,000***		***25,000***
Grants-State Program Open Space					***180,000***	***225,000***		***405,000***
Transfers to CIP-General Fund					***20,000***			***20,000***
Parks Vehicles and Equipment	45-C0570	5	33,000	100,000	125,000	70,000	30,000	358,000
Bond Financing (General Fund)				***69,000***	***100,000***			***169,000***
Transfers to CIP-General Fund			***33,000***	***31,000***	***25,000***	***70,000***	***30,000***	***189,000***
Fairground Grandstand Improvements	45-C0624	2			500,000	4,000,000	4,000,000	8,500,000
Contribution by Others					***500,000***	***4,000,000***	***4,000,000***	***8,500,000***
Bicycle Trail	45-C0717	5		10,000	50,000	200,000		260,000
Grants-State					***30,000***	***200,000***		***230,000***
Transfers to CIP-General Fund				***10,000***	***20,000***			***30,000***
Mills Park Hiker/Biker Trail	45-C0737	5	37,500					37,500
CIP Fund Balance			***7,500***					***7,500***
Grants-State			***24,640***					***24,640***
Transfers to CIP-General Fund			***5,360***					***5,360***
Neighborhood Parks	45-C0751	5	50,000	100,000	50,000			200,000
Transfers to CIP-CDBG Fund			***50,000***	***100,000***	***50,000***			***200,000***
East Avenue Park	45-C0752	5	90,000					90,000
Prior Bond Proceeds			***90,000***					***90,000***
Winter Street School-Neighborhood Park	45-C0764	6				150,000		150,000
Grants-State Program Open Space						***150,000***		***150,000***
Kiwanis Park	45-C0773	2	170,000				100,000	270,000
Contribution by Others			***150,000***					***150,000***
Excise Tax Fund			***20,000***					***20,000***
Grants-State Program Open Space							***90,000***	***90,000***
Transfers to CIP-General Fund							***10,000***	***10,000***
Antietam Creek Greenway Trail	45-C0774	5			150,000	480,000		630,000
Contribution by Others					***150,000***			***150,000***
Grants-State						***432,000***		***432,000***
Transfers to CIP-General Fund						***48,000***		***48,000***
Memorial Park	45-C0784	8	36,000					36,000
Transfers to CIP-CDBG Fund			***36,000***					***36,000***
Hager Park - Multipurpose Court	45-C0789	3		175,000				175,000
Grants-State Program Open Space				***157,500***				***157,500***
Transfers to CIP-General Fund				***17,500***				***17,500***
Oswald Park - Irrigation System	45-C0792	4	10,000					10,000

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Excise Tax Fund			*10,000*					*10,000*
Tennis Court Expansion	45-C0809	2			70,000			70,000
Grants-State Program Open Space					*63,000*			*63,000*
Transfers to CIP-General Fund					*7,000*			*7,000*
Pangborn Lake Reconstruction	45-C0812	3	30,000			350,000		380,000
Bond Financing (General Fund)						*175,000*		*175,000*
Grants-State			*30,000*			*175,000*		*205,000*
Potterfield Pool Improvements	45-C0822	8	10,000	25,000				35,000
Transfers to CIP-CDBG Fund			*10,000*	*25,000*				*35,000*
City Park Irrigation System	45-C0826	4	10,000					10,000
Excise Tax Fund			*10,000*					*10,000*
Parks Total			**576,500**	**500,000**	**1,180,000**	**5,548,451**	**4,665,000**	***12,469,951***
Planning								
George Washington Statue	45-C0837	5	46,500					46,500
CIP Fund Balance			*15,000*					*15,000*
Contribution by Others			*21,500*					*21,500*
Grants-State			*10,000*					*10,000*
Planning Total			**46,500**					***46,500***
Police								
Police Radios	45-C0128	1	53,000			170,000	170,000	393,000
Bond Financing (General Fund)						*170,000*	*170,000*	*340,000*
CIP Fund Balance			*53,000*					*53,000*
Police Vehicles	45-C0129	1	226,000	241,000	226,000	226,000	226,000	1,145,000
Transfers to CIP-General Fund			*226,000*	*241,000*	*226,000*	*226,000*	*226,000*	*1,145,000*
Police Crime Lab Equipment	45-C0182	5	17,000			110,000		127,000
Grants-Federal			*17,000*			*110,000*		*127,000*
Police Firing Range	45-C0226	5	30,000					30,000
Contribution by Others			*30,000*					*30,000*
Police Building Renovation	45-C0308	5	55,000	30,000	30,000	30,000	30,000	175,000
Transfers to CIP-General Fund			*55,000*	*30,000*	*30,000*	*30,000*	*30,000*	*175,000*
Police Total			**381,000**	**271,000**	**256,000**	**536,000**	**426,000**	***1,870,000***
Public Works								
Public Works Vehicles	45-C0065	5	180,000	200,000	151,000	110,000	269,000	910,000
Bond Financing (General Fund)			*171,000*	*176,000*	*106,000*	*66,000*		*519,000*
Transfers to CIP-General Fund			*9,000*	*24,000*	*45,000*	*44,000*	*269,000*	*391,000*
Market House Improvements	45-C0099	5	110,000					110,000
Bond Financing (General Fund)			*110,000*					*110,000*
LED Signal Lights	45-C0245	4	17,000	17,000				34,000
Transfers to CIP-General Fund			*17,000*	*17,000*				*34,000*
Public Works Operations Center Improvement Program	45-C0250	5	6,000	6,000	6,000	6,000	6,000	30,000
Transfers to CIP-General Fund			*6,000*	*6,000*	*6,000*	*6,000*	*6,000*	*30,000*
Downtown Beautification Program	45-C0280	5	25,000	25,000	25,000	25,000	25,000	125,000
Transfers to CIP-General Fund			*25,000*	*25,000*	*25,000*	*25,000*	*25,000*	*125,000*
City Hall Improvements	45-C0326	5	5,000	5,000	70,000	50,000	250,000	380,000
Bond Financing (General Fund)						*50,000*	*250,000*	*300,000*
Transfers to CIP-General Fund			*5,000*	*5,000*	*70,000*			*80,000*
Signal Controller Upgrades	45-C0433	5	15,000	15,000	15,000	15,000		60,000
Transfers to CIP-General Fund			*15,000*	*15,000*	*15,000*	*15,000*		*60,000*

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Public Works Storage Yard Expansion	45-C0718	5	10,000	10,000	375,000	525,000		*920,000*
Bond Financing (General Fund)					***375,000***	***525,000***		***900,000***
Transfers to CIP-General Fund			***10,000***	***10,000***				***20,000***
Narrow Band Radios	45-C0835	5	45,000					*45,000*
Transfers to CIP-General Fund			***45,000***					***45,000***
Public Works Total			**413,000**	**278,000**	**642,000**	**731,000**	**550,000**	***2,614,000***
GRAND TOTAL			**18,412,900**	**16,725,000**	**9,304,000**	**10,135,451**	**11,876,000**	***66,453,351***

City of Hagerstown, Maryland

ELECTRIC FUND

FY '13 thru FY '17

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund								
Electric Vehicles	*50-C0090*	5	40,000	180,000	115,000	180,000	200,000	*715,000*
Circuit Upgrades	*50-C0110*	5			150,000	150,000	150,000	*450,000*
Telemetry Equipment	*50-C0111*	5	75,000	40,000	40,000	30,000		*185,000*
Central Substation	*50-C0118*	5			200,000	500,000	200,000	*900,000*
Wesel Boulevard Development	*50-C0220*	5	5,000	50,000	50,000	50,000	50,000	*205,000*
Hagerstown Business Park	*50-C0258*	5		10,000				*10,000*
System Reconductoring	*50-C0259*	5	20,000	21,000	21,000	21,000	21,000	*104,000*
Pedestrian Lighting	*50-C0388*	5	10,000	100,000	100,000	100,000	100,000	*410,000*
Building and Site Improvements	*50-C0542*	5	50,000	20,000	20,000	20,000	20,000	*130,000*
Test Equipment	*50-C0609*	5	17,000	15,000	15,000	15,000	15,000	*77,000*
City Park Bridge Light Replacement	*50-C0610*	4			25,000			*25,000*
Fairchild Heights	*50-C0613*	5		5,000				*5,000*
Work Management System	*50-C0618*	5		50,000	50,000	100,000	100,000	*300,000*
Old Trail Estates/Peachtree Suites	*50-C0673*	5	3,000	3,000				*6,000*
Potomac Manor	*50-C0674*	5	3,000	3,000				*6,000*
Poplar Square (former Linwood Hollow)	*50-C0706*	5	6,000	20,000	20,000	20,000	20,000	*86,000*
Deerfield Knolls	*50-C0707*	5	4,000	10,000	10,000	10,000	10,000	*44,000*
Substation Breaker Replacement	*50-C0776*	5	10,000					*10,000*
GIS Facility Software	*50-C0777*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Mitchell Substation Third Bay	*50-C0778*	5	10,000	60,000	100,000			*170,000*
Spare Regulators	*50-C0797*	8	15,000	15,000	15,000			*45,000*
Wildlife Protection	*50-C0802*	8	15,000	15,000	15,000	15,000	15,000	*75,000*
Library Expansion	*50-C0805*	5	106,000					*106,000*
Noland Drive Boys & Girls Club	*50-C0818*	5	52,000					*52,000*
Feeder Coordination	*50-C0833*	5	25,000	20,000	20,000	20,000	20,000	*105,000*
Electric Fund Total			**476,000**	**647,000**	**976,000**	**1,241,000**	**931,000**	***4,271,000***
GRAND TOTAL			**476,000**	**647,000**	**976,000**	**1,241,000**	**931,000**	***4,271,000***

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund								
Electric Vehicles	50-C0090	5	40,000	180,000	115,000	180,000	200,000	*715,000*
Electric Fund			***40,000***	***180,000***	***115,000***	***180,000***	***200,000***	***715,000***
Circuit Upgrades	50-C0110	5			150,000	150,000	150,000	*450,000*
Electric Fund					***150,000***	***150,000***	***150,000***	***450,000***
Telemetry Equipment	50-C0111	5	75,000	40,000	40,000	30,000		*185,000*
Electric Fund			***75,000***	***40,000***	***40,000***	***30,000***		***185,000***
Central Substation	50-C0118	5			200,000	500,000	200,000	*900,000*
Electric Fund					***200,000***	***500,000***	***200,000***	***900,000***
Wesel Boulevard Development	50-C0220	5	5,000	50,000	50,000	50,000	50,000	*205,000*
Electric Fund			***5,000***	***50,000***	***50,000***	***50,000***	***50,000***	***205,000***
Hagerstown Business Park	50-C0258	5		10,000				*10,000*
Electric Fund				***10,000***				***10,000***
System Reconductoring	50-C0259	5	20,000	21,000	21,000	21,000	21,000	*104,000*
Electric Fund			***20,000***	***21,000***	***21,000***	***21,000***	***21,000***	***104,000***
Pedestrian Lighting	50-C0388	5	10,000	100,000	100,000	100,000	100,000	*410,000*
Electric Fund			***10,000***	***100,000***	***100,000***	***100,000***	***100,000***	***410,000***
Building and Site Improvements	50-C0542	5	50,000	20,000	20,000	20,000	20,000	*130,000*
Electric Fund			***50,000***	***20,000***	***20,000***	***20,000***	***20,000***	***130,000***
Test Equipment	50-C0609	5	17,000	15,000	15,000	15,000	15,000	*77,000*
Electric Fund			***17,000***	***15,000***	***15,000***	***15,000***	***15,000***	***77,000***
City Park Bridge Light Replacement	50-C0610	4			25,000			*25,000*
Electric Fund					***25,000***			***25,000***
Fairchild Heights	50-C0613	5		5,000				*5,000*
Electric Fund				***5,000***				***5,000***
Work Management System	50-C0618	5		50,000	50,000	100,000	100,000	*300,000*
Electric Fund				***50,000***	***50,000***	***100,000***	***100,000***	***300,000***
Old Trail Estates/Peachtree Suites	50-C0673	5	3,000	3,000				*6,000*
Electric Fund			***3,000***	***3,000***				***6,000***
Potomac Manor	50-C0674	5	3,000	3,000				*6,000*
Electric Fund			***3,000***	***3,000***				***6,000***
Poplar Square (former Linwood Hollow)	50-C0706	5	6,000	20,000	20,000	20,000	20,000	*86,000*
Electric Fund			***6,000***	***20,000***	***20,000***	***20,000***	***20,000***	***86,000***
Deerfield Knolls	50-C0707	5	4,000	10,000	10,000	10,000	10,000	*44,000*
Electric Fund			***4,000***	***10,000***	***10,000***	***10,000***	***10,000***	***44,000***
Substation Breaker Replacement	50-C0776	5	10,000					*10,000*
Electric Fund			***10,000***					***10,000***
GIS Facility Software	50-C0777	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Electric Fund			***10,000***	***10,000***	***10,000***	***10,000***	***10,000***	***50,000***
Mitchell Substation Third Bay	50-C0778	5	10,000	60,000	100,000			*170,000*
Electric Fund			***10,000***	***60,000***	***100,000***			***170,000***
Spare Regulators	50-C0797	8	15,000	15,000	15,000			*45,000*

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund			***15,000***	***15,000***	***15,000***			***45,000***
Wildlife Protection	50-C0802	8	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***
Library Expansion	50-C0805	5	106,000					*106,000*
Electric Fund			***106,000***					***106,000***
Noland Drive Boys & Girls Club	50-C0818	5	52,000					*52,000*
Electric Fund			***52,000***					***52,000***
Feeder Coordination	50-C0833	5	25,000	20,000	20,000	20,000	20,000	*105,000*
Electric Fund			***25,000***	***20,000***	***20,000***	***20,000***	***20,000***	***105,000***
Electric Fund Total			**476,000**	**647,000**	**976,000**	**1,241,000**	**931,000**	***4,271,000***
GRAND TOTAL			**476,000**	**647,000**	**976,000**	**1,241,000**	**931,000**	***4,271,000***

City of Hagerstown, Maryland

WATER FUND

FY '13 thru FY '17

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
ARDI Fund Balance								
Zone 3 Standpipe	*52-C0323*	5					100,000	*100,000*
ARDI Fund Balance Total							**100,000**	***100,000***
Bond Financing (Water Fund)								
Willson Treatment Plant	*52-C0166*	5	170,000	172,500	183,000	194,025	205,601	*925,126*
Pump Station Improvements	*52-C0651*	5	140,000					*140,000*
Distribution Services - Meter Program	*52-C0653*	4	1,170,000	1,205,100	1,241,253	1,278,491	1,316,844	*6,211,688*
Distribution System Rehab - Main Replacement	*52-C0709*	5	350,000	360,500	371,315	382,454	393,928	*1,858,197*
Water System SCADA Improvements	*52-C0820*	4	415,000	250,000				*665,000*
Bond Financing (Water Fund) Total			**2,245,000**	**1,988,100**	**1,795,568**	**1,854,970**	**1,916,373**	***9,800,011***
Contribution by Others								
Pump Station Improvements	*52-C0651*	5		150,000	762,500	637,500		*1,550,000*
Contribution by Others Total				**150,000**	**762,500**	**637,500**		***1,550,000***
MDE Loan								
Willson Transmission Mains	*52-C0167*	5			3,815,000	4,615,000	750,000	*9,180,000*
Edgemont Reservoir Improvements	*52-C0168*	5		70,000	170,000	170,000		*410,000*
Breichner WTP Improvements	*52-C0405*	5	50,000	52,500	55,125	57,881	60,775	*276,281*
Willson Plant Improvements Phase IV	*52-C0740*	5	4,000,000	9,100,000				*13,100,000*
Water System SCADA Improvements	*52-C0820*	4		800,000				*800,000*
MDE Loan Total			**4,050,000**	**10,022,500**	**4,040,125**	**4,842,881**	**810,775**	***23,766,281***
Water Fund								
Water Vehicles	*52-C0117*	5	262,000	201,900	287,500	201,100	260,300	*1,212,800*
Willson Treatment Plant	*52-C0166*	5	30,000	37,500	37,500	37,500	37,500	*180,000*
Willson Transmission Mains	*52-C0167*	5		500,000				*500,000*
Edgemont Reservoir Improvements	*52-C0168*	5	150,000	150,000	150,000	150,000	150,000	*750,000*
Adm. & Engineering Equipment	*52-C0648*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Pump Station Improvements	*52-C0651*	5	75,000	75,000	75,000	75,000	75,000	*375,000*
Willson Plant Improvements Phase IV	*52-C0740*	5	500,000	500,000				*1,000,000*
Water System SCADA Improvements	*52-C0820*	4	40,000	10,000	75,000	75,000	75,000	*275,000*
Water Fund Total			**1,067,000**	**1,484,400**	**635,000**	**548,600**	**607,800**	***4,342,800***
GRAND TOTAL			**7,362,000**	**13,645,000**	**7,233,193**	**7,883,951**	**3,434,948**	***39,559,092***

City of Hagerstown, Maryland

WATER FUND

FY '13 thru **FY '17**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Water Fund								
Water Vehicles	52-C0117	5	262,000	201,900	287,500	201,100	260,300	*1,212,800*
Water Fund			***262,000***	***201,900***	***287,500***	***201,100***	***260,300***	***1,212,800***
Willson Treatment Plant	52-C0166	5	200,000	210,000	220,500	231,525	243,101	*1,105,126*
Bond Financing (Water Fund)			***170,000***	***172,500***	***183,000***	***194,025***	***205,601***	***925,126***
Water Fund			***30,000***	***37,500***	***37,500***	***37,500***	***37,500***	***180,000***
Willson Transmission Mains	52-C0167	5		500,000	3,815,000	4,615,000	750,000	*9,680,000*
MDE Loan					***3,815,000***	***4,615,000***	***750,000***	***9,180,000***
Water Fund				***500,000***				***500,000***
Edgemont Reservoir Improvements	52-C0168	5	150,000	220,000	320,000	320,000	150,000	*1,160,000*
MDE Loan				***70,000***	***170,000***	***170,000***		***410,000***
Water Fund			***150,000***	***150,000***	***150,000***	***150,000***	***150,000***	***750,000***
Zone 3 Standpipe	52-C0323	5					100,000	*100,000*
ARDI Fund Balance							***100,000***	***100,000***
Breichner WTP Improvements	52-C0405	5	50,000	52,500	55,125	57,881	60,775	*276,281*
MDE Loan			***50,000***	***52,500***	***55,125***	***57,881***	***60,775***	***276,281***
Adm. & Engineering Equipment	52-C0648	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Water Fund			***10,000***	***10,000***	***10,000***	***10,000***	***10,000***	***50,000***
Pump Station Improvements	52-C0651	5	215,000	225,000	837,500	712,500	75,000	*2,065,000*
Bond Financing (Water Fund)			***140,000***					***140,000***
Contribution by Others				***150,000***	***762,500***	***637,500***		***1,550,000***
Water Fund			***75,000***	***75,000***	***75,000***	***75,000***	***75,000***	***375,000***
Distribution Services - Meter Program	52-C0653	4	1,170,000	1,205,100	1,241,253	1,278,491	1,316,844	*6,211,688*
Bond Financing (Water Fund)			***1,170,000***	***1,205,100***	***1,241,253***	***1,278,491***	***1,316,844***	***6,211,688***
Distribution System Rehab - Main Replacement	52-C0709	5	350,000	360,500	371,315	382,454	393,928	*1,858,197*
Bond Financing (Water Fund)			***350,000***	***360,500***	***371,315***	***382,454***	***393,928***	***1,858,197***
Willson Plant Improvements Phase IV	52-C0740	5	4,500,000	9,600,000				*14,100,000*
MDE Loan			***4,000,000***	***9,100,000***				***13,100,000***
Water Fund			***500,000***	***500,000***				***1,000,000***
Water System SCADA Improvements	52-C0820	4	455,000	1,060,000	75,000	75,000	75,000	*1,740,000*
Bond Financing (Water Fund)			***415,000***	***250,000***				***665,000***
MDE Loan				***800,000***				***800,000***
Water Fund			***40,000***	***10,000***	***75,000***	***75,000***	***75,000***	***275,000***
Water Fund Total			**7,362,000**	**13,645,000**	**7,233,193**	**7,883,951**	**3,434,948**	***39,559,092***
GRAND TOTAL			**7,362,000**	**13,645,000**	**7,233,193**	**7,883,951**	**3,434,948**	***39,559,092***

City of Hagerstown, Maryland

WASTEWATER FUND

FY '13 thru FY '17

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater Fund)								
Wastewater Vehicle Replacement	*54-C0004*	5	580,000	139,000	182,000	122,000	25,000	*1,048,000*
Pump Station Improvements	*54-C0299*	1			300,000			*300,000*
Collection System Rehabilitation	*54-C0327*	1	200,000	200,000	700,000	200,000	200,000	*1,500,000*
Plant Equipment	*54-C0584*	1	125,000	100,000	100,000	100,000	100,000	*525,000*
Oxygen System Improvements	*54-C0657*	1	100,000	100,000	100,000			*300,000*
Solids Processing-Pelletizer and WWTP Improvements	*54-C0711*	2		550,000	250,000	50,000	50,000	*900,000*
Collection System Equipment	*54-C0713*	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Laboratory Equipment	*54-C0745*	5	70,000					*70,000*
Grinder Pump Replacement Program	*54-C0767*	5	70,000	70,000	70,000	70,000	70,000	*350,000*
Eliminate Pump Station #12	*54-C0832*	5	120,000					*120,000*
Bond Financing (Wastewater Fund) Total			**1,345,000**	**1,239,000**	**1,782,000**	**622,000**	**525,000**	***5,513,000***
Contribution by Others								
Collection System Rehabilitation	*54-C0327*	1			700,000			*700,000*
East End Pump Station	*54-C0565*	5			675,000			*675,000*
Contribution by Others Total					**1,375,000**			***1,375,000***
Grant-State MDE								
WWTP ENR Disinfection Improvements - Phase 3A	*54-C0571*	2	100,000					*100,000*
Grant-State MDE Total			**100,000**					***100,000***
MDE Loan - SRLF								
WWTP Disinfection Improvements - Phase 3B	*54-C0748*	2	50,000					*50,000*
Citywide - CS Rehabilitation	*54-C0800*	1	300,000					*300,000*
MDE Loan - SRLF Total			**350,000**					***350,000***
Wastewater Fund								
Manhole Raising	*54-C0267*	1	25,000	25,000	25,000	25,000	25,000	*125,000*
Pump Station Improvements	*54-C0299*	1	45,000	45,000	45,000	45,000	45,000	*225,000*
Collection System Rehabilitation	*54-C0327*	1	200,000	200,000	200,000	200,000	200,000	*1,000,000*
Buildings and Structures	*54-C0585*	5	50,000	75,000	25,000	25,000	25,000	*200,000*
Solids Processing-Pelletizer and WWTP Improvements	*54-C0711*	2	50,000					*50,000*
Laboratory Equipment	*54-C0745*	5	15,000	20,000	20,000	20,000	20,000	*95,000*
Grinder Pump Replacement Program	*54-C0767*	5	10,000	10,000	10,000	10,000	10,000	*50,000*
Trunk Lines and Laterals	*54-C0834*	2	15,000	15,000	15,000	15,000	15,000	*75,000*
Narrow Band Radios	*54-C0835*	5	15,000					*15,000*

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Wastewater Fund Total			425,000	390,000	340,000	340,000	340,000	*1,835,000*
GRAND TOTAL			2,220,000	1,629,000	3,497,000	962,000	865,000	*9,173,000*

City of Hagerstown, Maryland

WASTEWATER FUND

FY '13 thru **FY '17**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Wastewater Fund								
Wastewater Vehicle Replacement	54-C0004	5	580,000	139,000	182,000	122,000	25,000	*1,048,000*
Bond Financing (Wastewater Fund)			***580,000***	***139,000***	***182,000***	***122,000***	***25,000***	***1,048,000***
Manhole Raising	54-C0267	1	25,000	25,000	25,000	25,000	25,000	*125,000*
Wastewater Fund			***25,000***	***25,000***	***25,000***	***25,000***	***25,000***	***125,000***
Pump Station Improvements	54-C0299	1	45,000	45,000	345,000	45,000	45,000	*525,000*
Bond Financing (Wastewater Fund)					***300,000***			***300,000***
Wastewater Fund			***45,000***	***45,000***	***45,000***	***45,000***	***45,000***	***225,000***
Collection System Rehabilitation	54-C0327	1	400,000	400,000	1,600,000	400,000	400,000	*3,200,000*
Bond Financing (Wastewater Fund)			***200,000***	***200,000***	***700,000***	***200,000***	***200,000***	***1,500,000***
Contribution by Others					***700,000***			***700,000***
Wastewater Fund			***200,000***	***200,000***	***200,000***	***200,000***	***200,000***	***1,000,000***
East End Pump Station	54-C0565	5			675,000			*675,000*
Contribution by Others					***675,000***			***675,000***
WWTP ENR Disinfection Improvements - Phase 3A	54-C0571	2	100,000					*100,000*
Grant-State MDE			***100,000***					***100,000***
Plant Equipment	54-C0584	1	125,000	100,000	100,000	100,000	100,000	*525,000*
Bond Financing (Wastewater Fund)			***125,000***	***100,000***	***100,000***	***100,000***	***100,000***	***525,000***
Buildings and Structures	54-C0585	5	50,000	75,000	25,000	25,000	25,000	*200,000*
Wastewater Fund			***50,000***	***75,000***	***25,000***	***25,000***	***25,000***	***200,000***
Oxygen System Improvements	54-C0657	1	100,000	100,000	100,000			*300,000*
Bond Financing (Wastewater Fund)			***100,000***	***100,000***	***100,000***			***300,000***
Solids Processing-Pelletizer and WWTP Improvements	54-C0711	2	50,000	550,000	250,000	50,000	50,000	*950,000*
Bond Financing (Wastewater Fund)				***550,000***	***250,000***	***50,000***	***50,000***	***900,000***
Wastewater Fund			***50,000***					***50,000***
Collection System Equipment	54-C0713	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Bond Financing (Wastewater Fund)			***80,000***	***80,000***	***80,000***	***80,000***	***80,000***	***400,000***
Laboratory Equipment	54-C0745	5	85,000	20,000	20,000	20,000	20,000	*165,000*
Bond Financing (Wastewater Fund)			***70,000***					***70,000***
Wastewater Fund			***15,000***	***20,000***	***20,000***	***20,000***	***20,000***	***95,000***
WWTP Disinfection Improvements - Phase 3B	54-C0748	2	50,000					*50,000*
MDE Loan - SRLF			***50,000***					***50,000***
Grinder Pump Replacement Program	54-C0767	5	80,000	80,000	80,000	80,000	80,000	*400,000*
Bond Financing (Wastewater Fund)			***70,000***	***70,000***	***70,000***	***70,000***	***70,000***	***350,000***
Wastewater Fund			***10,000***	***10,000***	***10,000***	***10,000***	***10,000***	***50,000***
Citywide - CS Rehabilitation	54-C0800	1	300,000					*300,000*
MDE Loan - SRLF			***300,000***					***300,000***
Eliminate Pump Station #12	54-C0832	5	120,000					*120,000*
Bond Financing (Wastewater Fund)			***120,000***					***120,000***
Trunk Lines and Laterals	54-C0834	2	15,000	15,000	15,000	15,000	15,000	*75,000*
Wastewater Fund			***15,000***	***15,000***	***15,000***	***15,000***	***15,000***	***75,000***
Narrow Band Radios	54-C0835	5	15,000					*15,000*
Wastewater Fund			***15,000***					***15,000***

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Wastewater Fund Total			2,220,000	1,629,000	3,497,000	962,000	865,000	*9,173,000*
GRAND TOTAL			2,220,000	1,629,000	3,497,000	962,000	865,000	*9,173,000*

City of Hagerstown, Maryland

PARKING FUND

FY '13 thru FY '17

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Parking Fund)								
Parking Facilities - City Center Area	*56-C0173*	5		250,000	4,450,000			*4,700,000*
North Potomac Street Parking Facilities	*56-C0749*	5	100,000					*100,000*
Bond Financing (Parking Fund) Total			**100,000**	**250,000**	**4,450,000**			***4,800,000***
Contribution by Others								
Parking Facilities - City Center Area	*56-C0173*	5		250,000	4,450,000			*4,700,000*
Contribution by Others Total				**250,000**	**4,450,000**			***4,700,000***
Parking Fund								
North Potomac Street Parking Facilities	*56-C0749*	5		30,000	30,000	30,000	30,000	*120,000*
Parking Fund Vehicles	*56-C0829*	5	25,000		20,000	20,000	25,000	*90,000*
Parking Fund Total			**25,000**	**30,000**	**50,000**	**50,000**	**55,000**	***210,000***
GRAND TOTAL			**125,000**	**530,000**	**8,950,000**	**50,000**	**55,000**	***9,710,000***

City of Hagerstown, Maryland

PARKING FUND

FY '13 thru **FY '17**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Parking Fund								
Parking Facilities - City Center Area	56-C0173	5		500,000	8,900,000			*9,400,000*
Bond Financing (Parking Fund)				***250,000***	***4,450,000***			***4,700,000***
Contribution by Others				***250,000***	***4,450,000***			***4,700,000***
North Potomac Street Parking Facilities	56-C0749	5	100,000	30,000	30,000	30,000	30,000	*220,000*
Bond Financing (Parking Fund)			***100,000***					***100,000***
Parking Fund				***30,000***	***30,000***	***30,000***	***30,000***	***120,000***
Parking Fund Vehicles	56-C0829	5	25,000		20,000	20,000	25,000	*90,000*
Parking Fund			***25,000***		***20,000***	***20,000***	***25,000***	***90,000***
Parking Fund Total			**125,000**	**530,000**	**8,950,000**	**50,000**	**55,000**	***9,710,000***
GRAND TOTAL			**125,000**	**530,000**	**8,950,000**	**50,000**	**55,000**	***9,710,000***

City of Hagerstown, Maryland

GOLF FUND

FY '13 thru FY '17

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Golf Fund								
Golf Course - Vehicles/Equipment	*57-C0395*	4	25,000	65,000	50,000	20,000		*160,000*
Golf Cart Storage	*57-C0825*	8		2,200				*2,200*
Golf Fund Total			**25,000**	**67,200**	**50,000**	**20,000**		***162,200***
Grants-State Program Open Space								
Golf Cart Storage	*57-C0825*	8		19,800				*19,800*
Grants-State Program Open Space Total				**19,800**				***19,800***
GRAND TOTAL			**25,000**	**87,000**	**50,000**	**20,000**		***182,000***

City of Hagerstown, Maryland

GOLF FUND

FY '13 thru **FY '17**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Golf Fund								
Golf Course - Vehicles/Equipment	57-C0395	4	25,000	65,000	50,000	20,000		*160,000*
Golf Fund			***25,000***	***65,000***	***50,000***	***20,000***		***160,000***
Golf Cart Storage	57-C0825	8		22,000				*22,000*
Golf Fund				***2,200***				***2,200***
Grants-State Program Open Space				***19,800***				***19,800***
Golf Fund Total			**25,000**	**87,000**	**50,000**	**20,000**		***182,000***
GRAND TOTAL			**25,000**	**87,000**	**50,000**	**20,000**		***182,000***

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '13 thru FY '17

PROJECTS BY FUNDING SOURCE

Source	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-Federal								
Hagerstown Small Business Center	*58-C0828*	5	50,000					*50,000*
Grants-Federal Total			**50,000**					***50,000***
Grants-State								
36-40 North Potomac Street	*58-C0836*	5	25,000					*25,000*
Grants-State Total			**25,000**					***25,000***
Grants-State Community Legacy								
Hagerstown Small Business Center	*58-C0828*	5	50,000					*50,000*
36-40 North Potomac Street	*58-C0836*	5	80,000					*80,000*
Grants-State Community Legacy Total			**130,000**					***130,000***
Property Management Fund								
Alms House Repairs	*58-C0755*	5		5,000			5,000	*10,000*
Elizabeth Hager Center	*58-C0803*	5	30,000	20,000	20,000	20,000	20,000	*110,000*
Property Management Fund Total			**30,000**	**25,000**	**20,000**	**20,000**	**25,000**	***120,000***
Transfers to Prop Mgmt-CDBG Fund								
Hagerstown Small Business Center	*58-C0828*	5	50,000					*50,000*
36-40 North Potomac Street	*58-C0836*	5	270,000					*270,000*
Transfers to Prop Mgmt-CDBG Fund Total			**320,000**					***320,000***
GRAND TOTAL			**555,000**	**25,000**	**20,000**	**20,000**	**25,000**	***645,000***

City of Hagerstown, Maryland

PROPERTY MANAGEMENT FUND

FY '13 thru **FY '17**

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Property Management Fund								
Alms House Repairs	58-C0755	5		5,000			5,000	*10,000*
Property Management Fund				***5,000***			***5,000***	***10,000***
Elizabeth Hager Center	58-C0803	5	30,000	20,000	20,000	20,000	20,000	*110,000*
Property Management Fund			***30,000***	***20,000***	***20,000***	***20,000***	***20,000***	***110,000***
Hagerstown Small Business Center	58-C0828	5	150,000					*150,000*
Grants-Federal			***50,000***					***50,000***
Grants-State Community Legacy			***50,000***					***50,000***
Transfers to Prop Mgmt-CDBG Fund			***50,000***					***50,000***
36-40 North Potomac Street	58-C0836	5	375,000					*375,000*
Grants-State			***25,000***					***25,000***
Grants-State Community Legacy			***80,000***					***80,000***
Transfers to Prop Mgmt-CDBG Fund			***270,000***					***270,000***
Property Management Fund Total			**555,000**	**25,000**	**20,000**	**20,000**	**25,000**	***645,000***
GRAND TOTAL			**555,000**	**25,000**	**20,000**	**20,000**	**25,000**	***645,000***

CAPITAL IMPROVEMENTS PROGRAM
Fiscal Years FY '13 thru FY '17

List of Projects by Project Name

Project Name	Project #	Project Priority
36-40 North Potomac Street	58-C0836	Planned Improvement
Adm. & Engineering Equipment	52-C0648	Planned Improvement
Alley Reconstruction	45-C0324	Planned Improvement
Alms House Repairs	58-C0755	Planned Improvement
Antietam Creek Greenway Trail	45-C0774	Planned Improvement
Bicycle Trail	45-C0717	Planned Improvement
Breichner WTP Improvements	52-C0405	Planned Improvement
Bridge Repair Program	45-C0400	Cost Avoidance
Building and Site Improvements	50-C0542	Planned Improvement
Buildings and Structures	54-C0585	Planned Improvement
Cable PEG/I-Net	45-C0568	Contract Obligation
Central Substation	50-C0118	Planned Improvement
Circuit Upgrades	50-C0110	Planned Improvement
City Hall Improvements	45-C0326	Planned Improvement
City Park Bandshell Seating	45-C0332	Planned Improvement
City Park Bridge Light Replacement	50-C0610	Cost Avoidance
City Park Irrigation System	45-C0826	Cost Avoidance
City Park Lake Improvements	45-C0047	Planned Improvement
City Park Parking Improvements	45-C0522	Planned Improvement
Citywide - CS Rehabilitation	54-C0800	Public Safety
Collection System Equipment	54-C0713	Planned Improvement
Collection System Rehabilitation	54-C0327	Public Safety
Community & Economic Development Vehicles	45-C0249	Cost Avoidance
Computer Equipment and Software	45-C0006	Planned Improvement
Curb and Sidewalk Replacement Program	45-C0458	Planned Improvement
Deerfield Knolls	50-C0707	Planned Improvement
Distribution Services - Meter Program	52-C0653	Cost Avoidance
Distribution System Rehab - Main Replacement	52-C0709	Planned Improvement
Downtown Beautification Program	45-C0280	Planned Improvement
Downtown Gateway Signs	45-C0579	Planned Improvement
East Avenue Park	45-C0752	Planned Improvement
East End Pump Station	54-C0565	Planned Improvement
Edgemont Reservoir Improvements	52-C0168	Planned Improvement
Electric Vehicles	50-C0090	Planned Improvement
Eliminate Pump Station #12	54-C0832	Planned Improvement
Elizabeth Hager Center	58-C0803	Planned Improvement
Engineering Vehicles	45-C0133	Cost Avoidance
Fairchild Heights	50-C0613	Planned Improvement
Fairground Grandstand Improvements	45-C0624	Contract Obligation
Feeder Coordination	50-C0833	Planned Improvement
Fire Department Vehicle Replacement	45-C0010	Planned Improvement
Fire Training Tower	45-C0241	Planned Improvement
Frederick Street Culvert	45-C0811	Documented Savings

CAPITAL IMPROVEMENTS PROGRAM
Fiscal Years FY '13 thru FY '17

List of Projects by Project Name

Project Name	Project #	Project Priority
Geographic Information System	45-C0451	Planned Improvement
George Washington Statue	45-C0837	Planned Improvement
GIS Facility Software	50-C0777	Planned Improvement
Golf Cart Storage	57-C0825	Improve Service
Golf Course - Vehicles/Equipment	57-C0395	Cost Avoidance
Grinder Pump Replacement Program	54-C0767	Planned Improvement
Hager Park - Multipurpose Court	45-C0789	Documented Savings
Hagerstown Business Park	50-C0258	Planned Improvement
Hagerstown Small Business Center	58-C0828	Planned Improvement
Handicapped Access	45-C0217	Probable Grant
Installation of Street Trees	45-C0594	Planned Improvement
Kiwanis Park	45-C0773	Contract Obligation
Laboratory Equipment	54-C0745	Planned Improvement
LED Signal Lights	45-C0245	Cost Avoidance
Library Expansion	50-C0805	Planned Improvement
Major Signal Intersection Upgrades	45-C0243	Planned Improvement
Manhole Raising	54-C0267	Public Safety
Market House Improvements	45-C0099	Planned Improvement
Memorial Park	45-C0784	Improve Service
Mills Park Hiker/Biker Trail	45-C0737	Planned Improvement
Mitchell Substation Third Bay	50-C0778	Planned Improvement
Municipal Stadium Improvements	45-C0040	Cost Avoidance
Narrow Band Radios	45-C0835	Planned Improvement
Narrow Band Radios	54-C0835	Planned Improvement
Neighborhood Parks	45-C0751	Planned Improvement
New Sidewalks	45-C0595	Public Safety
Noland Drive Boys & Girls Club	50-C0818	Planned Improvement
North East Area Community Improvements	45-C0664	Cost Avoidance
North Potomac Street Parking Facilities	56-C0749	Planned Improvement
Northwest Connector	45-C0735	Planned Improvement
Old Trail Estates/Peachtree Suites	50-C0673	Planned Improvement
Oswald Park - Irrigation System	45-C0792	Cost Avoidance
Oxygen System Improvements	54-C0657	Public Safety
Pangborn Lake Reconstruction	45-C0812	Documented Savings
Park Circle Improvements	45-C0373	Public Safety
Park Equipment	45-C0237	Planned Improvement
Parking Facilities - City Center Area	56-C0173	Planned Improvement
Parking Fund Vehicles	56-C0829	Planned Improvement
Parks Vehicles and Equipment	45-C0570	Planned Improvement
Pavement Markings	45-C0093	Public Safety
Pavement Preservation Program	45-C0025	Planned Improvement
Pedestrian Lighting	50-C0388	Planned Improvement
Plant Equipment	54-C0584	Public Safety

CAPITAL IMPROVEMENTS PROGRAM
Fiscal Years FY '13 thru FY '17

List of Projects by Project Name

Project Name	Project #	Project Priority
Police Building Renovation	45-C0308	Planned Improvement
Police Crime Lab Equipment	45-C0182	Planned Improvement
Police Firing Range	45-C0226	Planned Improvement
Police Radios	45-C0128	Public Safety
Police Vehicles	45-C0129	Public Safety
Poplar Square (former Linwood Hollow)	50-C0706	Planned Improvement
Potomac Manor	50-C0674	Planned Improvement
Potterfield Pool Improvements	45-C0822	Improve Service
Public Works Operations Center Improvement Program	45-C0250	Planned Improvement
Public Works Storage Yard Expansion	45-C0718	Planned Improvement
Public Works Vehicles	45-C0065	Planned Improvement
Pump Station Improvements	52-C0651	Planned Improvement
Pump Station Improvements	54-C0299	Public Safety
R. Paul Smith Boulevard	45-C0733	Planned Improvement
Signal Controller Upgrades	45-C0433	Planned Improvement
Signal Timing Optimization	45-C0640	Planned Improvement
Solids Processing-Pelletizer and WWTP Improvements	54-C0711	Contract Obligation
Spare Regulators	50-C0797	Improve Service
Stadium/Multi-use Facility Construction	45-C0041	Planned Improvement
State Highway Retrofit Sidewalk Program	45-C0527	Probable Grant
Steam Engine Museum	45-C0439	Planned Improvement
Storm Water Management Planning and Improvements	45-C0637	Contract Obligation
Stormdrain System Upgrades	45-C0444	Planned Improvement
Substation Breaker Replacement	50-C0776	Planned Improvement
System Reconductoring	50-C0259	Planned Improvement
Telemetry Equipment	50-C0111	Planned Improvement
Tennis Court Expansion	45-C0809	Contract Obligation
Test Equipment	50-C0609	Planned Improvement
Traffic Calming	45-C0560	Planned Improvement
Trunk Lines and Laterals	54-C0834	Contract Obligation
W Washington Streetscape Improvements	45-C0827	Planned Improvement
Wastewater Vehicle Replacement	54-C0004	Planned Improvement
Water System SCADA Improvements	52-C0820	Cost Avoidance
Water Vehicles	52-C0117	Planned Improvement
Wesel Boulevard Development	50-C0220	Planned Improvement
West End Fire and EMS (Relocation)	45-C0730	Planned Improvement
Wildlife Protection	50-C0802	Improve Service
Willson Plant Improvements Phase IV	52-C0740	Planned Improvement
Willson Transmission Mains	52-C0167	Planned Improvement
Willson Treatment Plant	52-C0166	Planned Improvement
Winter Street School-Neighborhood Park	45-C0764	Probable Grant
Work Management System	50-C0618	Planned Improvement
WWTP Disinfection Improvements - Phase 3B	54-C0748	Contract Obligation

CAPITAL IMPROVEMENTS PROGRAM
Fiscal Years FY '13 thru FY '17

List of Projects by Project Name

Project Name	Project #	Project Priority
WWTP ENR Disinfection Improvements - Phase 3A	54-C0571	Contract Obligation
Zone 3 Standpipe	52-C0323	Planned Improvement

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0006

Project Name Computer Equipment and Software

Type	Replacement	**Department**	Information Technology
Useful Life	5 years	**Contact**	Nicewarner
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	City Hall		
Year Submitted:	Ongoing		

Description

Continue upgrades to hardware and software to accommodate IT infrastructure replacements and additions. Budget year includes upgrades to the Unified Messaging System fo our IWATSU phone system, network switch upgrades, enterprise document management hardware/software and miscellaneous equipment purchases as necessary.

FY 10, 11, & 12 reflected reduced funding due to budget constraints. In FY10 and 11, we deferred approximately $105,000 in computer replacement equipment.

Justification

The department continues to review new processes made possible by the current financial system and the upgrades applied over the year that facilitate our expanding our technological capabilities to improve staff efficiencies. We are also experiencing the continued trend of increased customer inquiries and needs that take significant staff time requiring our looking at automation of as many processes as possible.

Budget Impact/Other

There will be maintenance/support agreements impact on the general IT operating budget.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	35,000	35,000	35,000	35,000	35,000	175,000
Other	45,000	45,000	45,000	45,000	45,000	225,000
Total	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**400,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-Electric Fund	20,000	20,000	20,000	20,000	20,000	100,000
Transfers to CIP-General Fund	20,000	20,000	20,000	20,000	20,000	100,000
Transfers to CIP-Wastewater F	20,000	20,000	20,000	20,000	20,000	100,000
Transfers to CIP-Water Fund	20,000	20,000	20,000	20,000	20,000	100,000
Total	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**400,000**

Project # 45-C0010
Project Name Fire Department Vehicle Replacement

Type	Replacement	**Department**	Fire
Useful Life	15 years	**Contact**	Dieterich
Category	Automobiles and Trucks	**Priority**	Planned Improvement
Location:	Administrative Office		
Year Submitted:	Ongoing		

Description

Per Vehicle Replacement Plan.

FY13: Engine 1 - 1994 KME Pumper ($450,000) - replacement of this unit has been deferred from FY10. This unit is for 1st Hose Fire Co.
FY13: Unit 3 - Chevy Tahoe ($46,000)
FY14: Truck 1 - 1998 AI 105' Ladder
FY15: Truck 4 - 1998 AI 105' Ladder
FY16: Unit C4 - 2005 Chevy Blazer
FY17: No vehicle needs

Justification

Replace unsafe or deteriorated equipment.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	496,000	900,000	950,000	35,000		2,381,000
Total	**496,000**	**900,000**	**950,000**	**35,000**		**2,381,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund	296,000	700,000	750,000			1,746,000
Contribution by Others	200,000	200,000	200,000			600,000
Transfers to CIP-General Fund				35,000		35,000
Total	**496,000**	**900,000**	**950,000**	**35,000**		**2,381,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0025

Project Name Pavement Preservation Program

Type	Maintenance	**Department**	Engineering
Useful Life	15 - 25 years	**Contact**	Tissue
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	City -wide		
Year Submitted:	Ongoing		

Description

Resurfacing of various streets and parking lots per pre-established plan. Includes overlay, crack-sealing, slurry-sealing, pavement markings and milling.

There is proposal in the State of Maryland legislation to increase the state sales tax to gasoline sales and phase the tax in over a 3 year period, which would in turn increase the amount of Highway User Tax revenue (HURs) given to municipalities. The City began utilizing all HURs funding received exclusively to fund a portion of our Pavement Preservation program.

FY13: Includes funds for paving portions of Marshall Street, Summit Ave, Hamilton Blvd, St Claire St, and the Virginia Ave overpass. It also includes funds for crack sealing and pavement marking.

Justification

Preserve deteriorating facilities.

In 2010 we expanded the program to include slurry-seals and crack-sealing in addition to overlay. We were not able to continue the slurry sealing program due to budget constraints.

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	600,000	640,000	575,000	400,000	400,000	2,615,000
Total	**600,000**	**640,000**	**575,000**	**400,000**	**400,000**	**2,615,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund		275,000	175,000			450,000
CIP Fund Balance	200,000					200,000
State Highway User Revenue	313,601	83,517	85,605	87,745	89,500	659,968
Transfers to CIP-General Fund	86,399	281,483	314,395	312,255	310,500	1,305,032
Total	**600,000**	**640,000**	**575,000**	**400,000**	**400,000**	**2,615,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0040

Project Name Municipal Stadium Improvements

Type	Maintenance	**Department**	Parks
Useful Life	10 years	**Contact**	Mason
Category	Buildings and Structures	**Priority**	Cost Avoidance
Location:	Municipal Stadium		
Year Submitted:	2008		

Description

On going improvement program for 80+ year old stadium. Schedule improvements as necessary.

New minor baseball team owners are developing a plan for a major renovation of the existing stadium. Until then, we will continue to schedule for yearly replacements and maintenance.

Justification

Provide adequate recreation facilities
Continue to keep the City's Single A minor league baseball stadium an attractive destination for City residents and visitors.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	50,000	50,000	35,000	35,000	35,000	205,000
Total	**50,000**	**50,000**	**35,000**	**35,000**	**35,000**	**205,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	50,000	50,000	35,000	35,000	35,000	205,000
Total	**50,000**	**50,000**	**35,000**	**35,000**	**35,000**	**205,000**

Project # 45-C0041
Project Name Stadium/Multi-use Facility Construction

Type	Replacement	**Department**	Engineering
Useful Life	80 years	**Contact**	Tissue
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	To be determined		
Year Submitted:	2012		

Description

The project involves the construction of a new multi-use City Center stadium to continue Hagerstown's local tradition of supporting Class A Minor League baseball. At the present time, this potential project is envisioned to be located in Hagerstown's City Center and serve as a catalyst for revitalization. A feasibility study is underway and will provide a market analysis, economic impact analysis, and a final report with recommendations. Funding for the feasibility study is divided equally between the City and the County at $20,000 each for a total of $40,000. CHIEF is assisting the City and County in coordinating the feasibility study, which is being performed by the Ripken Design Group. The feasibility study will provide information that outlines the fiscal and economic development that construction will spur. The proposed facility should be able to: create jobs during and after construction; spur development in areas surrounding the facility; increase consumer spending inside the facility and at surrounding businesses; and create a community gathering place and sense of pride.

Should the City, Washington County, the State of Maryland and the baseball owners choose to move forward, and provided the feasibility study supports it, the design phase will begin in 2013. The design phase will ensure that the proposed stadium translates the market demand as outlined in the feasibility study into a market supportable facility. Additionally, the design should capture and adequately support the type, size and functional components of the proposed facility. The design is estimated to cost $750,000 and is anticipated to be funded by City, County, State and private funds. City funds will be derived from future G/O bond proceeds and operating revenues from the stadium.

The construction phase is expected to begin in 2013 or 2014. Total Construction costs, based on a review of other Maryland minor league baseball stadium projects, is estimated to be in the range of $25,000,000 to $30,000,000 and is anticipated to be funded by City, County, State and private funds. City funds will be derived from future G/O bond proceeds and operating revenues from the stadium.

Justification

The proposed facility should be able to: create jobs during and after construction; spur development in areas surrounding the facility; increase consumer spending inside the facility and at surrounding businesses; and create a community gathering place and sense of pride. The Maryland Stadium Authority has advised that the funding formula is typically 1/3 State, 1/3 Local (City and County), and 1/3 Private.

Budget Impact/Other

Our estimated annual operating costs is in the range of $250,000.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design	750,000					750,000
Construction/Maintenance	12,500,000	12,500,000				25,000,000
Total	**13,250,000**	**12,500,000**				**25,750,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund	2,208,333	2,083,333				4,291,666
Grants-State	4,416,667	4,166,667				8,583,334
Stadium County Contribution	2,208,333	2,083,333				4,291,666
Stadium Private Contribution	4,416,667	4,166,667				8,583,334
Total	**13,250,000**	**12,500,000**				**25,750,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0047

Project Name City Park Lake Improvements

Type	Improvement	**Department**	Parks
Useful Life	25 - 50 years	**Contact**	Mason
Category	Land Improvements	**Priority**	Planned Improvement
Location:	City Park		
Year Submitted:	Ongoing		

Description

Replacement of walls around perimeter of upper and middle lakes, associated sidewalk improvements, and landscape enhancements. This project is part of the City Park Master Plan.

Justification

Improve deteriorating facilities.

Budget Impact/Other

Less than $5,000 would be saved on maintenance costs as the wall needs to be fully replaced and is not worthy of patching or repairing.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance					500,000	500,000
Total					**500,000**	**500,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund					500,000	500,000
Total					**500,000**	**500,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0065

Project Name Public Works Vehicles

Type	Replacement	**Department**	Public Works
Useful Life	10 years	**Contact**	Deike
Category	Automobiles and Trucks	**Priority**	Planned Improvement
Location:	Public Works		
Year Submitted:	Ongoing		

Description

Per Vehicle and Equipment schedule. Two of the vehicles proposed for FY13 have been deferred for the prior 3 years (units #019 and #023) and the other vehicle has been deferred for the prior 2 years (unit #030).

FY13: GMC dump truck #019 ($55,000), GMC dump truck #023 ($100,000), GMC truck #030 ($25,000)
FY14: Bobcat #006 ($15,000), GMC dump truck #024 ($100,000), Ford dump truck #025 ($60,000), GMC truck #045 ($25,000)
FY15: Chevy dump truck #020 ($100,000), Trailer #079 ($4,000), Tamper #085 ($3,000), Trailer #089 ($4,000), GMC truck #094 ($40,000)
FY16: John Deere Mower #063 ($11,000), Air compressor #083 ($12,000), Roller #084 ($12,000), Bucket truck #601 ($75,000)
FY17: Chevy blazer #003 ($25,000), Ford tractor #005 ($25,000), Ford dump truck #017 ($60,000), Sterling dump truck #026 ($110,000), Chevy truck #034 ($25,000), Chevy truck #046 ($24,000)

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	180,000	200,000	151,000	110,000	269,000	910,000
Total	**180,000**	**200,000**	**151,000**	**110,000**	**269,000**	**910,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund	171,000	176,000	106,000	66,000		519,000
Transfers to CIP-General Fund	9,000	24,000	45,000	44,000	269,000	391,000
Total	**180,000**	**200,000**	**151,000**	**110,000**	**269,000**	**910,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0093

Project Name Pavement Markings

Type	Improvement	**Department**	Engineering
Useful Life	5 years	**Contact**	Tissue
Category	Infrastructure-Streets	**Priority**	Public Safety
Location:	City-Wide		
Year Submitted:	Ongoing		

Description

$10,000 annually for upgrading pavement markings around the City with emphasis on crosswalks, school zones, and public safety.
FY13 - Suggest additional $10K to be used as a match to possible grant for bike lane installation.

Justification

Improve safety.

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	20,000	10,000	10,000	10,000	10,000	60,000
Total	**20,000**	**10,000**	**10,000**	**10,000**	**10,000**	**60,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-Federal	10,000					10,000
Transfers to CIP-General Fund	10,000	10,000	10,000	10,000	10,000	50,000
Total	**20,000**	**10,000**	**10,000**	**10,000**	**10,000**	**60,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0099

Project Name Market House Improvements

Type	Improvement	**Department**	Public Works
Useful Life	5 years	**Contact**	Thomas
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Market House		
Year Submitted:	1992		

Description

FY13: Replace the celestory roof in the middle of the building ($100,000) and paint interior ($10,000)

Justification

The celestory roof section is 25 to 30 years old and is starting to leak.
This section of roof is in the middle of the building and runs the entire length of the building.
Estimated replacement cost is $6 to 8 per square foot.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	110,000					110,000
Total	**110,000**					**110,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund	110,000					110,000
Total	**110,000**					**110,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0128

Project Name Police Radios

Type	Improvement	**Department**	Police
Useful Life	5 - 7 years	**Contact**	Smith
Category	Machinery and Equipment	**Priority**	Public Safety
Location:	Police Department		
Year Submitted:	Ongoing		

Description

Police radio replacement schedule.

Justification

* To ensure that the police staff members can continue to communicate effectively with each other and other law enforcement agencies
* To protect the safety of the public and the safety of the officers
* The new Washington County radio system become operational in calendar year 2010. At that time, HPD replaced all outdated radio equipment with the new mobile and hand held radio equipment required to access this system.
* Expenditures in outlying years represent replacement of radio equipment which would begin in 2016 at a rate of 25% per year (based on 5-7 year useful life) and based on the current cost of police radios.

Budget Impact/Other

Replacement of current radios should begin in FY16 based on recommended operating life. Current batter stock should suffice through the end of FY13, with 10 replacement batteries per year after that. The operating budget also includes $1,500 per year in maintenance costs for repairs to radio equipment.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	53,000			170,000	170,000	393,000
Total	**53,000**			**170,000**	**170,000**	**393,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund				170,000	170,000	340,000
CIP Fund Balance	53,000					53,000
Total	**53,000**			**170,000**	**170,000**	**393,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0129

Project Name Police Vehicles

Type	Replacement	**Department**	Police
Useful Life	5 years	**Contact**	Smith
Category	Automobiles and Trucks	**Priority**	Public Safety
Location:	Police Department		
Year Submitted:	Ongoing		

Description

FY 13: 6 new patrol vehicles, plus all auxillary equipment (radios, prisoner transport cages, emergency lighting, etc.) @ $36,000 each ($216,000); 2 low-mileage pre-owned staff cars to be purchased from other agencies @ $5,000 each ($10,000).
FY 14: Same as FY13 for continued replacement of 6 patrol vehicles per year @ $36,000 ($216,000) and 2 low mileage pre-owned cars @$5,000 each ($10,000); plus add electric vehicle for Auxiliary unit ($15,000)
FY15 - 17: Same as FY13 for continued replacement of 6 patrol vehicles per year @ $36,000 ($216,000) and 2 low mileage pre-owned cars @$5,000 each ($10,000).

Justification

The posponement of vehicle replacements for the prior two years will require some catch up purcahses. Many patrol vehicles are operated around the clock with in-town driving and considerable idling. The overlapping 10 hour shifts also create the need for all cars to be operationally ready. Staff cars are needed to replace aging cars in other agency components such as the Criminal Investigation Division.

The electric vehicle would be used by Auxiliary Unit to increase visibility and range throughout downtown and parking garages. It can also be used as a courtesy shutlle for the elderly or handicapped.

Budget Impact/Other

After the warranties expire, the City assumes maintenance costs which are included in the department operating budget and is difficult to estimate routine maintenance versus maintenance to keep vehicles going past replacement schedule.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	226,000	241,000	226,000	226,000	226,000	1,145,000
Total	**226,000**	**241,000**	**226,000**	**226,000**	**226,000**	**1,145,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	226,000	241,000	226,000	226,000	226,000	1,145,000
Total	**226,000**	**241,000**	**226,000**	**226,000**	**226,000**	**1,145,000**

Project # 45-C0133
Project Name Engineering Vehicles

Type	Replacement	**Department**	Engineering
Useful Life	6 - 10 years	**Contact**	Tissue
Category	Automobiles and Trucks	**Priority**	Cost Avoidance
Location:	City Hall		
Year Submitted:	Ongoing		

Description

Replacement program for vehicles for department personnel, these are NOT additions to the fleet. The FY13 van purchase has been deferred for the past four years.

Replace units per the "Vehicle Replacement Schedule" and BARS schedule administered by CMG.

FY13: Replace GMC Van #710 ($22,000)
FY15: Replace Sonoma truck #705 ($16,000)
FY16: Replace Colorado truck #702 ($16,000)
FY17: Replace Ford Focus #707 ($17,000)

Justification

Replace deteriorated vehicles - low cost vehicles in the fleet have limited life and maintenance costs increase dramatically once vehicles get about eight to ten years old.

Budget Impact/Other

Replacement of six to ten-year-old vehicles saves about $1,500 annually in repairs and part replacement.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	22,000		16,000	16,000	17,000	71,000
Total	**22,000**		**16,000**	**16,000**	**17,000**	**71,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	22,000		16,000	16,000	17,000	71,000
Total	**22,000**		**16,000**	**16,000**	**17,000**	**71,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0182

Project Name Police Crime Lab Equipment

Type	Unassigned	**Department**	Police
Useful Life	5 - 7 years	**Contact**	Smith
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Police Department		
Year Submitted:	2009		

Description

FY13: Replacement of Fourier Transforma Infrared Spectrometer (FTIR)

FY16: Replacement of the Gas Chromatograph/ Mass Spectrometer.

Justification

The Furier Transforma Infrared Spectrometer (FTIR) is used for confirmatory tests as well as identification of other substances requiring this specific instrument. In addition to forensic examinations, its use is required for the prosecution of criminal cases. The current FTIR was installed in 2001 and is beyond its expected useful life, although it is still functioning. HPD will pursue available grant opportunities to fund its replacement.

The expenditures listed in FY16 represent a Gas Chromatograph/ Mass Spectrometer. The current GC/MS will reach the end of its expected useful life during that fiscal year. HPD also plans to pursue grants to fund both these expensive equipment replacements.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	17,000			110,000		127,000
Total	**17,000**			**110,000**		**127,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-Federal	17,000			110,000		127,000
Total	**17,000**			**110,000**		**127,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0217

Project Name Handicapped Access

Type	Improvement	**Department**	Engineering
Useful Life	20 years	**Contact**	Tissue
Category	Infrastructure-Sidewalks	**Priority**	Probable Grant
Location:	To be determined		
Year Submitted:	Ongoing		

Description

This project strives to improve sidewalks at various intersections and alley entrances by re-surfacing the pavement and installing accessible ramps. Improvements are budgeted at $700 per ramp.

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.

Budget Impact/Other

None.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	40,000	40,000	40,000	40,000	40,000	200,000
Total	**40,000**	**40,000**	**40,000**	**40,000**	**40,000**	**200,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-CDBG Fund	40,000	40,000	40,000	40,000	40,000	200,000
Total	**40,000**	**40,000**	**40,000**	**40,000**	**40,000**	**200,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0226

Project Name Police Firing Range

Type	Improvement	**Department**	Police
Useful Life	30 years	**Contact**	Smith
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Smithsburg Watershed Area		
Year Submitted:	2011		

Description

Electronic turning and moving target system - $30,000

No further project costs are anticipated for firing range for FY14-FY17.

Justification

Firearms training and qualification, including judgmental training, is mandated by the State of Maryland for all police officers. The electronic target system will enhance efficiency and provide an additional resource to meet the State mandates. The range is used by law enforcement agencies in Washington County, and will therefore be funded through confiscated drug assets.

Budget Impact/Other

No additional recurring or operating costs are aniticipated.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	30,000					30,000
Total	**30,000**					**30,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Contribution by Others	30,000					30,000
Total	**30,000**					**30,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0237

Project Name Park Equipment

Type	Replacement	**Department**	Parks
Useful Life	15 years	**Contact**	Mason
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	To be determined		
Year Submitted:	2008		

Description

Purchase and place portable metal bleachers at youth baseball league sites: Funkhouser, Hager, and Hellane Parks. Will transport to other parks as needed. Also purchase benches and picnic tables for various parks for public use.

The purchases of both are contigent on receiving State POS funding.

FY14: Portable bleachers for various youth baseball league sites ($8,000)
FY14: Park benches & picnic tables for various parks ($22,000)

Justification

Portable metal bleachers will provide additional seating needed during opening day ceremonies, play-offs, tournaments, fundraisers, etc, as well as other events.
The park benches and picnic tables will improve park facilities for use by the general public.

Have applied for funding from Program Open Space and Community Parks & Playgrounds for the portable metal bleachers ($8,000).

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings		30,000				30,000
Total		**30,000**				**30,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State Program Open S		27,000				27,000
Transfers to CIP-General Fund		3,000				3,000
Total		**30,000**				**30,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0241

Project Name Fire Training Tower

Type	Improvement	**Department**	Fire
Useful Life	25 years	**Contact**	Dieterich
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	City Fire Training Center		
Year Submitted:	2009		

Description

Replace existing Fire Training Tower at the City Fire Training Center on Bowman Avenue near the wastewater treatment plant as part of development of county-wide fire training center.

Justification

This local fire training center has been used by the City and various other area fire departments for required firefighter skills training since the 1970's. This facility may not need to be replaced if a new Countywide facility is constructed.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance					600,000	600,000
Total					**600,000**	**600,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-County					60,000	60,000
Grants-Federal					540,000	540,000
Total					**600,000**	**600,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0243

Project Name Major Signal Intersection Upgrades

Type	Improvement	**Department**	Engineering
Useful Life	5 - 10 years	**Contact**	Tissue
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	System-wide		
Year Submitted:	1997		

Description

Traffic signals at these locations are currently situated along the sidewalk. In order to improve visibility, workers will construct a mast arm pole to hang the signals over the travel lanes. Pedestrian signals will also be upgraded to become more visible.

FY13: Design phase for Potomac & Howard
FY14: Construction for Potomac & Howard intersection
FY16: Mulberry & Antietam - Last intersection on Mulberry Street without overhead signals

Justification

These changes increase safety on our streets and sidewalks by making lights for pedestrians and motorists more visible.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design	10,000			8,000		18,000
Construction/Maintenance		125,000		110,000		235,000
Total	**10,000**	**125,000**		**118,000**		**253,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund		125,000				125,000
Transfers to CIP-CDBG Fund				118,000		118,000
Transfers to CIP-General Fund	10,000					10,000
Total	**10,000**	**125,000**		**118,000**		**253,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0245

Project Name LED Signal Lights

Type	Improvement	**Department**	Public Works
Useful Life	10 years	**Contact**	Deike
Category	Machinery and Equipment	**Priority**	Cost Avoidance
Location:	City-Wide		
Year Submitted:	2005		

Description

Initiative to replace older technology with new equipment in order to greatly reduce operating costs.
FY13 & 14: Replace remaining 8" signal heads with 12" heads

Justification

Upgrade traffic Signals to larger 12" signal head size. They are the current standard, provide better visability and a larger viewing surface. 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 10 years while incandescent bulbs burn for one to two years.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	17,000	17,000				34,000
Total	**17,000**	**17,000**				**34,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	17,000	17,000				34,000
Total	**17,000**	**17,000**				**34,000**

Project # 45-C0249
Project Name Community & Economic Development Vehicles

Type	Replacement	**Department**	Community Development
Useful Life	10 years	**Contact**	Lestitian
Category	Automobiles and Trucks	**Priority**	Cost Avoidance
Location:	Downtown		
Year Submitted:	2011		

Description

See Vehicle and Equipment replacement schedule. Vehicle and equipment replacements have been deferred during the prior 2 budget cycles.

FY13 Econ Develop: Chevy Cavalier #717 ($18,000)
FY14 Code Admin: Chevy truck #711 ($18,000), Chevy truck #752 ($18,000), Chevy truck #755 ($18,000)
FY16 Code Admin: Chevy truck #718 ($18,000), Chevy truck #750 ($18,000)
FY16 Econ Develop: Jeep Liberty #850 ($25,000)
FY17 Code Admin: Jeep Liberty #712 ($25,000)
FY17 Planning: Chevy truck #401 ($18,000)

Justification

Replace deteriorating equipment

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	18,000	54,000		61,000	43,000	176,000
Total	**18,000**	**54,000**		**61,000**	**43,000**	**176,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	18,000	54,000		61,000	43,000	176,000
Total	**18,000**	**54,000**		**61,000**	**43,000**	**176,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0250

Project Name Public Works Operations Center Improvement Program

Type	Improvement	**Department**	Public Works
Useful Life	5 - 10 years	**Contact**	Deike
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	City Shed		
Year Submitted:	Ongoing		

Description

Various improvements to building built in 1938. Improvement projects include the following:

FY 13: Central air for Public Works offices
FY 14: New fencing for additional storage

Justification

This facility was built in 1938. Since its construction, multiple departments have used it. The building needs continual repairs due to its age.

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	6,000	6,000	6,000	6,000	6,000	30,000
Total	**6,000**	**6,000**	**6,000**	**6,000**	**6,000**	**30,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	6,000	6,000	6,000	6,000	6,000	30,000
Total	**6,000**	**6,000**	**6,000**	**6,000**	**6,000**	**30,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0280

Project Name Downtown Beautification Program

Type	Improvement	**Department**	Public Works
Useful Life	50 years	**Contact**	Deike
Category	Land Improvements	**Priority**	Planned Improvement
Location:	Downtown		
Year Submitted:	Ongoing		

Description

Complements pedestrian street lighting program with trees, pole banners, and other amenities.

FY 13: Funds for streetscape improvements in the downtown area.

Justification

Enhances and improves the appearance of the downtown.

The Comp Plan recommends the continuation of a full range of physical improvements on an incremental basis to the downtown area. These should be aimed at improving the downtown's image and attractiveness through traffic calming measures; gateway and pedestrian enhancements; landscaping and streetscaping; and improvement of public parking facilities.

Budget Impact/Other

Depending upon the amenities or enhancements, operational costs could be affected.

Example: Additional lighting would add to electrical costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	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 '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	25,000	25,000	25,000	25,000	25,000	125,000
Total	**25,000**	**25,000**	**25,000**	**25,000**	**25,000**	**125,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0308

Project Name Police Building Renovation

Type	Improvement	**Department**	Police
Useful Life	10 - 20 years	**Contact**	Smith
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	Police Department		
Year Submitted:	Ongoing		

Description

FY13: Includes replacement of 2 small overhead air handlers ($4,500 each) or 1 larger unit ($9,000 each); replacement of entry door glass with Lexan 10 ($5,000); an IP-based access control system ($6,000); create a "soft" interview room for victims and witnesses ($10,000); new doorway to 2nd floor interview room for security purposes ($2,000); replace flooring in Patrol Supervisor's office ($3,000); renovate Police lobby ($5,000), and replace wallpaper on 1st floor ($15,000)

FY14-17: Other projects for building renovations/infrastructure to be determined in out years.

Justification

The 14 heat pumps in the police building are an integral part of the HVAC system in the police building and many are beyond their expected useful life. Replacement will occur only as needed.

All entry doors to the Police Department Building are fitted with breakable tempered glass. Lexan 10 is highly break resistant andis a more appropriate security component for a Police Department Building.

An interview room will better separate victims and/or witnesses from suspects. Doorway will prevent suspects from needing to go through the CID offices. The other renovations are for worn areas, many of which are original to the building (1978).

The current external door lock system consists of 3 separate, basic numeric keypads. The IP-based system will utilize proximity card readers, and will provide a greater level of access control, security, and system management than the current stand-alone keypads.

Budget Impact/Other

No new or additional impact on the operational budget is expected from these renovations.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	55,000	30,000	30,000	30,000	30,000	175,000
Total	**55,000**	**30,000**	**30,000**	**30,000**	**30,000**	**175,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	55,000	30,000	30,000	30,000	30,000	175,000
Total	**55,000**	**30,000**	**30,000**	**30,000**	**30,000**	**175,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0324

Project Name Alley Reconstruction

Type	Improvement	**Department**	Engineering
Useful Life	40 years	**Contact**	Tissue
Category	Infrastructure-Alleys	**Priority**	Planned Improvement
Location:	Various locations		
Year Submitted:	Ongoing		

Description

Replace deteriorated alleys and install new alleys per comprehensive evaluation of alley system.

FY13: Reconstruct Alley 2-134 (Potomac to Alley 2-135) ($30,000)
FY13: Reconstruct Alley 2-125 (Alley 2-134 to First Street) ($55,000)
FY14: Reconstruct Alley 5-10 (Hillcrest to Irvin ($73,000)
FY15: Reconstruct Alley 2-7 (Marion St to Virginia Ave ($75,000)
FY16: Reconstruct Alley 4-46 (Cannon to Mulberry) ($55,000)
FY16: Reconstruct Alley 5-11 (Park Lane to Woodland Way School) ($20,000)
FY17: Reconstruct Alley 2-83 (Guilford to Alley 2-84) ($25,000)
FY17: Reconstruct Alley 2-20 (Buena Vista to Mont Valla) ($40,000)

Future Years:
Reconstruct Alley 5-67 (Lieba Hillcrest to Alley 5-68) ($53,000)
Reconstruct Alley 4-15 (Mulberry to Locust) ($60,000)

Justification

Replacement - useful life has been exhausted and surface is deteriorated.

Budget Impact/Other

Creating CIP to replace or build alleys frees DPW to focus on other priorities. 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 '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	85,000	73,000	75,000	75,000	65,000	373,000
Total	**85,000**	**73,000**	**75,000**	**75,000**	**65,000**	**373,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	85,000	73,000	75,000	75,000	65,000	373,000
Total	**85,000**	**73,000**	**75,000**	**75,000**	**65,000**	**373,000**

Project # 45-C0326
Project Name City Hall Improvements

Type	Replacement	**Department**	Public Works
Useful Life	15 years	**Contact**	Deike
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	City Hall		
Year Submitted:	1990		

Description

FY13 & 14: Repair windows with internal staffing as no grant was available for replacements.

FY15: The current fire alarm system is a mixture of old and new. It does not meet current ADA codes nor is the system monitored outside of the building itself. Upgrades would meet current codes and would include monitoring of the system.

FY16: Install a separate A/C system for the Council Chambers.

FY17: Replace the existing heating system and install a new building wide A/C system.

Justification

To improve energy efficency of City Hall.

To meet ADA requirements. SAFETY

Budget Impact/Other

Reduce heating and cooling costs.

Alarm monitoring fees - $100 / month. Will nominally increase electrical costs and may incur additional yearly inspection fees.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	5,000	5,000	70,000	50,000	250,000	380,000
Total	**5,000**	**5,000**	**70,000**	**50,000**	**250,000**	**380,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund				50,000	250,000	300,000
Transfers to CIP-General Fund	5,000	5,000	70,000			80,000
Total	**5,000**	**5,000**	**70,000**	**50,000**	**250,000**	**380,000**

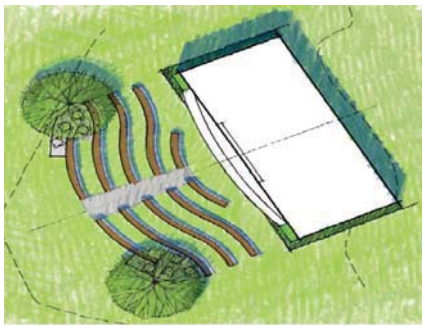
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0332

Project Name City Park Bandshell Seating



Type	Replacement	**Department**	Parks
Useful Life	6 years	**Contact**	Mason
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	City-Wide		
Year Submitted:	2008		

Description

Place permanent seating in front of band shell to seat approximately 200 people..

Justification

To improve park facilities for use by the general public.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	50,000					50,000
Total	**50,000**					**50,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund	50,000					50,000
Total	**50,000**					**50,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0373

Project Name Park Circle Improvements

Type	Improvement	**Department**	Engineering
Useful Life	25 years	**Contact**	Tissue
Category	Infrastructure-Streets	**Priority**	Public Safety
Location:	Park Circle		
Year Submitted:	Ongoing		

Description

Implement striping, signage improvements, and additional landscaped traffic islands per KCI design.

Phase I: Crosswalks & refuge islands requested by Neighborhoods 1st Group ($36,000) will be completed in FY12 with CDBG funds.
Phase II: Installation of large islands & implement balance of design ($90,000)

Justification

Benefits large segment of population, improve safety and motorist awareness, enhances aesthetics of area.

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

Future landscaping of additional islands will add about $4,000 per year.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		126,000				126,000
Total		**126,000**				**126,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund		126,000				126,000
Total		**126,000**				**126,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **45-C0400**

Project Name **Bridge Repair Program**

Type	Maintenance	**Department**	Engineering
Useful Life	30 years	**Contact**	Tissue
Category	Infrastructure-Bridges	**Priority**	Cost Avoidance
Location:	City-Wide		
Year Submitted:	Ongoing		

Description

Inspect, maintain, and repair 13 existing bridges (any structure longer than 20 ft.) per bi-annual inspection required by law. The program is funded by Federal funds passed to us from the State via the County. County cooperation is essential to ensure funding is committed.
Bridges WH-021, 022 & 051 on Burhans Blvd are all eligible for Federal Aid Fund to repair them (80/20 City match)

FY13: Construction of rehab of three bridges all located on Burhans Blvd. $30,000 for general maintenance work as a result of bi-annual inspections.

Justification

Rehabilitates deteriorating facilities. County passes State/Federal funds 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 '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	1,330,000					1,330,000
Total	**1,330,000**					**1,330,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Excise Tax Fund	290,000					290,000
Grants-Federal	1,040,000					1,040,000
Total	**1,330,000**					**1,330,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0433

Project Name Signal Controller Upgrades

Type	Improvement	**Department**	Public Works
Useful Life	10 years	**Contact**	Deike
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Various locations		
Year Submitted:	1993		

Description

Upgrade signal controllers to current technology.

FY13: Install battery backup power for intersections near railroad tracks (Total of 2).
Fy 14-16: Replace older signal controllers with new models.

Justification

FY13-16: To meet current Traffic Safety standards and upgrade equipment to maintain system reliability.

Budget Impact/Other

Future replacement cost for batteries in 7-10 years.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	15,000	15,000	15,000	15,000		60,000
Total	**15,000**	**15,000**	**15,000**	**15,000**		**60,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	15,000	15,000	15,000	15,000		60,000
Total	**15,000**	**15,000**	**15,000**	**15,000**		**60,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0439

Project Name Steam Engine Museum

Type	Improvement	**Department**	Parks
Useful Life	10 - 20 years	**Contact**	Mason
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	City Park		
Year Submitted:	1990		

Description

Funds were contributed by John Long for the Museum. A comprehensive plan for improvements is currently being developed to determine immediate and long-term needs for the museum. Once this plan is completed, the contribution from John Long will be used to implement any changes.

Justification

By undertaking additional future improvements, we would prevent foremost the deterioration of the nearly 100-year-old locomotive 202 and the cabooses in the collection. Their continued good condition and their accurate restoration 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.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		10,000		13,451		23,451
Total		**10,000**		**13,451**		**23,451**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
CIP Fund Balance		10,000		13,451		23,451
Total		**10,000**		**13,451**		**23,451**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0444

Project Name Stormdrain System Upgrades

Type	Maintenance	**Department**	Engineering
Useful Life	100 years	**Contact**	Tissue
Category	Infrastructure-Storm Drains	**Priority**	Planned Improvement
Location:	Various locations		
Year Submitted:	Ongoing		

Description

FY13: Inspection of "Minor" bridges (between 6' and 20' spans) that is completed in cooperation with Washington County once every 5 years.
FY14: Arch drain inspections and repairs.
FY15: Marsh Run Wall repairs
FY16 and FY17: Plan on unspecified work to deal with aging system. Reconstruct sub-standard and deteriorating storm drain inlets and pipes. This may be pipe replacement or a City-wide system inspection.

Justification

Replace deteriorating system as problems arise or install new storm drain based on complaints.

Budget Impact/Other

Decrease potential problems with drain as current system is over 100 years old. New stormdrain will cost less than $5,000 per mile/per year to maintain based on current spending.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	20,000	75,000	40,000	40,000	40,000	215,000
Total	**20,000**	**75,000**	**40,000**	**40,000**	**40,000**	**215,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund	20,000	75,000				95,000
Transfers to CIP-General Fund			40,000	40,000	40,000	120,000
Total	**20,000**	**75,000**	**40,000**	**40,000**	**40,000**	**215,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0451

Project Name Geographic Information System

Type	Improvement	**Department**	Information Technology
Useful Life	5 years	**Contact**	Nicewarner
Category	Software	**Priority**	Planned Improvement
Location:	City-Wide		
Year Submitted:	Ongoing		

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 the process as stated in the 2010 GIS Strategic Plan in accomplishing this data organization and making it available to both internal and external customers.

FY 13 - 16: Additional GIS hardware and software tools.
FY 17: Update of Aerial Photographs to show current development and to cover expanding corporate limits.

Justification

Due to staffing, this project was cut back in FY11-12 to review the strategic plan and determine steps moving forward in the fiscal environment. This technology will be vital in integrating with our existing systems for onlone use by citizens as well as potential integration with similar technologies being implemented by the State of Maryland throught its BayStat project, et al.

Budget Impact/Other

Maintenance fees are currently budgeted and included for the ESRI GIS platform in the Technolgoy & Support Services departmental budget. These maintenance costs, at this time, remain static through the FY17 budget year.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design	78,000	15,000	15,000	15,000	200,000	323,000
Equip/Vehicles/Furnishings	100,000					100,000
Other	50,000	50,000	50,000	50,000		200,000
Total	**228,000**	**65,000**	**65,000**	**65,000**	**200,000**	**623,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund					200,000	200,000
CIP Fund Balance	163,000					163,000
Transfers to CIP-Electric Fund	20,000	20,000	20,000	20,000		80,000
Transfers to CIP-General Fund	5,000	5,000	5,000	5,000		20,000
Transfers to CIP-Wastewater F	20,000	20,000	20,000	20,000		80,000
Transfers to CIP-Water Fund	20,000	20,000	20,000	20,000		80,000
Total	**228,000**	**65,000**	**65,000**	**65,000**	**200,000**	**623,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **45-C0458**

Project Name **Curb and Sidewalk Replacement Program**

Type	Maintenance	**Department**	Engineering
Useful Life	30 years	**Contact**	Tissue
Category	Infrastructure-Sidewalks	**Priority**	Planned Improvement
Location:	City-Wide		
Year Submitted:	Ongoing		

Description

Reconstruct deteriorated curb and sidewalk that are the City's responsibility.

Includes addressing damage caused by street trees and fixing random problem areas (where the City is responsible). This assists Public Works with street tree issues. This is a million dollar plus problem city wide and this program addresses the problems on planned "overlay" streets and other areas as funds allow $25,000 per year temporarily due to budget constraints. Actual need is ($100,000+ per year).

Justification

Improvement of deteriorating facilities to benefit general population, remove tripping hazard at sidewalks damaged by street trees.

Budget Impact/Other

Assist Public Works Department in addressing wide-scale problem of sidewalks damaged by street trees.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	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 '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	25,000	25,000	25,000	25,000	25,000	125,000
Total	**25,000**	**25,000**	**25,000**	**25,000**	**25,000**	**125,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0522

Project Name City Park Parking Improvements

Type	Improvement	**Department**	Parks
Useful Life	25 years	**Contact**	Mason
Category	Land Improvements	**Priority**	Planned Improvement
Location:	City Park		
Year Submitted:	Ongoing		

Description

Construct improvements to existing parking lots in City Park. Includes parking, landscaping, walkways and lighting (#514). During FY12, improved the parking lot between Art Museum & Hager House (aka "Digby Lot").

FY15: Includes the upper parking lot by Mansion House.
FY16: Includes the upper parking lot by tennis courts & pavilion.

Justification

Existing lots are gravel, full of potholes, and are poorly lit and landscaped. Improvements to the south lot in 2006 were widely affirmed by the public who visit City Park. Continue to improve the upper parking lots to provide the same level of public improvements that has been achieved at both the south parking lot and the Digby parking lot.

Budget Impact/Other

Decrease in maintenance costs of gravel lot less than $1,000 per year. Increase long term costs of $2,000 per year for curb and pavement maintenance and $500 annually in additional lighting costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design				15,000		15,000
Construction/Maintenance			200,000	235,000		435,000
Total			**200,000**	**250,000**		**450,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund				25,000		25,000
Grants-State Program Open S			180,000	225,000		405,000
Transfers to CIP-General Fund			20,000			20,000
Total			**200,000**	**250,000**		**450,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **45-C0527**

Project Name **State Highway Retrofit Sidewalk Program**

Type	Improvement	**Department**	Engineering
Useful Life	30 years	**Contact**	Tissue
Category	Infrastructure-Sidewalks	**Priority**	Probable Grant
Location:	State Routes		
Year Submitted:	2005		

Description

This is a 100% State Highway funded program for state routes in the City. This project needs to comply with State's Transportation Improvement Plan (TIP)

Priorities include:
FY13: W. Franklin Street (Rt 40) from Avon to Nottingham
FY14: Washington Ave (Rt 40) from Nothingham to Avon
FY15: Frederick Street (Alt 40) from Cleanwater Circle to City limits ($140,000). Coordinate with CIP 811 Culvert Project.
FY16 and FY17: Route 65 (East side) and Western Maryland Parkway

Work will be completed as State funds become available.

Justification

Part of the "Livable City Plan" to install and improve sidewalks. Part of priority area where residential neighborhoods interface with commercial areas. This encourages walking.

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

Enforcement of snow removal, but all maintenance costs transferred to adjoining property owner.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	120,000	190,000	140,000	100,000	100,000	650,000
Total	**120,000**	**190,000**	**140,000**	**100,000**	**100,000**	**650,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State	120,000	190,000	140,000	100,000	100,000	650,000
Total	**120,000**	**190,000**	**140,000**	**100,000**	**100,000**	**650,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0560

Project Name Traffic Calming

Type	Improvement	**Department**	Engineering
Useful Life	30 years	**Contact**	Tissue
Category	Infrastructure-Streets	**Priority**	Planned Improvement
Location:	Various locations		
Year Submitted:	Ongoing		

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.

FY13: Working with various Neighborhood First groups, and following our policy, install medians, miniround about 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. Funding will be from a state grant for the safe routes to school program.

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 '13	FY '14	FY '15	FY '16	FY '17	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 '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General 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 '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0568

Project Name Cable PEG/I-Net

Type	Improvement	**Department**	Information Technology
Useful Life	10 years	**Contact**	Nicewarner
Category	Machinery and Equipment	**Priority**	Contract Obligation
Location:	City-Wide		
Year Submitted:	2001		

Description

Public television and institutional network capital facilities and equipment. Improvement to I-Net connectivity and PEG Channel capabilities. Near term projects include continued build out of Channel 6 studios, City web page redevelopment, and I-Net infrastructure upgrades.

FY 14 Reflects the expiration of the current 12 year franchise agreement on 11/1/2013.

Justification

The needs continue for the sharing of data between the major governmental agencies within the County due to consolidation opportunities, especially within our Public Safety and EDC areas. The use of these funds is contractually required for this type of project through the cable franchise agreement in place with Antietam Cable.

Budget Impact/Other

There will be no monetary impacts upon IT's general operating budget as all costs related to the maintenance/support of any hardware will be achieved through PEG funding.

This reflects the expiration of the franchise agreement in FY14 on 11/1/13.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	225,900	18,000				243,900
Total	**225,900**	**18,000**				**243,900**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
CIP Fund Balance	169,900					169,900
PEG Fee	56,000	18,000				74,000
Total	**225,900**	**18,000**				**243,900**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0570

Project Name Parks Vehicles and Equipment

Type	Replacement	**Department**	Parks
Useful Life	5 - 10 years	**Contact**	Mason
Category	Automobiles and Trucks	**Priority**	Planned Improvement
Location:	Fairground Park		
Year Submitted:	Ongoing		

Description

We have deferred vehicle replacements during prior 2 budget cycles and need to start replacing worn out items. See Vehicle and Equipment replacement schedule.

FY13: Replace JD Gator #316 ($8,000), Ford F150 truck #371 ($25,000)
FY14: Replace Ford Dump truck #308 ($55,000), GMC 1500 truck #309 ($25,000), JD Gator #317 ($8,000), Gravely Mower #322 ($12,000)
FY15: Replace Ford Dump truck #303 ($60,000), and JD tractor #350 ($65,000)
FY16: Replace Ford F150 truck #301 ($30,000), Ford F150 truck #312 ($30,000), and JD Gator #378 ($10,000)
FY17: Replace Chevy truck #300 ($30,000)

Justification

Improved Service.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	33,000	100,000	125,000	70,000	30,000	358,000
Total	**33,000**	**100,000**	**125,000**	**70,000**	**30,000**	**358,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund		69,000	100,000			169,000
Transfers to CIP-General Fund	33,000	31,000	25,000	70,000	30,000	189,000
Total	**33,000**	**100,000**	**125,000**	**70,000**	**30,000**	**358,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0579

Project Name Downtown Gateway Signs

Type	Improvement	**Department**	Engineering
Useful Life	30 years	**Contact**	Tissue
Category	Land Improvements	**Priority**	Planned Improvement
Location:	Various locations		
Year Submitted:	Ongoing		

Description

Gateway signage on Route 40 to welcome visitors to the downtown consistent with the Comprehensive Plan. Incorporated as part of the National Highway (scenic byway) system. Includes irrigation system.

Staff plans to seek a grant from SHA "Scenic Byways" program.

Justification

Improve "first impression" of downtown and advises motorists they are entering the historical area.

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; and improvement of public parking facilities.

Budget Impact/Other

Maintenance of landscaping and beds will require 3 - 6 visits each year by DPW staff. This project adds landscaped areas that will cost roughly $8,000 annually to maintain. Additional annual lighting costs of $250.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design		10,000				10,000
Construction/Maintenance		25,000				25,000
Equip/Vehicles/Furnishings		20,000				20,000
Total		**55,000**				**55,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State		55,000				55,000
Total		**55,000**				**55,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0594

Project Name Installation of Street Trees

Type	Improvement	**Department**	Engineering
Useful Life	100 years	**Contact**	Tissue
Category	Land Improvements	**Priority**	Planned Improvement
Location:	City-Wide		
Year Submitted:	Ongoing		

Description

Installation of street trees to improve aesthetics and livability. 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. Work toward achieving a goal of 30% tree cover in the city by 2050.

Staff will continue to seek grants from the Chesapeake Bay Trust.

Justification

Benefits the community, proven to make neighborhoods more "livable", safer, and appealing.

The Comp Plan recommends continuation of Livable City initiatives that bring design continuity to City neighborhoods by focusing on improved park amenities; public sidewalk repairs and enhancements; street tree planting; and traffic island installation.

Budget Impact/Other

No impact in next five years as trees grow. Assume City spends $16,000 annually to maintain all street trees. Potentially significant future costs. Arborist may need to be hired to maintain trees and eventually they need replaced. Sidewalk damage caused by trees is also City responsibility (but has been minimized by selecting appropriate species).

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	36,000	25,000	25,000	25,000	25,000	136,000
Total	**36,000**	**25,000**	**25,000**	**25,000**	**25,000**	**136,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Reforestation Funds	26,000	25,000	25,000	25,000	25,000	126,000
Transfers to CIP-General Fund	10,000					10,000
Total	**36,000**	**25,000**	**25,000**	**25,000**	**25,000**	**136,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0595

Project Name New Sidewalks

Type	Improvement	**Department**	Engineering
Useful Life	30 years	**Contact**	Tissue
Category	Infrastructure-Sidewalks	**Priority**	Public Safety
Location:	Various locations		
Year Submitted:	Ongoing		

Description

The City would like to complete the network of sidewalks in the community, creating a path that connects several neighborhoods and commercial areas. Grant assistance will be sought when possible.

FY14: CDBG funded Carr Street ($35,000)
FY15: Hood Street ($20,000)
FY16: General Fund transfer funded Frederick Street @ Wilson (NW corner) ($40,000)

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.

Budget Impact/Other

Enforcement of snow removal, but all maintenance costs transferred to adjoining property owner.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		35,000	20,000	40,000		95,000
Total		**35,000**	**20,000**	**40,000**		**95,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-CDBG Fund		35,000				35,000
Transfers to CIP-General Fund			20,000	40,000		60,000
Total		**35,000**	**20,000**	**40,000**		**95,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0624

Project Name Fairground Grandstand Improvements

Type	Improvement	**Department**	Parks
Useful Life	25 - 50 years	**Contact**	Mason
Category	Buildings and Structures	**Priority**	Contract Obligation
Location:	Fairground Park		
Year Submitted:	2004		

Description

Council reviewed concept plan in 2007 that converts the grandstand into a "community center". The Greater Hagerstown Committee has a subcommittee studying the possibility of converting the structure to a convention and event center based on the 2007 concept. The building could provide two full size athletic courts, walking/jogging trail, and could support a 1290-seat auditorium or be converted to a 155 booth craft/expo area or a 980-seat banquet area.

This project is listed as a priority on the City's 2010 Strategic Plan.

Justification

Rehabs deteriorating facilities, adds to community and allows the park to be used all four seasons of the year.

The Comprehensive Plan recommends exploring development of an indoor recreation center with multi-purpose rooms for use by residents and community groups.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design			500,000			500,000
Construction/Maintenance				4,000,000	4,000,000	8,000,000
Total			**500,000**	**4,000,000**	**4,000,000**	**8,500,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Contribution by Others			500,000	4,000,000	4,000,000	8,500,000
Total			**500,000**	**4,000,000**	**4,000,000**	**8,500,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0637

Project Name Storm Water Management Planning and Improvements

Type	Improvement	**Department**	Engineering
Useful Life	Indefinite	**Contact**	Tissue
Category	Infrastructure-Storm Drains	**Priority**	Contract Obligation
Location:	City-Wide		
Year Submitted:	Ongoing		

Description

Purpose of this project is to address Environmental Protection Agency and Maryland Department of the Environment mandates to reduce the pollutants discharged into State waterways and the Chesapeake Bay. In accordance with the State's Watershed Implementation Plan (WIP) initiative, the City must implement Best Management Practices (BMPs) to improve stormwater quality; BMP's likely to be explored include stream restorations, urban tree planting, urban nutrient management programs, the retrofit of existing stormwater facilities to enhance their pollutant reduction efficiency, and the construction of new management facilities. Full compliance with the State/Federal regulations will pose a major financial challenge to the City. FY 13 funding request is intended for preliminary analysis of the City's current stormwater system, and the development of short- and long-term strategies to meet the goals.

Justification

Compliance with EPA/MDE mandates will require significant funding for analysis, design, construction, and maintenance of new or enhanced stormwater management facilities. While the exact cost of this effort is undetermined, preliminary estimates of the cost to meet EPA/MDE goals by 2025 are in the range of $30 - $60 million. While a portion of this cost may be funded through current General Fund reserves and future State/Federal grants, the City must likely consider implementation of a stormwater utility fee to fund the required improvements.

Budget Impact/Other

As new stormwater facilities are constructed, maintenance costs for the City will increase accordingly.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design	50,000	100,000	100,000	50,000		300,000
Construction/Maintenance				500,000	1,000,000	1,500,000
Total	**50,000**	**100,000**	**100,000**	**550,000**	**1,000,000**	**1,800,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	50,000	100,000	100,000	550,000	1,000,000	1,800,000
Total	**50,000**	**100,000**	**100,000**	**550,000**	**1,000,000**	**1,800,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0640

Project Name Signal Timing Optimization

Type	Improvement	**Department**	Engineering
Useful Life	5 years	**Contact**	Tissue
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	City-Wide		
Year Submitted:	Ongoing		

Description

Evaluate existing signals using computer modeling and re-time signals based on the ever changing traffic volume.

FY13: Wesel Boulevard corridor and interface with new Washington County signals at Halfway Boulevard.

Justification

Most cost effective way to reduce delay and congestion.

Budget Impact/Other

Operational cost neutral. This process optimizes the signal timing decreasing motorist delay and frustration.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design	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 '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General 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**

Project # 45-C0664
Project Name North East Area Community Improvements

Type	Improvement	**Department**	Community Development
Useful Life	25 - 50 years	**Contact**	Lestitian
Category	Land Improvements	**Priority**	Cost Avoidance
Location:	Various locations		
Year Submitted:	2005		

Description

To address neighborhood concerns, City staff seeks to create improved parking for the Northeast Quadrant of the city. Parking can be challenging due to the residential density and width of the streets.

FY13: Creation of a 20-space neighborhood parking facility in the Northeast Quadrant of the City

Justification

Making these parking enhancements would improve the quality of life and support property values. Additionally, parking is an amenity which makes an area more attractive to potential home owners.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	50,000					50,000
Total	**50,000**					**50,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-CDBG Fund	50,000					50,000
Total	**50,000**					**50,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0717

Project Name Bicycle Trail

Type	Improvement	**Department**	Parks
Useful Life	15 - 25 years	**Contact**	Tissue
Category	Land Improvements	**Priority**	Planned Improvement
Location:	Memorial Blvd		
Year Submitted:	2011		

Description

Construct a new wider bicycle trail along Memorial Blvd on the North side of Marsh Run from S. Potomac Street to Frederick Street. This will involve several projects over a 3 year period.

FY14: Widening trail along Memorial Blvd in conjunction with new Bester Elementary school ($10,000)
FY15: Construct trail along Memorial Blvd from Potomac to City Park ($50,000)
FY16: Construct trail by rail along CSX Spur Line from Hager House to Oak Ridge Drive (in cooperation with County, CSX, and State of MD) ($200,000)

Justification

The Bicycle Advisory Committee recommended that the City apply for a grant to upgrade the trail along Marsh Run. This will need to be coordinated with planning for the new Bester Elementary School.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		10,000	50,000	200,000		260,000
Total		**10,000**	**50,000**	**200,000**		**260,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State			30,000	200,000		230,000
Transfers to CIP-General Fund		10,000	20,000			30,000
Total		**10,000**	**50,000**	**200,000**		**260,000**

Capital Improvement Program

FY '13 *thru* FY '17

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

Description

Develop the vacant lot across from the Department of Public Works and Bester Elementary School.

FY13-14: Site planning for new facility.
FY15-16: Construct a new Public Works vehicle and equipment storage building.

Justification

Master plan approved by the Mayor and Council.

Budget Impact/Other

Additional building maintenance costs and grounds costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design	10,000	10,000				20,000
Construction/Maintenance			375,000	525,000		900,000
Total	**10,000**	**10,000**	**375,000**	**525,000**		**920,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund			375,000	525,000		900,000
Transfers to CIP-General Fund	10,000	10,000				20,000
Total	**10,000**	**10,000**	**375,000**	**525,000**		**920,000**

Project # 45-C0730
Project Name West End Fire and EMS (Relocation)

Type	Increase Capacity	**Department**	Fire
Useful Life	25 - 50 years	**Contact**	Dieterich
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	To be determined		
Year Submitted:	2006		

Description

Construct a combined Fire Station and EMS station in the West End of town.

FY 16: Land acquisition
FY 17: Design
FY 18: Construction

Justification

The City's Comprehensive Plan recommends relocating one downtown station out to more geographically suitable location in the West End. This action is intended to improve emergency response times to areas along the City's periphery. The current location is time prohibitive as it is physically located on a one-way street.

Budget Impact/Other

Relocation should have no operational impact as this is a volunteer operated fire company.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design					150,000	150,000
Land Acquisition				100,000		100,000
Total				**100,000**	**150,000**	**250,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund				100,000	150,000	250,000
Total				**100,000**	**150,000**	**250,000**

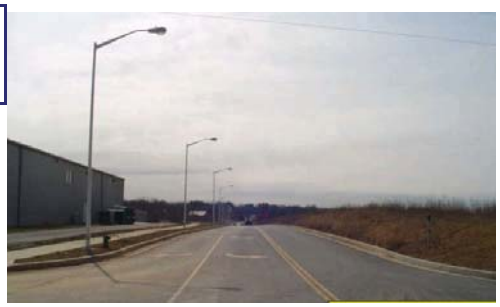
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0733

Project Name R. Paul Smith Boulevard



Type	Increase Capacity	**Department**	Engineering
Useful Life	25 years	**Contact**	Tissue
Category	Infrastructure-Streets	**Priority**	Planned Improvement
Location:	Howell Road at US 40		
Year Submitted:	2006		

Description

FY14 & FY15: Construct a new connector/access road to be fully developer funded. Alignment based on Metropolitan Planning Organization study of the area.

Justification

Required to develop Harrison's tract.

Included in the long-range Transportation Plan of the Hagerstown/Eastern Panhandle region, as well as the Comprehensive Plan, recommend this project to improve the regional transportation system.

Budget Impact/Other

Long-term increase of roughly $30,000 annually for plowing, pavement maintenance, signal maintenance, and pavement markings on new road within City limits. Additional lighting costs of $4,000 annually.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design		500,000				500,000
Construction/Maintenance			4,500,000			4,500,000
Total		**500,000**	**4,500,000**			**5,000,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Contribution by Others		500,000	4,500,000			5,000,000
Total		**500,000**	**4,500,000**			**5,000,000**

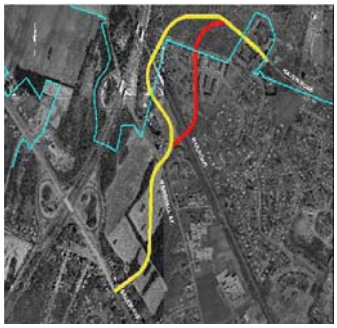
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0735

Project Name Northwest Connector



Type Increase Capacity
Useful Life 25 years
Category Infrastructure-Streets
Location: Haven Road to Marshall Street
Year Submitted: 2006

Department Engineering
Contact Tissue
Priority Planned Improvement

Description

In conjunction with development and consistent with a presentation to City Council in July, 2006, the City share would be 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.

Justification

Traffic volumes on Salem Avenue have increased 90% since 1997 and 34% on Burhans and Pennsylvania Avenue. Salem cannot be widened and anything to decrease traffic on Salem would benefit long term congestion. This road is "missing link" in the transportation system.

The Comprehensive Plan recommends working with other agencies to pursue the timely completion of selected projects that facilitate traffic movement around the City's periphery. This project was specifically identified.

Budget Impact/Other

Long-term increase in maintenance costs of roughly $20,000 annually for plowing, pavement maintenance, bridge maintenance, and pavement markings for road within City limits. Additional lighting costs of $3,000 annually.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	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 '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund				1,000,000	850,000	1,850,000
Contribution by Others				500,000	2,400,000	2,900,000
Excise Tax Fund			280,000		150,000	430,000
Total			**280,000**	**1,500,000**	**3,400,000**	**5,180,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0737

Project Name Mills Park Hiker/Biker Trail

Type	Improvement	**Department**	Parks
Useful Life	25 years	**Contact**	Mason
Category	Land Improvements	**Priority**	Planned Improvement
Location:	Mills Park/Northern Avenue		
Year Submitted:	2007		

Description

Construct 8' wide hiking and biking trail from Mills Park to Northern Avenue. Based on master plan approved by Mayor & Council in July 2009 and discussed again in November 2010.

FY13: Phase II from Park over wetlands to Northern Ave..

Justification

1. Hope to increase use of Mills Park. Staff obtained SHA "Scenic By Way" funding assistance.

2. Provide recreational walking trail adjacent large residential area.

The Comprehensive Plan recommends that the City investigate potential locations for parks along Antietam Creek and Hamilton Run.

Budget Impact/Other

$1,500 in annual lighting costs and $3,000 annually in pavement maintenance costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	37,500					37,500
Total	**37,500**					**37,500**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
CIP Fund Balance	7,500					7,500
Grants-State	24,640					24,640
Transfers to CIP-General Fund	5,360					5,360
Total	**37,500**					**37,500**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0751

Project Name Neighborhood Parks

Type	Improvement	**Department**	Parks
Useful Life	25 years	**Contact**	Mason
Category	Land Improvements	**Priority**	Planned Improvement
Location:	Downtown & South End		
Year Submitted:	2009		

Description

City staff will be collaborating with Neighborhood 1st Groups, interested residents and area businesses to creatively use green space to develop new urban parks and pocket parks. This project is consistent with Mayor & Council 2010 Strategic Plan.

FY13: Land Acquisition for Jonathan Street park
FY14: Park development
FY15: Land Acquisition

Justification

Our Comprehensive Plan recommends developing new neighborhood parks and pocket parks in under-served portions of the City, specifically the West End, the South End, or City Center.

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Land Acquisition	50,000		50,000			100,000
Construction/Maintenance		100,000				100,000
Total	**50,000**	**100,000**	**50,000**			**200,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-CDBG Fund	50,000	100,000	50,000			200,000
Total	**50,000**	**100,000**	**50,000**			**200,000**

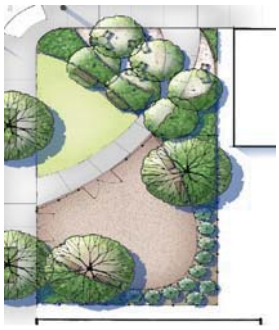
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0752

Project Name East Avenue Park



Type	Improvement	**Department**	Parks
Useful Life	25 years	**Contact**	Mason
Category	Land Improvements	**Priority**	Planned Improvement
Location:	East Avenue		
Year Submitted:	2012		

Description

Remove existing 5-unit apartment building and garage in order to construct a neighboorhood "pocket" park with plaza, play equipment, trees, and benches.

Justification

Removes on street parking demand and makes neighboorhood more "livable" by adding green play space.

Budget Impact/Other

Ongoing maintenance costs could be $5,000 to $10,000 annually.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	90,000					90,000
Total	**90,000**					**90,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Prior Bond Proceeds	90,000					90,000
Total	**90,000**					**90,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0764

Project Name Winter Street School-Neighborhood Park

Type	Improvement	**Department**	Parks
Useful Life	50 years	**Contact**	Mason
Category	Land Acquisition	**Priority**	Probable Grant
Location:	Franklin & Winter Streets		
Year Submitted:	2008		

Description

In the event the Winter Street School is closed and torn down, develop green space park and play area. Work with Washington County Board of Education to coordinate work.

Will request funding from Program Open Space.

Justification

Need additional park in west end of Hagerstown. This park will be a year around park for the neighborhood as identified in the Comprehensive Plan.

The Comprehensive Plan recommends developing new neighborhood parks and pocket parks in under-served potions of the City, specifically the West End, the South End, and downtown.

Budget Impact/Other

Increase of in-house maintenance - mowing, trash pickup, utilities, purchase of amenities, etc.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance				150,000		150,000
Total				**150,000**		**150,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State Program Open S				150,000		150,000
Total				**150,000**		**150,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0773

Project Name Kiwanis Park

Type	Improvement	**Department**	Parks
Useful Life	Indefinite	**Contact**	Mason
Category	Land Improvements	**Priority**	Contract Obligation
Location:	Light Business Park		
Year Submitted:	2009		

Description

The developer of the Light Business Park off Eastern Boulevard is donating land along the Antietam Creek to the Kiwanis Club for the purpose of creating a boat launch park. The Kiwanis Club plans to immediately donate the land to the City for a public park. The developer will donate grading to facilitate a future paving project for access drives and parking. The Kiwanis Club will assist with donation of services to develop the park. Will request funding from Program Open Space.

Justification

The Comprehensive Plan identifies as an issue the fact that there is little public access to Antietam Creek and other streams that could serve as greenways. The draft Comprehensive Plan recommends that the City investigate potential locations for linear parks along Antietam Creek and Hamilton Run and pocket parks around the City.

This project is also consistent with the City's most recent Strategic Plan.

The $150,000 represents the value of 6 acres of land. $20,000 will provide initial minimal amentities.

Budget Impact/Other

Assume $1,500 in annual lighting costs and $10,000 in annual parking lot and general up keep costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Land Acquisition	150,000					150,000
Construction/Maintenance	20,000				100,000	120,000
Total	**170,000**				**100,000**	**270,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Contribution by Others	150,000					150,000
Excise Tax Fund	20,000					20,000
Grants-State Program Open S					90,000	90,000
Transfers to CIP-General Fund					10,000	10,000
Total	**170,000**				**100,000**	**270,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0774

Project Name Antietam Creek Greenway Trail

Type	Improvement	**Department**	Parks
Useful Life	25 - 50 years	**Contact**	Mason
Category	Land Improvements	**Priority**	Planned Improvement
Location:	Howell Road to Funkstown		
Year Submitted:	2009		

Description

Discussions have occurred with the property owner and the Town of Funkstown and interest was expressed by both parties for this project. Land would be donated by the property owner and the portion of the trail in Hagerstown would be developed by the City. State grant funding would be explored to facilitate the project.

Assume cost to pave 8' wide trail at approximately $60 per linear foot. Project is assumed to be from Howell Road to Funkstown (about 8,000 LF) and could be done in phases.

Justification

The Comprehensive Plan identifies as an issue the fact that there is little public access to Antietam Creek and other streams that could serve as greenways. The draft Plan recommends that the City investigate potential locations for linear parks along Antietam Creek and Hamilton Run.

This project is also consistent with the City's most recent Strategic Plan.

Budget Impact/Other

Assume $7,000 in annual lighting costs and $14,000 annually in pavement maintenance costs (to overlay after 25 years.)

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Land Acquisition			150,000			150,000
Construction/Maintenance				480,000		480,000
Total			**150,000**	**480,000**		**630,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Contribution by Others			150,000			150,000
Grants-State				432,000		432,000
Transfers to CIP-General Fund				48,000		48,000
Total			**150,000**	**480,000**		**630,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **45-C0784**

Project Name **Memorial Park**

Type	Improvement	**Department**	Parks
Useful Life	50 years	**Contact**	Mason
Category	Infrastructure-Parks	**Priority**	Improve Service
Location:	West Memorial Blvd		
Year Submitted:	2009		

Description

City staff seeks to improve existing green space by creating a “Memorial Park” on the northwest corner of Memorial Boulevard and Potomac Street across from Bester Elementary School. A memorial wall would be built to honor both veterans and noteworthy citizens of Hagerstown. Phase I construction will start in 2012.

The Plan was reviewed by Mayor & Council in December 2010.

FY13: Phase II of this project: Construct Memorial Plaza to honor Veterans.
Phase III is a future "Hall of Fame" of noteworthy citizens of Hagerstown. Additional amenities will include park benches, picnic table, and trash cans. Staff is recommending CDBG funding.

Justification

The location is ideal for residents, workers and visitors to enjoy as a park space. The aesthetic improvement at this gateway to the City Center will further the City’s comprehensive goals of revitalization. Furthermore, the park will serve as a context for students at the neighboring Bester Elementary School where they would learn about admirable people in their community.

Project is related to CIP 45-C0718 for Public Works Building

Budget Impact/Other

Maintenance of landscaping and grass. Ongoing electric costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	36,000					36,000
Total	**36,000**					**36,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-CDBG Fund	36,000					36,000
Total	**36,000**					**36,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0789

Project Name Hager Park - Multipurpose Court

Type	Improvement	**Department**	Parks
Useful Life	20 years	**Contact**	Mason
Category	Buildings and Structures	**Priority**	Documented Savings
Location:	Hager Park		
Year Submitted:	2009		

Description

Construct an outdoor multipurpose court for basketball and tennis.
Will request funding from Project Open Space.

Justification

New amenity; will apply for Program Open Space funding

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		175,000				175,000
Total		**175,000**				**175,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State Program Open S		157,500				157,500
Transfers to CIP-General Fund		17,500				17,500
Total		**175,000**				**175,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0792

Project Name Oswald Park - Irrigation System

Type	Improvement	**Department**	Parks
Useful Life	20 years	**Contact**	Mason
Category	Land Improvements	**Priority**	Cost Avoidance
Location:	Oswald Park		
Year Submitted:	2009		

Description

Install irrigation system for flower beds

Justification

Eliminate manual watering; aesthetic improvement

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	10,000					10,000
Total	**10,000**					**10,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Excise Tax Fund	10,000					10,000
Total	**10,000**					**10,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0809

Project Name Tennis Court Expansion

Type Improvement
Useful Life 25 years
Category Amenities
Location: City Park
Year Submitted: 2010

Department Parks
Contact Mason
Priority Contract Obligation

Description

Add a second court to the existing lighted tennis court located in the west end of the park.

Justification

The tennis court in City Park is heavily utilized; a 2nd court is needed.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance			70,000			70,000
Total			**70,000**			**70,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State Program Open S			63,000			63,000
Transfers to CIP-General Fund			7,000			7,000
Total			**70,000**			**70,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0811

Project Name Frederick Street Culvert

Type	Unassigned	**Department**	Engineering
Useful Life	50 years	**Contact**	Tissue
Category	Storm Drainage	**Priority**	Documented Savings
Location:	Frederick Street		
Year Submitted:	2010		

Description

Extend existing box culvert both downstream and upstream to remove narrowed road situation and connect missing segment of sidewalk system.

Justification

Town of Funkstown has requested that we address this and install missing segment of sidewalk. We also have had several citizen requests, including an ADA related request to install to sidewalk. This project involves extensive permitting from environmental agencies.

Will coordinate with possible SHA Sidewalk retrofit project (CIP 45-C0527) work.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design	15,000					15,000
Construction/Maintenance	235,000					235,000
Total	**250,000**					**250,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Excise Tax Fund	150,000					150,000
Grants-State Aid in Lieu of Urb	100,000					100,000
Total	**250,000**					**250,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **45-C0812**

Project Name **Pangborn Lake Reconstruction**

Type Improvement
Useful Life 50 years
Category Storm Water
Location: Pangborn Park
Year Submitted: 2010

Department Parks
Contact Mason
Priority Documented Savings

Description

Dredging of lake, replacement of deteriorating stone walls with natural "edge", construction of fishing pier, improve lake inflow/outflow, restore adjacent Hamilton Run with natural techniques.

Justification

Water in lake is only 12" deep due to sedimentation, walls are deteriorating, drains not functioning. Work would be a "greener" softer approach.

Budget Impact/Other

Less maintenance of walls, more vegetation to maintain.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design	30,000					30,000
Construction/Maintenance				350,000		350,000
Total	**30,000**			**350,000**		**380,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund				175,000		175,000
Grants-State	30,000			175,000		205,000
Total	**30,000**			**350,000**		**380,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0822

Project Name Potterfield Pool Improvements

Type	Improvement	**Department**	Parks
Useful Life	25 years	**Contact**	Mason
Category	Buildings and Structures	**Priority**	Improve Service
Location:	Potterfield Pool		
Year Submitted:	2011		

Description

FY13: Construct a small pavilion in the pool concession area. A pavilion area for concessions would offer additional amenities for patrons of the Potterfield Pool.
FY14: Additional shade structures and deck enhancements.

Staff is recommending CDBG funding.

Justification

The pavilion would create a shaded area for relief from the sun while offering people a more comfortable spot to enjoy a snack.

Budget Impact/Other

None

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	10,000	25,000				35,000
Total	**10,000**	**25,000**				**35,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-CDBG Fund	10,000	25,000				35,000
Total	**10,000**	**25,000**				**35,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0826

Project Name City Park Irrigation System

Type	Improvement	**Department**	Parks
Useful Life	20 years	**Contact**	Mason
Category	Land Improvements	**Priority**	Cost Avoidance
Location:	City Park		
Year Submitted:	2012		

Description

Install irrigation system for flower beds.

Justification

Eliminate manual watering and create an aesthetic improvement for public use.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	10,000					10,000
Total	**10,000**					**10,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Excise Tax Fund	10,000					10,000
Total	**10,000**					**10,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0827

Project Name W Washington Streetscape Improvements

Type Improvement
Useful Life 15 - 25 years
Category Infrastructure-Streets
Location: W Washington Street
Year Submitted: 2011

Department Engineering
Contact Tissue
Priority Planned Improvement

Description

FY15: Streetscape improvements to the unit block of East and West Washington Street, including brick sidewalks, tree planters, etc.

Justification

This block is the core of the City Center retail shopping district and is in need of updating.
Will seek MD Heritage Area State grant funding.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance			245,000			245,000
Total			**245,000**			**245,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (General Fund			145,000			145,000
Grants-State			100,000			100,000
Total			**245,000**			**245,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0835

Project Name Narrow Band Radios

Type	Replacement	**Department**	Public Works
Useful Life	10 years	**Contact**	Deike
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Public Works		
Year Submitted:	2012		

Description

Replacement of multiple two-way radios in the fleet vehicles and the purchase of multiple handheld units for staff to communicate with each other.

Justification

The Federal Communications Commission (FCC) has ruled that all two-way communications must operate within a narrow band by January 1, 2013. To comply with the new ruling, radios must be replaced or modified (if possible).

Budget Impact/Other

Continued operational communications.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	45,000					45,000
Total	**45,000**					**45,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Transfers to CIP-General Fund	45,000					45,000
Total	**45,000**					**45,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 45-C0837

Project Name George Washington Statue

Type	Improvement	**Department**	Planning
Useful Life	10 - 20 years	**Contact**	Maher
Category	Land Improvements	**Priority**	Planned Improvement
Location:	W Washington Street		
Year Submitted:	2012		

Description

To design and install a 10 percent over-life-size statue of George Washington for location in the City Center, in front of the Washington County Courthouse on W. Washington Street.

Justification

To support Economic Development goals to increase foot traffic in the City Center and to support Comprehensive Plan goals to strengthen downtown's role as a regional tourist destination. As the first county named for George Washington in the country, a tribute to Washington in the heart of our community would be appropriate.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	46,500					46,500
Total	**46,500**					**46,500**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
CIP Fund Balance	15,000					15,000
Contribution by Others	21,500					21,500
Grants-State	10,000					10,000
Total	**46,500**					**46,500**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0090

Project Name Electric Vehicles

Type	Replacement	**Department**	Electric Fund
Useful Life	10 years	**Contact**	Fridinger
Category	Automobiles and Trucks	**Priority**	Planned Improvement
Location:	Electric Department		
Year Submitted:	Ongoing		

Description

Replace Fleet Vehicles scheduled for replacement under the Vehicle Replacement Program. There will be no increase in the size of the fleet. All vehicles have been deferred for since FY10 in the Electric Division.

FY13: Dump bed truck #129, Utiliity bed unit #126, wood chipper
FY14: Replace bucket truck #121
FY15: Replace truck #107 w/ dump truck, backhoe
FY16: Replace meter reader & meter service vehicles units #109-113
FY17: Replace Digger Derrick #120

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.

All units proposed replace existing fleet vehicles.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	40,000	180,000	115,000	180,000	200,000	715,000
Total	**40,000**	**180,000**	**115,000**	**180,000**	**200,000**	**715,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	40,000	180,000	115,000	180,000	200,000	715,000
Total	**40,000**	**180,000**	**115,000**	**180,000**	**200,000**	**715,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0110

Project Name Circuit Upgrades

Type	Improvement	**Department**	Electric Fund
Useful Life	50 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Wesel to Burhans		
Year Submitted:	2006		

Description

Construct final section of 34.5 kV subtransmission loop between substations. Final section of line will connect Wesel Substation in the South with Mitchell substation in the west. A future tap from this line section will be constructed at a future date to provide an alternate feed to the proposed Central Substation (C0118)

Justification

Will improve ability to switch load between substations improving service outage restoration times during substation outages caused by downed subtransmission lines or source loss at any one of our metering points.

Budget Impact/Other

Will provide further options to switch load and expedite restoration of service to customers.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance			50,000	50,000	50,000	150,000
Equip/Vehicles/Furnishings			100,000	100,000	100,000	300,000
Total			**150,000**	**150,000**	**150,000**	**450,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund			150,000	150,000	150,000	450,000
Total			**150,000**	**150,000**	**150,000**	**450,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0111

Project Name Telemetry Equipment

Type	Improvement	**Department**	Electric Fund
Useful Life	10 years	**Contact**	Fridinger
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Electric Department		
Year Submitted:	1997		

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 a substation, a vehicle, or a city owned electric meter.

Justification

Proposed fiscal year 2013 funds will be used to upgrade our voice radio communications to comply with FCC regulations. The funding in fiscal years 2014 and 2015 will complete the fiber optic communications to three of our substations. Currently these stations are communicating with our SCADA system through a third-party wireless network. There is question as to whether this network will be available in the future. Funds in fiscal year 2016 shall improve communication delay and errors between devices monitored within the substations by the SCADA system with the purchase of additional RS-232 to Ethernet converters. There are no present plans for vehicle or electric meter communications.

Budget Impact/Other

HLD installation of communications for SCADA, metering, and system monitoring.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	5,000	30,000	30,000	5,000		70,000
Equip/Vehicles/Furnishings	70,000	10,000	10,000	25,000		115,000
Total	**75,000**	**40,000**	**40,000**	**30,000**		**185,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	75,000	40,000	40,000	30,000		185,000
Total	**75,000**	**40,000**	**40,000**	**30,000**		**185,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0118**

Project Name **Central Substation**

Type	Improvement	**Department**	Electric Fund
Useful Life	25 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Church Street		
Year Submitted:	2006		

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 W. Church Street.

Justification

Needed to meet future power requirements in City Center and on the outskirts of town.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	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 '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund			200,000	500,000	200,000	900,000
Total			**200,000**	**500,000**	**200,000**	**900,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0220**

Project Name **Wesel Boulevard Development**

Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Wesel Boulevard
Year Submitted: Ongoing

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Description

Provide for electric power in the HLD service territory along Wesel Blvd. at the CSX Business Park.

Funds are allotted for potential future development.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

If development occurs, service will be extended to new customers.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	2,000	20,000	20,000	20,000	20,000	82,000
Equip/Vehicles/Furnishings	3,000	30,000	30,000	30,000	30,000	123,000
Total	**5,000**	**50,000**	**50,000**	**50,000**	**50,000**	**205,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	5,000	50,000	50,000	50,000	50,000	205,000
Total	**5,000**	**50,000**	**50,000**	**50,000**	**50,000**	**205,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0258

Project Name Hagerstown Business Park

Type	Improvement	**Department**	Electric Fund
Useful Life	50 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Sweeney Dr		
Year Submitted:	Ongoing		

Description

Provide electric power and service to new development in Business Park. One lot remains along Sweeney Drive requiring distribution service extension.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Service will be provided to new customers that locate within the Business Park.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		8,000				8,000
Equip/Vehicles/Furnishings		2,000				2,000
Total		**10,000**				**10,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund		10,000				10,000
Total		**10,000**				**10,000**

Capital Improvement Program

FY '13 *thru* FY '17

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

Description

Upgrade 13.8kV distribution and 600V or less secondary services.

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	10,000	10,000	10,000	10,000	10,000	50,000
Equip/Vehicles/Furnishings	10,000	11,000	11,000	11,000	11,000	54,000
Total	**20,000**	**21,000**	**21,000**	**21,000**	**21,000**	**104,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	20,000	21,000	21,000	21,000	21,000	104,000
Total	**20,000**	**21,000**	**21,000**	**21,000**	**21,000**	**104,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0388**

Project Name **Pedestrian Lighting**

Type	Improvement	**Department**	Electric Fund
Useful Life	25 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	City-Wide		
Year Submitted:	Ongoing		

Description

Install ornamental street lighting in areas designated by the Mayor and Council

FY14: 400 Block of Potomac Ave.
FY15: 100 Block of Antietam

Justification

Improve aesthetics in the City.

Budget Impact/Other

Additional lighting will increase street light operation and maintenance budgets for HLD. It will also increase electricity usages charges to the General Fund.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	5,000	50,000	50,000	50,000	50,000	205,000
Equip/Vehicles/Furnishings	5,000	50,000	50,000	50,000	50,000	205,000
Total	**10,000**	**100,000**	**100,000**	**100,000**	**100,000**	**410,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	10,000	100,000	100,000	100,000	100,000	410,000
Total	**10,000**	**100,000**	**100,000**	**100,000**	**100,000**	**410,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0542**

Project Name **Building and Site Improvements**

Type	Improvement	**Department**	Electric Fund
Useful Life	20 years	**Contact**	Fridinger
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	425 E. Baltimore Street		
Year Submitted:	2001		

Description

Make improvements to the HLD facility on East Baltimore Street and at the Eastern Blvd. Storage Building.

FY13 - Replace HLD windows, etc. ($35,000); Eastern Blvd Storage Building miscellaneous improvements ($15,000)
FY14 - Replace additional HLD windows, etc.

Justification

Cost avoidance, planned improvement, and improved service. Installation of insulated windows will result in significant savings in heating and cooling costs.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	50,000	20,000	20,000	20,000	20,000	130,000
Total	**50,000**	**20,000**	**20,000**	**20,000**	**20,000**	**130,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	50,000	20,000	20,000	20,000	20,000	130,000
Total	**50,000**	**20,000**	**20,000**	**20,000**	**20,000**	**130,000**

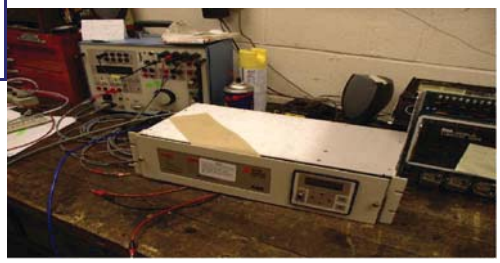
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0609

Project Name Test Equipment



Type	Improvement	**Department**	Electric Fund
Useful Life	10 years	**Contact**	Fridinger
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	425 E. Baltimore Street		
Year Submitted:	Ongoing		

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, and etc.

Justification

Improve reliability of service and meet testing and calibration requirements set forth by the Maryland Public Service Commission.

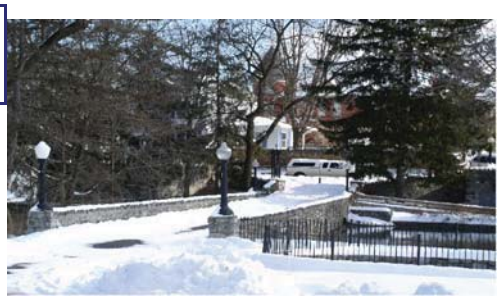
Budget Impact/Other

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	17,000	15,000	15,000	15,000	15,000	77,000
Total	**17,000**	**15,000**	**15,000**	**15,000**	**15,000**	**77,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	17,000	15,000	15,000	15,000	15,000	77,000
Total	**17,000**	**15,000**	**15,000**	**15,000**	**15,000**	**77,000**

Project # 50-C0610
Project Name City Park Bridge Light Replacement



Type	Replacement	**Department**	Electric Fund
Useful Life	25 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Cost Avoidance
Location:	City Park		
Year Submitted:	2004		

Description

Replace deteriorating ornamental lights on bridge and entrance to City Park at Virginia Ave. entrance. The existing lights have been repaired and replaced through the years and are not exact matches.

FY15 - Replace 10 lights.

Justification

Improve aesthetics and maintain City Lighting Standards for pedestrian paths within the parks.

Budget Impact/Other

Additional lighting will increase street light operation and maintenance budgets for the HLD. It will also increase electricity usage charges to the General Fund.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance			10,000			10,000
Equip/Vehicles/Furnishings			15,000			15,000
Total			**25,000**			**25,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund			25,000			25,000
Total			**25,000**			**25,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0613**

Project Name **Fairchild Heights**

Type	Improvement	**Department**	Electric Fund
Useful Life	50 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Pennsylvania Avenue		
Year Submitted:	2004		

Description

To provide underground electrical service to new development. There are currently 2-townhome units that will be constructed as soon as the market dictates.
This development can be seen from Pennsylvania Ave. across from North Hagerstown High School.

FY14: Completion of final 2-buildings.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		4,000				4,000
Equip/Vehicles/Furnishings		1,000				1,000
Total		**5,000**				**5,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund		5,000				5,000
Total		**5,000**				**5,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0618

Project Name Work Management System

Type	Improvement	**Department**	Electric Fund
Useful Life	5 years	**Contact**	Fridinger
Category	Software	**Priority**	Planned Improvement
Location:	425 E. Baltimore Street		
Year Submitted:	2004		

Description

Procure and implement a new network management system to improve productivity and efficiency.

Upgrade aging system now in place to improve crew scheduling, productivity, and customer response time, and reporting capabilities to local, state and federal agencies.

Justification

Will reduce staff time entering work order data. Will allow utilities to analyze costs by location and to analyze crew efficiency. Future maintenance contracts may cause additional monetary outlay in future years.

Budget Impact/Other

Improve reliability of service and productivity.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		50,000	50,000	100,000	100,000	300,000
Total		**50,000**	**50,000**	**100,000**	**100,000**	**300,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund		50,000	50,000	100,000	100,000	300,000
Total		**50,000**	**50,000**	**100,000**	**100,000**	**300,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0673

Project Name Old Trail Estates/Peachtree Suites

Type	Increase Capacity	**Department**	Electric Fund
Useful Life	50 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Fridinger/Vale Streets		
Year Submitted:	2005		

Description

To provide underground electrical services to new development. The developer will install all conduits and street lighting systems.

Install services and meters to remaining 4 lots on Fridinger Ave.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Will provide service to the lots as they develop. The original primary installation of the facilities occurred in FY 07.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	1,500	1,500				3,000
Equip/Vehicles/Furnishings	1,500	1,500				3,000
Total	**3,000**	**3,000**				**6,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	3,000	3,000				6,000
Total	**3,000**	**3,000**				**6,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0674**

Project Name **Potomac Manor**

Type	Increase Capacity	**Department**	Electric Fund
Useful Life	50 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Potomac Manor		
Year Submitted:	2005		

Description

This development has the unique properties of the HLD/Allegheny Power boundary line bisecting the property at the end of Dayspring Lane and Willow Grove Way in Potomac Heights. Market functions will dictate the timing of this project. The developer will install all conduits and street lighting system.

Ten lots of this new section of the development are in the HLD service area.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Will provide underground service to lots as they develop. Primary underground facilities were installed in FY 05.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	1,500	1,500				3,000
Equip/Vehicles/Furnishings	1,500	1,500				3,000
Total	**3,000**	**3,000**				**6,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	3,000	3,000				6,000
Total	**3,000**	**3,000**				**6,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0706**

Project Name **Poplar Square (former Linwood Hollow)**

Type	Increase Capacity	**Department**	Electric Fund
Useful Life	50 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Behind Noland Village		
Year Submitted:	2006		

Description

This development has the unique properties of the HLD/Allegheny Power boundary line bisecting the property. This development is an extension of Sweeney Drive.

118 units proposed within the HLD's service territory.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Developer will install all conduits and street lighting. HLD crews will pull in wire, set transformers and meters.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	3,000	10,000	10,000	10,000	10,000	43,000
Equip/Vehicles/Furnishings	3,000	10,000	10,000	10,000	10,000	43,000
Total	**6,000**	**20,000**	**20,000**	**20,000**	**20,000**	**86,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	6,000	20,000	20,000	20,000	20,000	86,000
Total	**6,000**	**20,000**	**20,000**	**20,000**	**20,000**	**86,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0707**

Project Name **Deerfield Knolls**

Type Increase Capacity
Useful Life 50 years
Category Infrastructure-Utilities
Location: North Burhans Blvd.
Year Submitted: 2006

Department Electric Fund
Contact Fridinger
Priority Planned Improvement

Description

Proposed development across from TBH Concrete connecting Burhans Blvd. and Mitchell Ave. requiring underground electric service.

82 units proposed.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Developer will install all conduits and street lighting. HLD crews will pull in wire, set transformers, and meters.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	2,000	5,000	5,000	5,000	5,000	22,000
Equip/Vehicles/Furnishings	2,000	5,000	5,000	5,000	5,000	22,000
Total	**4,000**	**10,000**	**10,000**	**10,000**	**10,000**	**44,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	4,000	10,000	10,000	10,000	10,000	44,000
Total	**4,000**	**10,000**	**10,000**	**10,000**	**10,000**	**44,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0776

Project Name Substation Breaker Replacement

Type	Improvement	**Department**	Electric Fund
Useful Life	25 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Various locations		
Year Submitted:	2009		

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.

FY2013 funds will install two breakers at the Zayre Substation that have been purchased FY2010.

Justification

Replacement of aged and deteriorated breakers will reduce unnecessary outages and assure proper coordination of the distribution system.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	8,000					8,000
Equip/Vehicles/Furnishings	2,000					2,000
Total	**10,000**					**10,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	10,000					10,000
Total	**10,000**					**10,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0777

Project Name GIS Facility Software

Type	Improvement	**Department**	Electric Fund
Useful Life	5 years	**Contact**	Fridinger
Category	Software	**Priority**	Planned Improvement
Location:	425 E. Baltimore Street		
Year Submitted:	2009		

Description

To provide Geographic Information System software and equipment. This project will interface with the City CIP C0451 which will allow for the total interface with all City GIS areas.

Justification

Provide for interface with City IT Department.

Budget Impact/Other

Allow for interface with City IT Department.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Software	10,000	10,000	10,000	10,000	10,000	50,000
Total	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**50,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	10,000	10,000	10,000	10,000	10,000	50,000
Total	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**50,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0778**

Project Name **Mitchell Substation Third Bay**

Type	Improvement	**Department**	Electric Fund
Useful Life	50 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Mitchell Avenue		
Year Submitted:	2009		

Description

To provide for the increase in electrical capacity for customers served from the Mitchell Ave. substation. The installation of the 3rd bay will allow for distribution circuit flexibility and ready the station for the acceptance of a 3rd station class transformer. If current loading trends continue, there may be 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 '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		50,000	50,000			100,000
Equip/Vehicles/Furnishings	10,000	10,000	50,000			70,000
Total	**10,000**	**60,000**	**100,000**			**170,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	10,000	60,000	100,000			170,000
Total	**10,000**	**60,000**	**100,000**			**170,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0797

Project Name Spare Regulators

Type	Maintenance	**Department**	Electric Fund
Useful Life	25 - 50 years	**Contact**	Fridinger
Category	Machinery and Equipment	**Priority**	Improve Service
Location:	Various locations		
Year Submitted:	2009		

Description

Purchase spare regulators for substations voltage regulators.

Justification

Replace/Refurbish/Repair substation voltage regulators as needed to maintain voltage levels within limits mandated by the Maryland Public Service Commission.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	15,000	15,000	15,000			45,000
Total	**15,000**	**15,000**	**15,000**			**45,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	15,000	15,000	15,000			45,000
Total	**15,000**	**15,000**	**15,000**			**45,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0802**

Project Name **Wildlife Protection**

Type	Improvement	**Department**	Electric Fund
Useful Life	25 years	**Contact**	Fridinger
Category	Machinery and Equipment	**Priority**	Improve Service
Location:	Various locations		
Year Submitted:	2009		

Description

Purchase and install wildlife protection on substation equipment.

Justification

Power outages caused by wildlife within the substations will be reduced and reliability will increase. There will also be a decrease in maintenance repair and/or replacement costs of damaged equipment caused by wildlife.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	5,000	5,000	5,000	5,000	5,000	25,000
Equip/Vehicles/Furnishings	10,000	10,000	10,000	10,000	10,000	50,000
Total	**15,000**	**15,000**	**15,000**	**15,000**	**15,000**	**75,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	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 '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0805**

Project Name **Library Expansion**

Type	Increase Capacity	**Department**	Electric Fund
Useful Life	50 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	South Potomac Street		
Year Submitted:	2010		

Description

To relocate existing facilities and to provide new underground electrical services to the Library. The developer will install all conduits.

Justification

Provide new electric service to customers within the service territory of the HLD. Overhead lines and equipment will also be relocated to meet NESC requirements or at the request of the developer.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	70,000					70,000
Equip/Vehicles/Furnishings	36,000					36,000
Total	**106,000**					**106,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	106,000					106,000
Total	**106,000**					**106,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **50-C0818**

Project Name **Noland Drive Boys & Girls Club**

Type	Increase Capacity	**Department**	Electric Fund
Useful Life	50 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Noland Village		
Year Submitted:	2011		

Description

Reconstruct overhead facilities offsite and install necessary underground equipment onsite to provide electric service. The developer will install all conduits.
Location in empty lot in Noland Village.

Justification

Provide electric service to new customers within the service territory of the HLD.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	36,000					36,000
Equip/Vehicles/Furnishings	16,000					16,000
Total	**52,000**					**52,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	52,000					52,000
Total	**52,000**					**52,000**

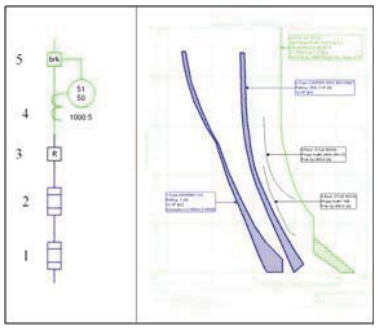
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 50-C0833

Project Name Feeder Coordination



Type	Improvement	**Department**	Electric Fund
Useful Life	10 years	**Contact**	Fridinger
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:			
Year Submitted:			

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	15,000	15,000	15,000	15,000	15,000	75,000
Equip/Vehicles/Furnishings	10,000	5,000	5,000	5,000	5,000	30,000
Total	**25,000**	**20,000**	**20,000**	**20,000**	**20,000**	**105,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Electric Fund	25,000	20,000	20,000	20,000	20,000	105,000
Total	**25,000**	**20,000**	**20,000**	**20,000**	**20,000**	**105,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 52-C0117

Project Name Water Vehicles

Type	Replacement	**Department**	Water Fund
Useful Life	10 years	**Contact**	Hausrath
Category	Automobiles and Trucks	**Priority**	Planned Improvement
Location:	Water Department		
Year Submitted:	Ongoing		

Description

FY13: Unit 207 ('02 Dump Trk) - $94,400, Unit 235 ('01 Mtr. Rd) - $23,000, Unit 224 ('93 Backhoe) - $71,000, Unit 239 ('98 SUV) - $26,000 Unit 214 ('03 Mtr. Rd.) - $23,000 Unit 241 ('99 SUV) - $24,600
FY14: Unit 205 ('03 Svc Van) - $63,900, Unit 210 ('00 Trk Plant) - $28,800, Unit 223 ('88 Backhoe) - $70,000, Unit 217 ('99 Crane Trk) - $30,400, Unit 213 (Mower) - $4,400, Unit 221 (Mower) - 4,400
FY15: Unit 234 ('04 Svc. Trk.) - $63,900, Unit 209 ('04 Svc Van) - $18,000, Unit 219 (Crane Trk) - $141,700, Unit 260 (Svc Trk) - $63,900
FY16: Unit 237 ('98 Backhoe) - $75,300, Unit 212 ('05 Trk PS) - $24,500, Unit 202 ('06 4x4 Trk) - $28,300, Unit 203 ('06 4x4 Trk) - $28,300, Unit 261 ('01 4x4 Trk) - $23,000, Unit 244 ('06 SUV) - $21,700

Justification

Replace Fleet Vehicles schedules for replacement under the Vehicle Replacement Program - No additional vehicles are being added to the Water Dept. Fleet.
FY17 estimate based on current fleet status.
Replace deteriorating mobile equipment to improve safety for workers and to customer service request time.

Budget Impact/Other

Maintenance costs will be reduced with the replacement of older fleet vehicles.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	262,000	201,900	287,500	201,100	260,300	1,212,800
Total	**262,000**	**201,900**	**287,500**	**201,100**	**260,300**	**1,212,800**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Water Fund	262,000	201,900	287,500	201,100	260,300	1,212,800
Total	**262,000**	**201,900**	**287,500**	**201,100**	**260,300**	**1,212,800**

Capital Improvement Program

FY '13 *thru* FY '17

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

Description

FY13 - Various Plant Improvements each year for equipment replacement to include pumps, motors, communication equipment, etc.

Note: This work is independent of the planned Phased Plant Improvement Projects

Justification

Improve service and increase system reliability.

Budget Impact/Other

Replace and/or upgrade deteriorating equipment. In some cases a cost savings may be realized when equipment is replaced or upgraded to near original conditions.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	200,000	210,000	220,500	231,525	243,101	1,105,126
Total	**200,000**	**210,000**	**220,500**	**231,525**	**243,101**	**1,105,126**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Water Fund)	170,000	172,500	183,000	194,025	205,601	925,126
Water Fund	30,000	37,500	37,500	37,500	37,500	180,000
Total	**200,000**	**210,000**	**220,500**	**231,525**	**243,101**	**1,105,126**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 52-C0167

Project Name Willson Transmission Mains

Type	Improvement	**Department**	Water Fund
Useful Life	75 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Willson Plant		
Year Submitted:	2006		

Description

FY 14 - FY16: Phase 2 - Begin Engineering Design to extend the 36" transmission mains from Bottom Road to the Creek (work will include a jack and bore under the creek)

FY17: Phase 3 - Begin engineering design to extend the 36" transmission Mains from the creek to Governors Lane.

Justification

To replace and/or upgrade deteriorated infrastructure - reliability.

This project has been identified and is consistent with recommendations in the City Comprehensive Plan. The old Cast Main was installed in the 1920's and the concrete main was installed in the 1950's. Distribution crews repair numerous pipe/joint failures each year.

Budget Impact/Other

Replace and/or upgrade deteriorating infrastructure - reliability.

Operational cost should decrease as a result of this project associated with time and materials to repair and road repair.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance			3,215,000	4,215,000		7,430,000
Engineering		500,000	600,000	400,000	750,000	2,250,000
Total		**500,000**	**3,815,000**	**4,615,000**	**750,000**	**9,680,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
MDE Loan			3,815,000	4,615,000	750,000	9,180,000
Water Fund		500,000				500,000
Total		**500,000**	**3,815,000**	**4,615,000**	**750,000**	**9,680,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 52-C0168

Project Name Edgemont Reservoir Improvements

Type	Improvement	**Department**	Water Fund
Useful Life	50 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Watershed - Smithsburg		
Year Submitted:	Ongoing		

Description

FY13: No planned improvements.
FY14: Begin design for improvements to the intake structure, complete design of improvements to the intake structure at the Edgemont Reservoir.
FY15: Begin construction of improvements to the Edgemont Reservoir intake.
FY16: Complete construction on intake improvements.
FY13-FY17: $150,000 each year for watershed land acquisition and improvements in the watershed.

Justification

Improve system and increase reliability - modification to the intake structure will allow water production to withdraw water from the reservoir from a higher elevation which will allow the Breichner Plant to be used during the summer months. In subsequent upgrades to the Breichner Plant - staff is working to make the plant operational to supply much of this service area.

Funding from Earnings on Investment on the Appalachian Trail will be used to help fund Watershed work.

Budget Impact/Other

Planned improvement to address regulatory requirements. Operational costs associated with Pump Station 6 may be reduced.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance			150,000	150,000		300,000
Other	150,000	150,000	150,000	150,000	150,000	750,000
Engineering		70,000	20,000	20,000		110,000
Total	**150,000**	**220,000**	**320,000**	**320,000**	**150,000**	**1,160,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
MDE Loan		70,000	170,000	170,000		410,000
Water Fund	150,000	150,000	150,000	150,000	150,000	750,000
Total	**150,000**	**220,000**	**320,000**	**320,000**	**150,000**	**1,160,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 52-C0323

Project Name Zone 3 Standpipe

Type	Improvement	**Department**	Water Fund
Useful Life	50 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Water Department		
Year Submitted:	2001		

Description

This project will result in the construction of a new water storage tank or an upgrade to Pump Station 3 (located on Orchard Drive). Project is required as a result of an agreement with Sierra Nevada Corporation (SNC). It is likely that PS3 will be upgraded (suction, discharge and all assorted equipment) to meet Zone 3 fire flow requirements because of tank elevation restrictions in FFA regulations.

Justification

To address system deficiencies in Zone 3; improvement required by Sierra Nevada (old ARDI) Agreement.

Cost share of $100,000 from ARDI.

Budget Impact/Other

Planned improvement to enhance reliability.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings					100,000	100,000
Total					**100,000**	**100,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
ARDI Fund Balance					100,000	100,000
Total					**100,000**	**100,000**

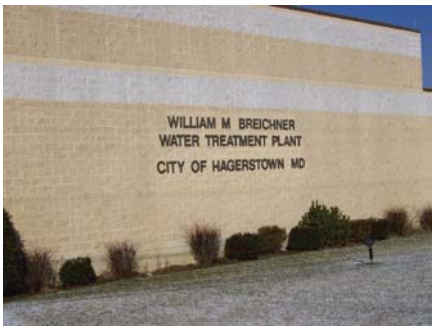
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **52-C0405**

Project Name **Breichner WTP Improvements**



Type	Improvement	**Department**	Water Fund
Useful Life	25 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Breichner Plant		
Year Submitted:	Ongoing		

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 include upgrading the electrical and SCADA equipment, internal piping and enhanced filtration sufficient to treat the raw water supply. Upgrade will likely cost $2,500,000 (engineering and construction). Upgrades will be phased in once the Willson Plant upgrades are complete.

Justification

Replace/upgrade aging equipment to achieve compliance with the Enhanced Long Term 2 Surface Water Treatment Rule requirements and to continue to ensure a back-up water supply.

Budget Impact/Other

Planned improvement to enhance reliability

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	50,000	52,500	55,125	57,881	60,775	276,281
Total	**50,000**	**52,500**	**55,125**	**57,881**	**60,775**	**276,281**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
MDE Loan	50,000	52,500	55,125	57,881	60,775	276,281
Total	**50,000**	**52,500**	**55,125**	**57,881**	**60,775**	**276,281**

Capital Improvement Program

FY '13 *thru* FY '17

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 Hausrath
Priority Planned Improvement

Description

FY13-17: 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 management agreements current.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Software	10,000	10,000	10,000	10,000	10,000	50,000
Total	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**50,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Water Fund	10,000	10,000	10,000	10,000	10,000	50,000
Total	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**50,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 52-C0651

Project Name Pump Station Improvements

Type	Improvement	**Department**	Water Fund
Useful Life	25 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Various locations		
Year Submitted:	Ongoing		

Description

FY13-FY17: $75,000 for replacement of critical equiopment at all stations (pumps, SCADA Upgrade, etc.)
FY13 - Upgrade Electrical Equipment at Pump Station 3 ($50,000)
FY13 - Purchase a portable generator for Pump Station 6. Generator will be on trailer and can be used at other locations in the water system (90,000)
FY14: Design of new suction and discharge mains at PS6 at Greendale ($150,000); Misc. pump replacements (developer driven)
FY14: Design for the relocation of PS2 ($100,000); Construction of new PS2 ($1,025,000) - Note PS2 is located on Northern Ave. (developer driven).

Justification

Replace/upgrade deteriorating infrastructure-reliability. PS2 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.

Note: upgrades to the pump stations will not likely change the overall operating costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	215,000	75,000	712,500	587,500	75,000	1,665,000
Engineering		150,000	125,000	125,000		400,000
Total	**215,000**	**225,000**	**837,500**	**712,500**	**75,000**	**2,065,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Water Fund)	140,000					140,000
Contribution by Others		150,000	762,500	637,500		1,550,000
Water Fund	75,000	75,000	75,000	75,000	75,000	375,000
Total	**215,000**	**225,000**	**837,500**	**712,500**	**75,000**	**2,065,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 52-C0653

Project Name Distribution Services - Meter Program

Type	Replacement	**Department**	Water Fund
Useful Life	25 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Cost Avoidance
Location:	Water Department		
Year Submitted:	2004		

Description

The distribution system has approximately 28,000 meters - useful life of a meter is 25 years. There are approximately 300 large meters which are tested annually. MDE policy requires we reduce our unaccounted for water to 10% or less - our lost water is about 20%. The meter program is the most cost effective way to reduce lost water through accurate metering devices. This work also ensures that all customers are paying their share of the cost to treat and deliver the water.

FY13: Replace 4500 residential meters ($875,000); Replace or install 10 large meters ($45,000); Allocated labor cost is $250,000.

Justification

Replace aging equipment to ensure water and sewer rates are an accurate reflection of the required revenue.
The Water Department has set a goal of having all existing residential meters replaced with new meters and radio read units by 2016. This upgrade to the meter system will increase accuracy and reduce customer service complaints associated with human error.

Budget Impact/Other

Unaccounted for water will be reduced and the appropriate fees will be collected from each customer served by water and/or wastewater.

When project is complete, department efficiencies will increase and should also expect revenues to increase due to better read accuracy.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	920,000	947,600	976,028	1,005,309	1,035,467	4,884,404
Allocated Labor	250,000	257,500	265,225	273,182	281,377	1,327,284
Total	**1,170,000**	**1,205,100**	**1,241,253**	**1,278,491**	**1,316,844**	**6,211,688**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Water Fund)	1,170,000	1,205,100	1,241,253	1,278,491	1,316,844	6,211,688
Total	**1,170,000**	**1,205,100**	**1,241,253**	**1,278,491**	**1,316,844**	**6,211,688**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 52-C0709

Project Name Distribution System Rehab - Main Replacement

Type	Replacement	**Department**	Water Fund
Useful Life	50 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Water Department		
Year Submitted:	Ongoing		

Description

FY13: Continue the leak detection program.
FY13: Continue to replace aging infrastructure throughout the Distribution System - will coordinate with City/County and State road projects.
FY13-FY17: Continue to replace aging infrastrucutre throughout the Distribution System.
FY13-FY17: $50,000 per year will be dedicated to the hydrant and valve program.

Justification

Replace deteriorating infrastructure, improve safety for workers, and improve customer service.

Main replacement will be based on age of mains, main failure and the removal of transite (asbestos concrete) pipe.

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	150,000	154,500	159,135	163,909	168,826	796,370
Allocated Labor	200,000	206,000	212,180	218,545	225,102	1,061,827
Total	**350,000**	**360,500**	**371,315**	**382,454**	**393,928**	**1,858,197**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Water Fund)	350,000	360,500	371,315	382,454	393,928	1,858,197
Total	**350,000**	**360,500**	**371,315**	**382,454**	**393,928**	**1,858,197**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 52-C0740

Project Name Willson Plant Improvements Phase IV

Type Improvement
Useful Life 50 years
Category Infrastructure-Utilities
Location: Willson Plant
Year Submitted: 2006

Department Water Fund
Contact Hausrath
Priority Planned Improvement

Description

FY13 - Complete design and bid project for constuction.
FY 13-14 - Construction of improvements.

Justification

To comply with Safe Drinking Water Act Standards - Upgrade will include modifications of the filter backwash water recycle and residual treatment/disposal. If funding allows, project will include improvements to the existing structure to upgrade the Operator Booth and construction of a Conference Room.

Budget Impact/Other

Replace and/ or upgrade deteriorating infrastructure - reliability.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	3,000,000	9,000,000				12,000,000
Engineering	1,500,000	600,000				2,100,000
Total	**4,500,000**	**9,600,000**				**14,100,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
MDE Loan	4,000,000	9,100,000				13,100,000
Water Fund	500,000	500,000				1,000,000
Total	**4,500,000**	**9,600,000**				**14,100,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 52-C0820

Project Name Water System SCADA Improvements

Type	Improvement	**Department**	Water Fund
Useful Life	15 years	**Contact**	Hausrath
Category	Infrastructure-Utilities	**Priority**	Cost Avoidance
Location:	Water Department		
Year Submitted:	Ongoing		

Description

FY13: Upgrade MP2 Software ($25,000). Replace RIO cabinet for the plant influent, effluent pumps, flow meteres, screening chamber, etc. ($90,000)
FY13: Begin Breichner Plant SCADA Upgrade ($300,000)
FY14: Replace RAC to 800 series (mainframe). - $800,000. Part of Phase IV Improvements & MDE Bond Issue.
FY14: Continue with Breichner SCADA Upgrade ($300,000)
FY15 - FY17: Other required SCADA upgrades.

Justification

Replace and/or upgrade aging equipment and facilities. SCADA upgrades will increase operational efficiency.

Budget Impact/Other

Upgrades will replace aging equipment. Operational costs associated with electric consumption will decrease.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	415,000	1,050,000	75,000	75,000	75,000	1,690,000
Engineering	40,000	10,000				50,000
Total	**455,000**	**1,060,000**	**75,000**	**75,000**	**75,000**	**1,740,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Water Fund)	415,000	250,000				665,000
MDE Loan		800,000				800,000
Water Fund	40,000	10,000	75,000	75,000	75,000	275,000
Total	**455,000**	**1,060,000**	**75,000**	**75,000**	**75,000**	**1,740,000**

Project # 54-C0004
Project Name Wastewater Vehicle Replacement

Type	Replacement	**Department**	Wastewater Fund
Useful Life	6 years	**Contact**	Barton
Category	Automobiles and Trucks	**Priority**	Planned Improvement
Location:	CS, WWTP, Admin.		
Year Submitted:	Ongoing		

Description

Replace Fleet vehicles scheduled for replacement under the Vehicle Replace Program.

No Vehicles were replaced in FY 10 or FY 12 to date. One Lab Vehicle was replaced in FY 11 at a cost of $15,597.

Vehicles for FY 13 - Replace 2000 GMC Pickup Truck - Unit 532 ($25,000), 1989 Vacuum Truck Unit 527 ($425,000), Dump Truck - Unit 595 (120,000) Unit 532 has over 143,000 miles - Unit 527 has over 30,622 operating hours and has cleaned over 4,000,000 feet of pipe and has 98,720 miles. Unit 595 is just in poor condition and replacement has been pushed back 3 years. No new additions to Fleet.

Justification

Replacement units - reduced maintenance costs anticipated

Budget Impact/Other

Newer vehicle require less maintenance.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	580,000	139,000	182,000	122,000	25,000	1,048,000
Total	**580,000**	**139,000**	**182,000**	**122,000**	**25,000**	**1,048,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F	580,000	139,000	182,000	122,000	25,000	1,048,000
Total	**580,000**	**139,000**	**182,000**	**122,000**	**25,000**	**1,048,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0267

Project Name Manhole Raising

Type	Improvement	**Department**	Wastewater Fund
Useful Life	40 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Public Safety
Location:	City-Wide		
Year Submitted:	Ongoing		

Description

Raise manholes to meet new street grade, replace three-inch thick lids with lighter more accessible lids.

Justification

Annual overlay projects.

Budget Impact/Other

Reduction of liability cost - road improvements.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	25,000	25,000	25,000	25,000	25,000	125,000
Total	**25,000**	**25,000**	**25,000**	**25,000**	**25,000**	**125,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Wastewater Fund	25,000	25,000	25,000	25,000	25,000	125,000
Total	**25,000**	**25,000**	**25,000**	**25,000**	**25,000**	**125,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0299

Project Name Pump Station Improvements

Type	Improvement	**Department**	Wastewater Fund
Useful Life	40 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Public Safety
Location:	System-wide		
Year Submitted:	Ongoing		

Description

Replacement and upgrades to Collection System Pump Stations; these stations convey wastewater to wastewater treatment plant from low lying areas.

FY15 - Pump Station #15 (Noland Village) may need new pumps or may be demolished if nearby gravity piping is completed ($300,000).

Justification

Reduce maintenance and increase safety and security of stations.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	45,000	45,000	345,000	45,000	45,000	525,000
Total	**45,000**	**45,000**	**345,000**	**45,000**	**45,000**	**525,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F			300,000			300,000
Wastewater Fund	45,000	45,000	45,000	45,000	45,000	225,000
Total	**45,000**	**45,000**	**345,000**	**45,000**	**45,000**	**525,000**

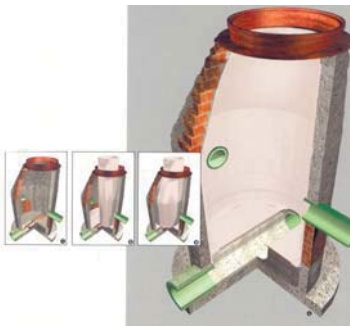
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0327

Project Name Collection System Rehabilitation



Type	Improvement	**Department**	Wastewater Fund
Useful Life	40 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Public Safety
Location:	City-Wide		
Year Submitted:	Ongoing		

Description

Collection system personnel to continue Point repairs through out the system (estimated at $400,000 / year).

FY 15 - Re-route PS#8 (HCC) Force main (FY15 - $1,200,000).

Justification

Reducing the inflow and infiltration will provide future re-capturing of allocation for the WWTP.

Consistent with Comprehensive Plan - identified need to address long-term wastewater issues with projected capacity deficits

Budget Impact/Other

Reduction of I/I will free up capacity for future growth (future revenues).

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	400,000	400,000	1,600,000	400,000	400,000	3,200,000
Total	**400,000**	**400,000**	**1,600,000**	**400,000**	**400,000**	**3,200,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F	200,000	200,000	700,000	200,000	200,000	1,500,000
Contribution by Others			700,000			700,000
Wastewater Fund	200,000	200,000	200,000	200,000	200,000	1,000,000
Total	**400,000**	**400,000**	**1,600,000**	**400,000**	**400,000**	**3,200,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0565

Project Name East End Pump Station

Type	Improvement	**Department**	Wastewater Fund
Useful Life	40 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	East End		
Year Submitted:	2001		

Description

Construction of a lift station on Hebb Road, west of the Dual Highway.

2,400' sewer main, 4,000' force main, jack and bore with sleeve 250' under Dual Highway.

Project would be completed by developer of Faison or Doub Project, if these projects were to proceed.

Justification

Pump Station #9 (Four Points), has reached capacity, new station needed to promote growth and development.

Budget Impact/Other

Possible increase in electric cost and pump station maintenance.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design			75,000			75,000
Construction/Maintenance			600,000			600,000
Total			**675,000**			**675,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Contribution by Others			675,000			675,000
Total			**675,000**			**675,000**

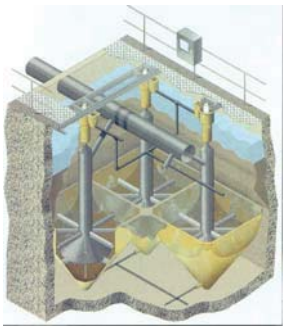
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0571

Project Name WWTP ENR Disinfection Improvements - Phase 3A



Type	Improvement	**Department**	Wastewater Fund
Useful Life	20 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Contract Obligation
Location:	Wastewater treatment plant		
Year Submitted:	2002		

Description

MDE has required all major WWTP to upgrade to limits of technology for controlling nutrients entering the Chesapeake Bay. Our plant will be constructing de-nitrification filters to comply with the standards.

The cost for the design and construction management is $1,312,000 and the construction contract is $9,520,000.

The Construction Project is approximately 99% complete as of 12/31/11.

Justification

Required as part of the Chesapeake Bay Restoration Act, reduces nutrients from entering the Chesapeake Bay.

Consistent with Comprehensive Plan recommendation to improve treatment techniques to address long-term wastewater issues.

Budget Impact/Other

May increase energy cost and chemical cost when the project is completed. MDE may offset some of the future operating costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	100,000					100,000
Total	**100,000**					**100,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grant-State MDE	100,000					100,000
Total	**100,000**					**100,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **54-C0584**

Project Name **Plant Equipment**

Type	Replacement	**Department**	Wastewater Fund
Useful Life	20 years	**Contact**	Barton
Category	Machinery and Equipment	**Priority**	Public Safety
Location:	Wastewater treatment plant		
Year Submitted:	Ongoing		

Description

Replace various aging equipment or add additional new equipment to maintain efficient operations and permit compliance.

The Universal Power Supply for PLC # 1 in the operators control, will not be supported starting in 2012, this should be upgraded in FY 13, estimated cost $25,000

Polymer system for Sludge thickening process needs to be upgraded.

Justification

Deteriorating equipment, requires replacement to maintain MDE compliance.

Budget Impact/Other

Should reduce Annual Maintenance and Repair of Equipment cost.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	125,000	100,000	100,000	100,000	100,000	525,000
Total	**125,000**	**100,000**	**100,000**	**100,000**	**100,000**	**525,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F	125,000	100,000	100,000	100,000	100,000	525,000
Total	**125,000**	**100,000**	**100,000**	**100,000**	**100,000**	**525,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **54-C0585**

Project Name **Buildings and Structures**

Type	Improvement	**Department**	Wastewater Fund
Useful Life	50 years	**Contact**	Barton
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	1 Clean Water Circle		
Year Submitted:	Ongoing		

Description

Wastewater Buildings - renovations, repairs and maintenance.

Continue upgrade to replace, non-operating windows. RFP to upgrading heating and cooling system in WW Administration Building. (FY14)

Demo of 4 side Equalization Building & Tank, we plan to use current staff for most of the work, but may need some contract help for demo

Other various building improvements may be required within the wastewater division.

Justification

Aging structure that requires repairs and improvements. The administration building was last upgraded in 1980, improvements and upgrades are needed.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	50,000	75,000	25,000	25,000	25,000	200,000
Total	**50,000**	**75,000**	**25,000**	**25,000**	**25,000**	**200,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Wastewater Fund	50,000	75,000	25,000	25,000	25,000	200,000
Total	**50,000**	**75,000**	**25,000**	**25,000**	**25,000**	**200,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0657

Project Name Oxygen System Improvements

Type	Replacement	**Department**	Wastewater Fund
Useful Life	20 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Public Safety
Location:	Wastewater treatment plant		
Year Submitted:	Ongoing		

Description

This project allows us to upgrade and maintain our oxygen process equipment and oxygen basins. This project will be completed in multiple phases over the next several years.

Equipment to be replaced will include Lower Explosive Limit (LEL) Analyzers and Oxygen Purity and Vent Analyzers.

Specialized Services

Justification

Improve reliability, efficiencies, and maintain MDE compliance.

Budget Impact/Other

Anticipated reduction in plant's maintenance cost associated with the oxygen process.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	100,000	100,000	100,000			300,000
Total	**100,000**	**100,000**	**100,000**			**300,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F	100,000	100,000	100,000			300,000
Total	**100,000**	**100,000**	**100,000**			**300,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0711

Project Name Solids Processing-Pelletizer and WWTP Improvements

Type	Improvement	**Department**	Wastewater Fund
Useful Life	20 years	**Contact**	Barton
Category	Machinery and Equipment	**Priority**	Contract Obligation
Location:	Wastewater treatment plant		
Year Submitted:	Ongoing		

Description

This project will upgrade equipment in the WWTP and the Sludge Pelletizing facility (Synagro). The pelletizing building and the equipment is owned by the City, but Synagro will complete upgrades for this facility. The wastewater operations staff will also be evaluating our sludge handling process.

FY14 & FY15 - Budgeted for Planning, Design and Construction of new sludge processing equipment for the wastewater treatment plant, current equipment was installed during the 1980 plant upgrade.

There is a possiblity that Synagro will upgrade the pelletizing facility in exchange for an extended contract. If this is agreeable we will look at the total sludge operation process for upgrades.

Justification

Improve reliability and maintain MDE compliance.

Budget Impact/Other

No impact to future operational budget.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design		100,000				100,000
Construction/Maintenance		400,000	200,000			600,000
Equip/Vehicles/Furnishings	50,000	50,000	50,000	50,000	50,000	250,000
Total	**50,000**	**550,000**	**250,000**	**50,000**	**50,000**	**950,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F		550,000	250,000	50,000	50,000	900,000
Wastewater Fund	50,000					50,000
Total	**50,000**	**550,000**	**250,000**	**50,000**	**50,000**	**950,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0713

Project Name Collection System Equipment

Type	Improvement	**Department**	Wastewater Fund
Useful Life	15 years	**Contact**	Barton
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Clean Water Circle		
Year Submitted:	Ongoing		

Description

Replaces various aging equipment or add additional new equipment to maintain efficient operations and permit compliance.

Justification

Improve reliability of existing equipment.

Budget Impact/Other

Could reduce annual maintenance cost.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	80,000	80,000	80,000	80,000	80,000	400,000
Total	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**400,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F	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 '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0745

Project Name Laboratory Equipment

Type	Replacement	**Department**	Wastewater Fund
Useful Life	15 years	**Contact**	Barton
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Wastewater treatment plant		
Year Submitted:	Ongoing		

Description

Replace various aging equipment or add additional new equipment to maintain efficient operations and permit compliance.

FY 13- Lachet Equipment replacement, this piece of equipment analysis Nitrogen & Phosphorous - replacement cost is estimated at $60,000.
FY 13- 35 Degree C Incubator for Bacteria Testing - replacement estimated at $10,000. There is also $15,000 for unexpected equipment breakdown.

Justification

Improve reliability of existing equipment.

Budget Impact/Other

No impact to future operating budgets.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	85,000	20,000	20,000	20,000	20,000	165,000
Total	**85,000**	**20,000**	**20,000**	**20,000**	**20,000**	**165,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F	70,000					70,000
Wastewater Fund	15,000	20,000	20,000	20,000	20,000	95,000
Total	**85,000**	**20,000**	**20,000**	**20,000**	**20,000**	**165,000**

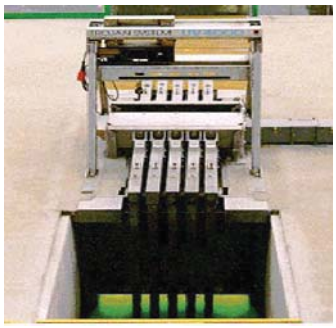
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0748

Project Name WWTP Disinfection Improvements - Phase 3B



Type	Improvement	**Department**	Wastewater Fund
Useful Life	20 years	**Contact**	Barton
Category	Machinery and Equipment	**Priority**	Contract Obligation
Location:	Clean Water Circle		
Year Submitted:	2007		

Description

Replace an aging ozone disinfection system (1980) with modern technology (ultra-violet light). Disinfection improves water quality in the receiving stream.

Construction is approximately 99% complete as of 12/31/2011.
Substantial is scheduled for December 2011.

The construction project is being funded with MDE low-interest loan funds.

Justification

Required per the Consent Judgment entered into with MDE.

Budget Impact/Other

Project will provide safer method for future disinfection process.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	50,000					50,000
Total	**50,000**					**50,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
MDE Loan - SRLF	50,000					50,000
Total	**50,000**					**50,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0767

Project Name Grinder Pump Replacement Program

Type	Replacement	**Department**	Wastewater Fund
Useful Life	10 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Various locations		
Year Submitted:	2007		

Description

The City is responsible for approximately 260 Grinder Pumps that have been installed in four locations (Brightwood East, Fairway East, Fairway Meadows & Woodlands North). Grinder pumps are used in situations where wastewater service lines leaving a home or business are lower than the public wastewater main. The Grinder Pump is used to pump the wastewater into the public wastewater main.

This program will replace 20 grinder pumps including the discharge assemblies per year (Annual Program).

This program will be entering its fifth year in the budget process.

Justification

Replace deteriorating equipment.

Budget Impact/Other

Reduction of annual maintenance cost is anticipated.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	70,000	70,000	70,000	70,000	70,000	350,000
Labor (CS)	10,000	10,000	10,000	10,000	10,000	50,000
Total	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**400,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F	70,000	70,000	70,000	70,000	70,000	350,000
Wastewater Fund	10,000	10,000	10,000	10,000	10,000	50,000
Total	**80,000**	**80,000**	**80,000**	**80,000**	**80,000**	**400,000**

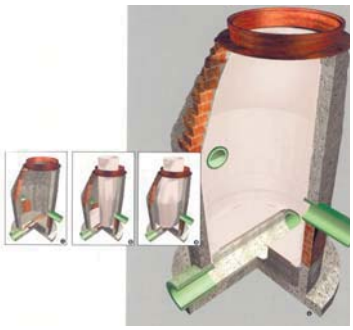
Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **54-C0800**

Project Name **Citywide - CS Rehabilitation**



Type	Improvement	**Department**	Wastewater Fund
Useful Life	40 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Public Safety
Location:	City-Wide		
Year Submitted:	2008		

Description

Correct infiltration & inflow into the wastewater collection system by replacement or re-lining defective piping.

The project will be paid for with $1,422,560 in ARRA Funding. $800,000 in Bay Restoration Grant Funding and has been approved for an additional $827,440 MDE Low Interest Loan (0% interest)

The project will repair segments that were identified in the 2007 Sanitary Sewer Evaluation Study (SSES)

Black & Veatch will be completing the engineering design work associated with the project ($108,000). M&C approved the engineering design contract on 11/25/2008.

Justification

Reducing the inflow & infiltration will provide future re-capturing of allocation for the WWTP.

Consistent with Comprehensive Plan - identified need to address long-term wastewater issues with projected capacity deficits.

It is possible this project could be comlpleted before FY 13 begins. We don't expect any new funds, but should carry remaining funding forward.

Budget Impact/Other

Reduction of I/I will free up capacity for future growth (future revenues)

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	300,000					300,000
Total	**300,000**					**300,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
MDE Loan - SRLF	300,000					300,000
Total	**300,000**					**300,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0832

Project Name Eliminate Pump Station #12

Type	Improvement	**Department**	Wastewater Fund
Useful Life	40 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Planned Improvement
Location:	Western MD Parkway		
Year Submitted:	2011		

Description

Eliminate Pump Station #12. A 12" gravity main will be installed to allow the station to be eliminated.

Staff spend about 130 man hours per year maintaining this station. This includes cleaning the wet well and other general maintenance - approximately $8,000 annually for labor and equipment. This station's annual average cost is $2,900 for electricity, $200 for chlorine, $400 for fuel, packing, and oil.

Justification

Eliminate annual operating cost and eliminate the need to replace the pumps and pump controls. Rebuilding the station estimated cost would be $136,000.

Budget Impact/Other

Eliminate the cost of operating a pump station, eliminate potential for a pump station overflow.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	120,000					120,000
Total	**120,000**					**120,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Wastewater F	120,000					120,000
Total	**120,000**					**120,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0834

Project Name Trunk Lines and Laterals

Type	Improvement	**Department**	Wastewater Fund
Useful Life	40 years	**Contact**	Barton
Category	Infrastructure-Utilities	**Priority**	Contract Obligation
Location:	Various locations		
Year Submitted:	Ongoing		

Description

Purchase or transfer of infrastructure.

These purchases are often necessary to connect the City and County Systems.

Justification

Provide efficient use of wastewater infrastructure throughout system.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Land Acquisition	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 '13	FY '14	FY '15	FY '16	FY '17	Total
Wastewater 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 '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 54-C0835

Project Name Narrow Band Radios

Type	Improvement	**Department**	Wastewater Fund
Useful Life	15 years	**Contact**	Barton
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	Clean Water Circle		
Year Submitted:	2012		

Description

The Federal Communications Commission (FCC) has required two-way radios to operate with a narrow band frequency by January 1, 2013. This will require replacing the Wastewater existing radios. Failure to operate in the new banding parameters could result in fines from the FCC.

Wastewater will be reducing the number of radios used within the Division. Currently, we have 19 mobilie units which we will reduce to 3 (Supervisors only): 1 base unit, 1 desk top unit, 3 portable units will be needed.

Justification

Required due to new FCC regulations.

Budget Impact/Other

Remain in compliance with FCC regulations.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	15,000					15,000
Total	**15,000**					**15,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Wastewater Fund	15,000					15,000
Total	**15,000**					**15,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 56-C0173

Project Name Parking Facilities - City Center Area

Type	Improvement	**Department**	Parking Fund
Useful Life	50 years	**Contact**	Deike
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	To be determined		
Year Submitted:	2011		

Description

Currently, there is a parking study being conducted by Rich & Associates with results expected to be completed by end of FY12. Depending on the outcome of the feasibility study, a new parking deck would be partially financed by bonds to be repaid by City Parking users and contributions from others.

If the parking facility is needed, the possible funding sources for this could include City, County, State, and private contributions. An ultimate funding plan has not been developed until the study is completed.

FY 14-FY15: Construction of a new 450-space deck, if deemed necessary by the City Center parking study.

Justification

Provide additional needed parking to support redevelopment of the city center area including: residential development on the upper floors of city center buildings, potential of a stadium/multi-use facility, and other downtown revitalization projects. The addition of another parking deck facility could lessen the need for surface parking lots.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Planning/Design		100,000				100,000
Land Acquisition		400,000				400,000
Construction/Maintenance			8,900,000			8,900,000
Total		**500,000**	**8,900,000**			**9,400,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Parking Fund)		250,000	4,450,000			4,700,000
Contribution by Others		250,000	4,450,000			4,700,000
Total		**500,000**	**8,900,000**			**9,400,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 56-C0749

Project Name North Potomac Street Parking Facilities

Type	Maintenance	**Department**	Parking Fund
Useful Life	10 - 20 years	**Contact**	Deike
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	North Potomac Street		
Year Submitted:	2007		

Description

FY13: Structural rehab and caulking of the deck ($100,000) to extend its life.
FY14: Upper deck LED lights in FY14.
FY15-17: Continuing Refurbishment of the 26 year old facility to keep it in good condition.

Justification

Structural repairs and caulking of decks

Budget Impact/Other

New LED lights will reduce energy costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	100,000	30,000	30,000	30,000	30,000	220,000
Total	**100,000**	**30,000**	**30,000**	**30,000**	**30,000**	**220,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Bond Financing (Parking Fund)	100,000					100,000
Parking Fund		30,000	30,000	30,000	30,000	120,000
Total	**100,000**	**30,000**	**30,000**	**30,000**	**30,000**	**220,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # **56-C0829**

Project Name **Parking Fund Vehicles**

Type Replacement
Useful Life 10 years
Category Automobiles and Trucks
Location: North Potomac Street
Year Submitted: Ongoing

Department Parking Fund
Contact Deike
Priority Planned Improvement

Description

Per Vehicle and Equipment schedule

FY13: Chevy truck #033 ($25,000) has been deferred for 2 years.
FY15: GMC truck #036 ($20,000)
FY16: GEO Tracker #037 ($20,000)
FY17: Sweeper #050 ($25,000)

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 '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	25,000		20,000	20,000	25,000	90,000
Total	**25,000**		**20,000**	**20,000**	**25,000**	**90,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Parking Fund	25,000		20,000	20,000	25,000	90,000
Total	**25,000**		**20,000**	**20,000**	**25,000**	**90,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 57-C0395

Project Name Golf Course - Vehicles/Equipment

Type	Improvement	**Department**	Golf Fund
Useful Life	5 years	**Contact**	Mason
Category	Automobiles and Trucks	**Priority**	Cost Avoidance
Location:	Greens at Hamilton Run		
Year Submitted:	2008		

Description

See vehicle and equipment replacement schedule.

FY13: Replace Ford 150 truck #330 ($25,000). This vehicle was deferred in the FY12 budget cycle.
FY14: Replace Jacobsen LF3400 Fairway Mower #351 ($40,000), Ligthweight Reel Mower #326 ($25,000)
FY15: Replace 1995 Kubota Tractor #353 ($20,000), 2004 Cushman Sprayer #389 ($30,000)
FY16: Replace Turf truckster #373A ($20,000)

Justification

Replace deteriorated equipment. Maintain reliable and efficient equipment necessary to operate and maintain golf course.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Equip/Vehicles/Furnishings	25,000	65,000	50,000	20,000		160,000
Total	**25,000**	**65,000**	**50,000**	**20,000**		**160,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Golf Fund	25,000	65,000	50,000	20,000		160,000
Total	**25,000**	**65,000**	**50,000**	**20,000**		**160,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 57-C0825

Project Name Golf Cart Storage

Type	Improvement	**Department**	Golf Fund
Useful Life	25 years	**Contact**	Mason
Category	Buildings and Structures	**Priority**	Improve Service
Location:	Greens at Hamilton Run		
Year Submitted:	2011		

Description

Covered building for golf cart storage, security, and rechanging of electric batteries.

Contingent upon receiving State POS funding.

Justification

To shelter and protect the golf carts from inclement weather .

Budget Impact/Other

Very minimal.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		22,000				22,000
Total		**22,000**				**22,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Golf Fund		2,200				2,200
Grants-State Program Open S		19,800				19,800
Total		**22,000**				**22,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 58-C0755

Project Name Alms House Repairs

Type Maintenance
Useful Life 5 - 10 years
Category Buildings and Structures
Location: 239 N. Locust Street
Year Submitted: 2009

Department Property Management Fund
Contact Deike
Priority Planned Improvement

Description

Stabilize building and ensure it complies with the City's exterior code compliance regulations. Seek certifiied historic structure status for the building and explore redevelopment opportunities for the property.

Justification

To bring building up to current property codes with regard to the exterior. Additional funding will be required approximately every 5 years to at least paint the exterior woodwork while long term redevelopment opportunities are explored.

Budget Impact/Other

Building will quickly deteriorate without preventative maintenance. Future costs will rise dramatically as repairs are delayed. General maintenance will consist of trash collection, weed control, mowing grass and shoveling sidewalks.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance		5,000			5,000	10,000
Total		**5,000**			**5,000**	**10,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Property Management Fund		5,000			5,000	10,000
Total		**5,000**			**5,000**	**10,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 58-C0803

Project Name Elizabeth Hager Center

Type	Replacement	**Department**	Property Management Fund
Useful Life	15 - 25 years	**Contact**	Deike
Category	Machinery and Equipment	**Priority**	Planned Improvement
Location:	10-14 N. Potomac St.		
Year Submitted:	2010		

Description

2012 - 2016: Painting, various leasehold improvements and continued replacement of HVAC units

Justification

HVAC units have reached the end of their life cycle (15-20 years) and will be systematically replaced. Building was renovated over 15 years ago and continued maintenance is required.

Budget Impact/Other

New HVAC should be more efficient possibly saving on heating/cooling costs.

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	30,000	20,000	20,000	20,000	20,000	110,000
Total	**30,000**	**20,000**	**20,000**	**20,000**	**20,000**	**110,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Property Management Fund	30,000	20,000	20,000	20,000	20,000	110,000
Total	**30,000**	**20,000**	**20,000**	**20,000**	**20,000**	**110,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 58-C0828

Project Name Hagerstown Small Business Center

Type	Improvement	**Department**	Property Management Fund
Useful Life	25 - 50 years	**Contact**	Lestitian
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	60 W Washington Street		
Year Submitted:	2011		

Description

The creation of the Hagerstown Small Business Center includes renovations and improvements to the building located at 60 W Washington Street. The south portion of the building has a newly renovated retail space which was completed in July 2011. Future renovations will create space for a small business incubator in the center of the structure and space for an anchor tenant in the north portion of the structure.

Justification

As part of the City of Hagerstown's commitment to enhance economic development in the City Center, the building was acquired in April 2011 in order to create a small business incubator. The small business incubator will aide in the creation of small businesses and allow small businesses to grow and expand.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	150,000					150,000
Total	**150,000**					**150,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-Federal	50,000					50,000
Grants-State Community Lega	50,000					50,000
Transfers to Prop Mgmt-CDBG	50,000					50,000
Total	**150,000**					**150,000**

Capital Improvement Program

FY '13 *thru* FY '17

City of Hagerstown, Maryland

Project # 58-C0836

Project Name 36-40 North Potomac Street

Type	Improvement	**Department**	Property Management Fund
Useful Life	25 - 50 years	**Contact**	Lestitian
Category	Buildings and Structures	**Priority**	Planned Improvement
Location:	36-40 N Potomac St		
Year Submitted:	2012		

Description

The creation of the Artists Lofts & Gallery includes renovations and improvements to the building located at 36-40 N Potomac Street. The mixed use building has two commercial units on the first floor and four residential units on the upper floors. Only one commercial space is occupied. The remaining commercial space and the 4 residential units are vacant. Façade renovations are scheduled in early 2012. A complete renovation to the upper floors and vacant commercial space is also planned in calendar year 2012.

Justification

In keeping with the goals of the City of Hagerstown's Comprehensive Plan, the building located at 36-40 N Potomac Street was acquired in September 2011 in order to create artist housing in the A&E District. The building will be renovated to create live/work spaces for artists with access to a cooperative gallery on the first floor.

Budget Impact/Other

Expenditures	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Construction/Maintenance	375,000					375,000
Total	**375,000**					**375,000**

Funding Sources	FY '13	FY '14	FY '15	FY '16	FY '17	Total
Grants-State	25,000					25,000
Grants-State Community Lega	80,000					80,000
Transfers to Prop Mgmt-CDBG	270,000					270,000
Total	**375,000**					**375,000**

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE
FIVE YEAR PLAN - FISCAL YEARS 2013/17

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2013 (BUDGET) COST	FY 2014 (YEAR 1) COST	FY 2015 (YEAR 2) COST	FY 2016 (YEAR 3) COST	FY 2017 (YEAR 4) COST
ENGINEERING DEPARTMENT								
702	5814	2006	CHEVY COLORADO P/U				16,000	
705	5609	2000	GMC SONOMA P/U			16,000		
707	5865	2007	FORD FOCUS					17,000
710	5542	1998	GMC SAFARI VAN	22,000				
ENGINEERING DEPARTMENT TOTAL				**22,000**	**-**	**16,000**	**16,000**	**17,000**
COMMUNITY & ECONOMIC DEVELOPMENT								
401			CHEVY TRUCK					18,000
711	5674	2003	CHEVY S10		18,000			
712	5779	2005	JEEP LIBERTY					25,000
717	5699	2003	CHEVY CAVALIER	18,000				
718	5815	2006	CHEVY TRUCK				18,000	
716	5698	2003	CHEVY CAVALIER					
750	5822	2006	CHEVY TRUCK				18,000	
752	5786	2005	CHEVY COLORADO		18,000			
755	5751	2004	CHEVY COLORADO		18,000			
850			JEEP LIBERTY				25,000	
COMMUNITY & ECONOMIC DEVELOPMENT TOTAL				**18,000**	**54,000**	**-**	**61,000**	**43,000**
POLICE DEPARTMENT								
929	5888	2004	CHEVROLET IMPALA	5,000				
944	5752	2004	FORD CROWN VICTORIA INTERCEPTOR	36,000				
954	5528	1997	CHEVY LUMINA	5,000				
963	5667	2003	FORD CROWN VICTORIA INTERCEPTOR	36,000				
978	5622	2000	FORD CROWN VICTORIA INTERCEPTOR	36,000				
982	5623	2000	FORD CROWN VICTORIA INTERCEPTOR	36,000				
988	5668	2003	FORD CROWN VICTORIA INTERCEPTOR	36,000				
999	5723	2001	FORD CROWN VICTORIA INTERCEPTOR	36,000				
933	5838	2006	FORD CROWN VICTORIA INTERCEPTOR		36,000			
934	5839	2006	FORD CROWN VICTORIA INTERCEPTOR		36,000			
935	5840	2006	FORD CROWN VICTORIA INTERCEPTOR		36,000			
936	5841	2006	FORD CROWN VICTORIA INTERCEPTOR		36,000			
938	5794	2006	CAR MATE TRAILER		36,000			
964	5860	2000	FORD FOCUS		5,000			
970	5837	2000	CHRYSLER CIRRUS		5,000			
972	5753	2004	FORD CROWN VICTORIA INTERCEPTOR		36,000			
			ELECTRIC VEHICLE		15,000			
900	5631	1990	TOYOTA FORERUNNER			5,000		
930	5878	2007	DODGE CHARGER			36,000		
939	5812	2006	FORD CROWN VICTORIA INTERCEPTOR			36,000		
940	5811	2006	FORD CROWN VICTORIA INTERCEPTOR			36,000		
941	5805	2006	FORD CROWN VICTORIA INTERCEPTOR			36,000		
942	5843	2006	FORD CROWN VICTORIA INTERCEPTOR			36,000		
953	5783	2005	FORD EXPEDITION			36,000		
973	5626	2001	CHEVY LUMINA			5,000		
931	5879	2007	DODGE CHARGER				36,000	
932	5880	2007	DODGE CHARGER				36,000	
946	5881	2007	DODGE CHARGER				36,000	
948	5514	1997	GMC JIMMY				5,000	
955	5541	1998	JEEP CHEROKEE				5,000	
958	5919	2009	FORD CROWN VICTORIA INTERCEPTOR				36,000	
975	5882	2007	DODGE CHARGER				36,000	
981	5883	2007	DODGE CHARGER				36,000	
924	5944	2009	DODGE CHARGER					36,000
925	5943	2009	DODGE CHARGER					36,000
926	5942	2009	DODGE CHARGER					36,000
927	5941	2009	DODGE CHARGER					36,000
937	5940	2009	DODGE CHARGER					36,000
961	5921	2009	FORD CROWN VICTORIA INTERCEPTOR					36,000
976	5959	2004	SATURN VUE					5,000
979	5776	1999	HONDA ACCORD					5,000
POLICE DEPARTMENT TOTAL				**226,000**	**241,000**	**226,000**	**226,000**	**226,000**

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE
FIVE YEAR PLAN - FISCAL YEARS 2013/17

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2013 (BUDGET) COST	FY 2014 (YEAR 1) COST	FY 2015 (YEAR 2) COST	FY 2016 (YEAR 3) COST	FY 2017 (YEAR 4) COST
FIRE DEPARTMENT								
ENG1	5435	1994	KME RENEGADE LFD	450,000				
CAR3	5740	2004	CHEVY TAHOE	46,000				
TRK1		1998	AI 105' LADDER		900,000			
TRK4		1998	AI 105' LADDER			950,000		
CAR4	5768	2005	CHEVY BLAZER				35,000	
FIRE DEPARTMENT TOTAL				**496,000**	**900,000**	**950,000**	**35,000**	**-**
PARKS DEPARTMENT								
300	5819	2006	CHEVY 3/4 TON 4WD P/U					30,000
301	5755	2004	FORD F150 PICKUP				30,000	
303	5716	2003	FORD F550 4WD DUMP TRUCK			60,000		
308	5662	2002	FORD F550 4WD DUMP TRUCK		55,000			
309	5638	2001	GMC 1500 2WD PICKUP		25,000			
312	5756	2004	FORD F150 PICKUP				30,000	
316	5743	2004	JD 4X2 GATOR	8,000				
317	5744	2004	JD 4X2 GATOR		8,000			
322	5797	2005	GRAVELY PM320 MOWER		12,000			
350	5306	1990	JD 2355 TRACTOR			65,000		
371	5484	1996	FORD F150 PICKUP	25,000				
378	5884	2007	JD TX GATOR				10,000	
PARKS DEPARTMENT TOTAL				**33,000**	**100,000**	**125,000**	**70,000**	**30,000**
PUBLIC WORKS DEPARTMENT								
003	5688	2003	CHEVY BLAZER					25,000
005	5213	1981	FORD TRACTOR					25,000
006	5854	2006	BOBCAT A300		15,000			
017	5717	2003	FORD 4X4 DUMP					60,000
019	5498	1996	GMC 1-TON DUMP TRUCK	55,000				
020	5606	1999	CHEVY C8500 DUMP TRUCK			100,000		
023	5451	1995	GMC 7000 DUMP TRUCK	100,000				
024	5452	1995	GMC 7000 DUMP TRUCK		100,000			
025	5647	2001	FORD F550 4WD DUMP TRUCK		60,000			
026	5780	2005	STERLING ACTERA DUMP					110,000
030	5610	2000	GMC 1/2 T 4WD	25,000				
034	5713	2004	CHEVY CREW CAB P/U					25,000
045	5537	1998	GMC 1/2 TON P/U		25,000			
046	5713	2004	CHEVY CREW CAB P/U					24,000
063	5969	2011	Z930A JD MOWER				11,000	
079	5444	2000	TRAILER OWEN CLASSIC			4,000		
083	5111	1987	IR AIR COMPRESSOR				12,000	
084	5433	1993	WACKER ROLLER				12,000	
085	5523	1997	WACKER TAMPER			3,000		
089	5618	2000	TRAILER, SHUR TRAIL			4,000		
094	5578	1999	GMC SIERRA PICKUP			40,000		
601	5629	2000	F550 BUCKET TRUCK				75,000	
PUBLIC WORKS DEPARTMENT TOTAL				**180,000**	**200,000**	**151,000**	**110,000**	**269,000**
GENERAL FUND TOTAL				***975,000***	***1,495,000***	***1,468,000***	***518,000***	***585,000***
ELECTRIC FUND								
107	5520	1997	GMC SIERRA P/U			35,000		
109	5684	2003	CHEVY CAVALIER				36,000	
110	5672	2002	CHEVY CAVALIER				36,000	
111	5573	1999	GMC SONOMA				36,000	
112	5574	1999	GMC SONOMA				36,000	
113	5575	1999	GMC SONOMA				36,000	
121	5582	1999	GMC WITH ALTEC BUCKET		180,000			
103	5681	2003	CHEVROLET CAVALIER					
104	5682	2003	CHEVROLET CAVALIER					
109	5684	2003	CHEVROLET CAVALIER					
110	5672	2002	CHEVROLET CAVALIER					
117	5307	1990	JOHN DEERE 410C			80,000		
120	5441	1994	GMC/TEXOMA DIG/DERR					200,000
126	5871	2007	CHEVY 3/4 TON 4WD PICK-UP	10,000				
129	5569	1998	GMC WITH STAKE BODY	15,000				
138	5516	1997	PRO-CHIP WOOD CHIPPER	15,000				
ELECTRIC FUND TOTAL				**40,000**	**180,000**	**115,000**	**180,000**	**200,000**

VEHICLE & EQUIPMENT REPLACEMENT SCHEDULE
FIVE YEAR PLAN - FISCAL YEARS 2013/17

UNIT	VEHICLE	YEAR	DESCRIPTION	FY 2013 (BUDGET) COST	FY 2014 (YEAR 1) COST	FY 2015 (YEAR 2) COST	FY 2016 (YEAR 3) COST	FY 2017 (YEAR 4) COST
WATER FUND								
P03	5874	2007	CHEVY COLORADO P/U					20,600
202	5828	2006	CHEVY 2500 4WD P/U				28,300	
203	5825	2006	CHEVY 2500 P/U				28,300	
205	5712	2003	FORD F550		63,900			
206	5627	2000	FORD F450					
207	5661	2002	INTERNATIONAL DUMP	94,400				
208	5792	2005	FORD F550					65,000
209	5761	2004	CHEVY 3/4 TON VAN			18,000		
210	5614	2000	CHEVY 2500 4WD P/U		28,800			
212	5785	2005	CHEVY 2500 4WD P/U				24,500	
213	5962	2010	ARIENS ZOOM XL 54 MOWER		4,400			
214	5691	2003	CHEVY S10 P/U	23,000				
215	5820	2006	STERLING ACTERA DUMP					83,000
216	5628	2000	FORD F450					
217	5581	1999	CHEVY 2500 P/U		30,400			
219	5449	1994	VOLVO CRANE TRUCK			141,700		
221	5963	2010	ARIENS ZOOM XL 54 MOWER		4,400			
223	5853	2006	JD 310SG BACKHOE		70,000			
224	5407	1993	JCB BACKHOE	71,000				
225	5754	2004	JEEP LIBERTY					21,300
226	5902	2008	CHEVY COLORADO					21,600
227	5705	2003	CHEVY 2500 4WD P/U					25,000
230	5640	2001	GMC JIMMY					
234	5750	2004	FORD F550			63,900		
237	5540	1998	JD 310E BACKHOE				75,300	
235	5643	2001	GMC S15	23,000				
239	5635	2001	FORD ESCAPE	26,000				
241	5576	1999	GMC JIMMY	24,600				
244	5818	2006	JEEP LIBERTY				21,700	
254	5760	2004	FORD F250 P/U					23,800
260	5474	1995	CHEVY 3500 UTILITY			63,900		
261	5642	2001	GMC SONOMA				23,000	
WATER FUND TOTAL				**262,000**	**201,900**	**287,500**	**201,100**	**260,300**
WASTEWATER FUND								
501	5546	1998	JEEP CHEROKEE			30,000		
512	5616	2000	GMC TOPKICK DUMP TRUCK			130,000		
520	5248	1988	CASE TRACTOR 245/255			22,000		
527	5539	1998	FORD W86 225 FLUSHER	425,000				
530	5378	1987	GARDNER DENVER AIR COMPRESSOR		17,000			
532	5611	2000	GMC SONOMA PICKUP TRUCK		30,000			
533	5657	2002	FORD RANGER P/U	25,000				
534	5660	2002	FORD ESCAPE				30,000	
535	5657	2002	FORD RANGER P/U					25,000
592	5633	2001	JD 310SG BACKHOE				92,000	
594	5570	1999	JOHN DEERE BACKHOE LOADER 310SE		92,000			
595	5562	1998	CHEVY C8500 DUMP	130,000				
WASTEWATER FUND TOTAL				**580,000**	**139,000**	**182,000**	**122,000**	**25,000**
PARKING FUND								
033	5395	1992	CHEVY 3/4T 4WD P/U	25,000				
036	5613	2000	GMC SONOMA P/U			20,000		
037	5789	1994	GEO TRACKER				20,000	
050	5619	2000	MADVAC SWEEPER					25,000
PARKING FUND TOTAL				**25,000**	**-**	**20,000**	**20,000**	**25,000**
GOLF COURSE								
326	5859	2007	JACOBSEN III TRIPLEX REEL MOWER		25,000			
330	5485	1996	FORD F-150 P/U	25,000				
351	5801	2005	LIGHTWEIGHT MOWER		40,000			
353	5465	1995	KUBOTA L4200GST			20,000		
373A	5478	1996	CUSHMAN TURF TRUCKSTER				20,000	
389	5774	2004	CUSHMAN SPRAYER			30,000		
GOLF FUND TOTAL				**25,000**	**65,000**	**50,000**	**20,000**	**-**
GRAND TOTAL				***1,907,000***	***2,080,900***	***2,122,500***	***1,061,100***	***1,095,300***

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GLOSSARY AND FISCAL POLICIES
SECTION 10

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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.

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.

BALANCED BUDGET – A budget that has operating revenues equal to operating expenditures.

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

BOND – a written promise to pay a specified amount of money, called the principal amount, at specific dates in the future called maturity dates along with interest at specific rate.

BOND ANTICIPATION NOTES – Short-term interest-bearing notes issued by a government in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond to which they are related.

BONDS ISSUED – Bonds sold.

BOND RATING – A rating that indicates the probability of timely repayment of principal and interest on bonds issued.

BUDGET – a financial plan containing estimated revenues and expenses for an organization. The plans are prepared by the individual departments and reviewed and submitted by the City Administrator to the Mayor and Council for their review and approval.

BUDGET YEAR – The fiscal year for which the budget is being considered. (See also FISCAL YEAR.)

BUSINESS REVOLVING LOAN FUND - This fund is designed to assist in the recruitment, retention and expansion of businesses within the City of Hagerstown, Maryland.

CAPITAL BUDGET – The annual adoption of project appropriations by the Mayor and Council. Project appropriations are for the amount necessary to carry out a capital project's expenditure plan, including multi-year contracts for which a total appropriation covering several years planned expenditures may be required.

CAPITAL IMPROVEMENTS PROGRAM (CIP) – the annual updated 6-year plan or schedule of projected expenditures for buildings, public facilities, and other improvements which are of significant value and have a useful life of several years. The City's program includes estimated project costs, sources of funding, and timing of work for each project. The capital improvement program is the basis for the annual CIP appropriations and any new bond issues.

CAPITAL EXPENSES (OUTLAYS) – departmental expenditures which generally result in the acquisition of furniture, equipment, and/or computers, which have a value of less than $5,000 ($10,000 for

Enterprise Funds), and have a useful economic life of more than one year. Capital expenses are reflected in the budget document in each department requesting the items.

CAPITAL PROJECTS – a specific activity or element of the Capital Improvements Program involving expenditures and funding for the creation of permanent facilities or other public assets that have a relatively long useful life.

CDBG – See Community Development Block Grant

CIP – See Capital Improvements Program

COMMUNITY DEVELOPMENT BLOCK GRANT(CDBG) – a general purpose, federal grant primarily used to promote rehabilitation and development of residential and commercial neighborhoods, and to meet all urgent community development needs.

CURRENT YEAR – The fiscal year that is prior to the budget year.

DEBT ISSUANCE – The sale or issuance of any type of debt instrument, such as bonds.

DEBT LIMIT – The statutory or constitutional maximum debt that an issuer can legally incur.

DEBT RATIOS – The ratios that provide measures of assessing debt load and ability to repay debt, which play a part in the determination of credit ratings. They also are used to evaluate the City's debt position over time against its own standards and policies.

DEBT SERVICE – the payment of principal and interest on borrowed funds such as bonds.

DEFICIT – The amount by which a government's budget outlays exceed its budget revenues for a given period, usually a fiscal year.

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

DEPARTMENT – the major organizational divisions in the City government with overall responsibility for one or 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 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 six enterprise funds: Electric, Water, Wastewater, Parking, Golf Course, and Property Management.

ESTIMATED ACTUAL (REVENUE, EXPENDITURES) – projected amounts to be paid or collected for the current year, estimate through analysis of year-to-date financial trends or schedules.

EXCISE TAX FUND – This fund 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.

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 – indicated the authorized number of full-time number of employees in 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.

GRANTS – a transfer of county, state or federal monies to the City, usually for specific programs or activities.

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.

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 HIF. It allocates to costs by billing a pre-established internal insurance rate for each fund's employees, retirees and dependents. This charge represents the funding sources for the HCF from which all health care related administrative and medical reimbursements costs are paid.

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 ACCURAL 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 EXPENDITRUES – Operating expenditures which are not charged directly to specific departments but are cost to the City as a whole, such as debt service payments and general liability insurance.

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 ELEMENTS - the major functional areas in which each department directs its resources, such as Personal Computer Support in the Information Technology department or Insurance Administration in the Purchasing department. The program elements are a component of the Program Summary.

PROGRAM FUNCTION – a component of the Program Description that describes the primary responsibly 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 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.

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 to name just a few.

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 from an enterprise funds. In addition to a pledge of revenues, such bonds sometimes contain mortgages on enterprise fund property.

RFP – Request for Proposals, Federal mandate to request proposals from potential contractors for outsourced government services.

SHORT-TERM DEBT – debt or obligations of the City due within one year or less.

SPECIAL ASSESSMENT – A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

SPECIAL REVENUE GRANT FUND – This fund was created to account for operating grant revenues from various agencies – federal, state, and local.

STATE & COUNTY SHARED TAXES – taxes levied by one government but shared on a predetermined basis with another government.

STORMWATER MANAGEMENT FUND - This fund is used to account for the activities resulting from storm water 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.

TELEWORK CENTER FUND - This fund is used to account for activities related to the City's participation in the federal government's telecommunications work center pilot program. These activities are primarily funded by federal grants.

UNDESIGNATED FUND BALANCE – Funds remaining from the prior year, which are available for appropriation and expenditure in the current year.

UNRESERVED FUND BALANCE – That portion of a fund balance for which no binding commitments have been made.

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.)

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 $1000 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

1. This policy establishes guidelines for the investing of the financial assets of all Funds for the City, except as specifically excluded by the Mayor and Council or restrictive covenants.
2. 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.
3. Although the City Administrator must approve each City investment, the Director of Finance is the primary investment officer, with the City Treasurer having authority in his absence, to develop and maintain written administrative procedures consistent with the Investment Policy.
4. 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.
5. Internal controls are established by the City Administrator to prevent loss of funds due to human and market miscalculations.
6. The investment of funds is limited in its term of maturity, and all monies are considered short-term except for those in trust funds or reserved for capital projects. The Policy designates allowable types of investment instruments with restrictions placed on liquidity and amounts in any one institution. The investment dispersion by geographical area is set at a 10% minimum in Washington County and the balance nationwide.
7. Based on their financial condition, a list of institutions qualifying for investment purposes is maintained. Competitive bids are obtained to select investments with the highest return within the parameters of the Policy.
8. An Investment Policy Committee, consisting of the City Administrator, Director of Finance and City Treasurer has been established to develop general direction and guidance for the City's investment activities.
9. The detailed investment policies, which have been approved by the Mayor and Council, are available from the City Administrator.

DEBT POLICY

1. The City will limit its long-term borrowing to Capital Improvements or projects that cannot be financed on a "pay-as-you-go" basis within a reasonable period of time from current revenues.
2. The City will not use long-term debt to fund current operating costs.
3. Capital Projects financed through the issuance of bonds shall not be financed for longer than the expected useful life of the project.
4. 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.
5. The City will make its best effort to keep the average maturity of general obligation bonds at or below 20 years.
6. Total debt service for general long-term debt will not exceed 10% of total operating revenues.
7. Enterprise or Utility fund related debt service will be self liquidating or supported by the revenues of the utility itself. Given the City's historical low level of general long-term debt outstanding, general obligation debt has been used by the utility funds to lower their interest borrowing costs.
8. Total general obligation debt will not exceed 10% of the assessed valuation of taxable property or $1,000 per capita.
9. 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.
10. 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.

CAPITAL IMPROVEMENTS 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 Improvements 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 require 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.

WATER AND ELECTRIC FUND DIVIDEND POLICY

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 of the water utility to the City's General Fund and of the electric utility to the Community Betterment Special Revenue Fund.
2. This transfer payment cannot be considered a normal cost of utility operations recoverable through the utility 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 developed to ensure that the payment of dividends by the Water or Electric Fund does not jeopardize the financial health of the utility. Profits from the utility's operation need to help pay for system debt retirement and capital improvements as well as provide a working capital reserve for unexpected items.
   - On an annual basis in November or December, after the prior fiscal year end audited financial statements are presented, an updated six year financial projection analysis of the Water or Electric Fund will be done. The analysis will include all expected sources and uses of funds for the current year as well as a five year future projection.
   - 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.
   - Adequate funds must be provided for debt interest and principal repayments and any debt coverage requirements.
   - 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 the Water and Electric Fund.
   - Mayor and Council act on staff recommendation and declare dividend if appropriate and in compliance with this policy.
4. These needs must be anticipated and adequately provided for in the Water and Electric Fund in determining what level of dividend can be sustained from year to year without depleting necessary Water and Electric Fund reserves or service delivery capabilities.

COMMUNITY BETTERMENT SPECIAL REVENUE FUND USE POLICY

1. The Community Betterment Fund is designed to be used for special one-time projects or contributions to be used for the betterment of the City of Hagerstown. The Fund will be used for non-recurring expenditures and should not be used for regular operating expenses. Use of the funds must be consistent with the City's financial policies, accounting standards, and the eligible uses outlined below.
2. Source of funds will be the Electric Fund dividend transfer payments, host fees from First Urban Fiber, when those payments start and other sources of funds such as grants and contributions as the Mayor and Council may direct.
3. Uses of the fund will include non-recurring expenditures for city neighborhoods, downtown redevelopment, economic development projects, special one-time projects. Public art, park improvements or beautification are a few of the one-time special projects. Contributions to non-profit agencies for special one-time projects supportive of the City's goals may be 15% of the annual budgeted amount with no one agency receiving more than 25% of the amount set aside for non-profit agencies. Other uses of the fund may also include other similar one-time Community Betterment projects deemed appropriate by the Mayor and Council.

The City will budget use of the funds for eligible purposes in the year after they are received and available. City will not budget or commit to spend dollars until they are received. A portion of the expected available funds should be held in a contingency fund for use for special opportunities or other needs that may develop during the fiscal year. Due to the nature of this fund and its dependence on the ability of the Electric Fund to generate dividend payments it is not currently active and is not presented in the current year budget document.

WORKERS COMPENSATION RISK MANAGEMENT REPLENSIHMENT POLICY

In the event that accumulated expenses (claims, premiums, claims administration, or other costs) or losses were to result in a significant shortfall or depletion of a given fund's equity in the Workers Compensation Risk Management Fund, reimbursement to the fund would be made on the following basis:

1. Assuming a shortfall of less than $50,000, the reimbursement will be immediate.
2. Assuming a shortfall between $50,000 and $250,000, then the reimbursement will be at a minimum rate of $50,000 per year over no more than five years.
3. If the shortfall exceeds $250,000, the reimbursement should be financed to reimburse the Workers Compensation Risk Management Fund immediately. The repayment term on the financing will not exceed fifteen years.

GENERAL FUND BALANCE/RETAINED EARNINGS POLICY

1. The City will maintain a minimum undesignated fund balance (to be used for unanticipated emergencies) of ten (10) percent of the General Operating Budget (excluding Capital Outlay). These funds will be used to avoid cash flow interruptions, generate interest income, reduce the need for short-term borrowing and assist in maintaining an investment grade bond rating.
2. If the fund balance should fall below the above minimum balance, the City will budget one (1) percent of the general fund revenue estimated for that fiscal year to get back to ten (10) percent within five (5) years.
3. The City will strive to maintain sufficient retained earnings in the utility funds to provide for their working capital needs, minor continuing system improvements, and general system improvements

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 $1,500.00
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

GRANT MANAGEMENT POLICY (continued)

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.